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Senate

The Senate met at 9 a.m. and was called to order by the Honorable DEAN M. BARKLEY, a Senator from the State of Minnesota.

PRAYER

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

Gracious God, You have called the men and women of this Senate to glorify You by being servant-leaders. The calling is shared by the officers of the Senate, the Senators' staffs, and all who enable the work done in this Chamber. Keep us focused on the liberating truth that we are here to serve You by serving our Nation. Our sole purpose is to accept Your absolute lordship over our lives and give ourselves totally to the work of this day.

Give us the enthusiasm that comes from knowing the high calling of serving in government. Grant us the holy esteem of knowing that You seek to accomplish Your plans for America through the legislation of this Senate. Free us from secondary, self-serving goals. Help us to humble ourselves and ask how we may serve today. We know that happiness comes not from having things or getting recognition but from serving in the great cause of implementing Your righteousness, justice, and mercy for every person and in every circumstance in this Nation. We take delight in the ultimate paradox of life: the more we give ourselves away, the more we can receive of Your love. In our Lord's name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable DEAN M. BARKLEY led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

NOTICE

If the 107th Congress, 2d Session, adjourns sine die on or before November 22, 2002, a final issue of the Congressional Record for the 107th Congress, 2d Session, will be published on Monday, December 16, 2002, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT-60 or S-123 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m. through Friday, December 13. The final issue will be dated Monday, December 16, 2002, and will be delivered on Tuesday, December 17, 2002.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event that occurred after the sine die date.

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By order of the Joint Committee on Printing.

MARK DAYTON, *Chairman*.

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



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S11357

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, November 19, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEAN M. BARKLEY, a Senator from the State of Minnesota, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

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

RECOGNITION OF THE ACTING MAJORITY LEADER

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

ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that there be 2 minutes for debate, equally divided and controlled in the usual form, following the first vote in the sequence of votes already ordered for today's session.

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

Mr. REID. Mr. President, I ask that the 90 minutes begin running and that the time be charged equally.

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

Mr. REID. I thank the Chair.

RESERVATION OF LEADER TIME

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

SCHEDULE

Mr. REID. Mr. President, we hope to complete action on the homeland security bill today. Also, as soon as we finish that, hopefully, we will do the Dennis Shedd nomination, and then the terrorism insurance conference report. We can complete all that today and, of course, also, we have the must-do legislation, the continuing resolution that we have to complete today. So we have a lot of work to do today.

I also note that I have been informed that the minority will allow no extensions of time during the 90 minutes already ordered.

HOMELAND SECURITY ACT OF 2002—Resumed

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 5005) to establish the Department of Homeland Security, and for other purposes.

Pending:

Thompson (for Gramm) Amendment No. 4901, in the nature of a substitute.

Daschle (for Lieberman) Amendment No. 4911 (to Amendment No. 4901), to provide that certain provisions of the Act shall not take effect.

Daschle (for Lieberman) Amendment No. 4953 (to Amendment No. 4911), of a perfecting nature.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 10:30 a.m. shall be divided, with 30 minutes under the control of the two leaders or their designees, and 30 minutes under the control of the Senator from West Virginia, Mr. BYRD.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, how much time do I have under the order?

The ACTING PRESIDENT pro tempore. The Senator has 28 minutes.

Mr. BYRD. I thought I had 30 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Nevada asked that the time in the beginning be charged to both sides.

Mr. BYRD. OK. That is fair enough.

Mr. President, many Senators feel that they are under great pressure from the administration to pass this bill that is before us—a bill that contains 484 pages. Here it is. This is the 484-page bill that was passed by the House of Representatives—a new bill, passed by the House quickly, without adequate debate, dumped into the laps of Senators, and we contributed to our own problem by invoking cloture on the amendment last Friday. We are coming around the final lap of our 30-hour journey now. We have been unable to call up any amendments, other than the pending amendment by Mr. DASCHLE and Mr. LIEBERMAN.

As I say, many of our colleagues feel they are under great pressure from the administration to support this bill, and the White House is attempting to say that by adopting the amendment offered by Mr. DASCHLE on behalf of Mr. LIEBERMAN—the White House would have us believe and the Republican-controlled House would have Members believe that if this amendment by Mr. DASCHLE is adopted, this would mean the death of the bill. Well, I would hope that were true because I think this is a terrible bill. It has some good provisions in it, but it is a bad bill. So personally, I would hope that were true. But it is not true.

The House has a duty to return. The House has dumped this bill into the laps of the Senate and then walked away, gone home for Thanksgiving, gone home for Christmas, gone home for the year—if it can get by with it. But the House has a duty to come back and finish its work. So I hope Senators will not be moved, will not be pressured into believing that the adoption of this amendment will kill the bill. That is untrue.

Congress has not adjourned sine die yet. So we all have a duty to stay here and do our work.

I think we are going to get a pay raise very soon—perhaps early next

year—and so we can stay around and do our work. It is our duty to the people. We ought to try to improve this bill, and the amendment by Mr. DASCHLE will do that.

Do those who believe that the President—whatever party he is, Democrat or Republican—do those who believe that he is king under our Constitution—apparently some Senators here vote as though they think the President is king, although they know better than that. But still they believe they have to follow the President's direction.

The President did not bring any of us here. The President did not elect any of the Members of this body. This is an independent body. This is an independent branch of Government. This is a separate branch of Government. No President elects any Member of this body. The President is just the Chief Executive of the land. I say "just." It is a tremendous office, of course, with great power, but he is no king. And we are not sent here by our people to let the President or the White House or any party control us or dictate to us.

As a reminder of what a true Senator should be, I call attention to that ancient Roman Emperor whose name was Vespasia. He was Emperor of the Roman Empire from the years 69 to 79 A.D. A great Senator, one of the truly great Senators, was Helvidius Priscus.

For some reason, this Senator and the Emperor Vespasia got at cross-purposes, and the Emperor stopped Helvidius Priscus one day outside the Roman Senate and told him not to come in. "You can forbid me to be a Senator," said Helvidius Priscus, "but as long as I am a Senator, I must come in."

"Come in then and be silent," said the Emperor Vespasia.

"Question me not, and I will be silent," responded the Senator.

"But I am bound to question you," said the Emperor Vespasia.

"And I am bound to say what seems right to me," responded the Senator.

"But if you say it, I will kill you," the Emperor warned.

"When did I tell you that I was immortal? You will do your part, and I will do mine," responded the Senator. "It is yours to kill and mine to die without quailing."

So both did their parts. Helvidius Priscus spoke his mind. The Emperor Vespasia killed him.

In this effeminate age, it is instructive to read of courage. There are Members of the Senate and House who are terrified, apparently, if the President of the United States tells them, urges them to vote a certain way, which may be against their belief.

So in this day of few men with great courage—relatively few—let us take a leaf out of Roman history and remember Helvidius Priscus.

The Senate has rolled over with regard to the homeland security bill. The administration has sold a bill of goods to the American people that there is an

urgency for the Senate to pass this bill before another terrorist attack. There is no such urgency. The real danger is not when the reorganization will take effect but whether the reorganization will distract our homeland security agencies from their primary mission of protecting the homeland.

The Senate shares in the complicity in pushing this sense of urgency on the American people. The people who will be protecting the public, those who will be protecting us, Members of the House and Senate, once this reorganization is completed a year from now—a year from the date of passage of this legislation—are the same people who are out there on the northern border right now, right today. They were there last night. The same people are already on the southern border. They are already at the ports of entry. They are guarding the Atlantic coast. They are guarding the Pacific coast. They are guarding the gulf coast. They are the same people then who are out on those posts of duty now. So whether or not we pass this bill does not mean a great deal insofar as the safety of the American people is concerned.

The Appropriations Committee of the Senate and the Senate itself have provided funds for the protection of this country, billions of dollars, which have been turned down by the President of the United States. He has rejected these funds. He did so earlier this year when Congress passed an appropriations bill, making \$5.1 billion available for use, with only the flourish of a pen necessary on the part of the President.

These were designated as emergency funds by the Congress, but the President refused to likewise designate these items as emergency funds. So those funds have gone begging. Do not let anybody tell you we have to pass this bill in order to have the security of this country tomorrow or next week or the next month. The moneys have been there to provide homeland security for the American people. Those funds have been passed by this Congress months ago. This President—this President who is urging the Congress to act quickly on this bill—has not acted quickly on those funds. As a matter of fact, he has turned the back of his hand to those funds.

The Senate shares complicity in pushing this sense of urgency on the American people. Senators have pushed it so often and so hard that they now believe it. Last Friday, the Senate invoked cloture on the bill that is before the Senate, a bill that it had hardly read.

Most Senators, I believe, had not read that bill at that time. I had not been able to read the whole bill at that time.

This cloture limits the ability of the Senate to debate and offer amendments. We had 30 hours. What happened? One amendment is offered. Mr. DASCHLE offered one amendment on behalf of Mr. LIEBERMAN. That was it. The whole 30 hours have been spent on

that one amendment. Our Republican friends deemed it so, to have one amendment. You are going to spend the whole 30 hours on it. That is the only amendment you are going to have.

So Senators can now read it and weep. They voted to invoke cloture on themselves and they denied themselves the possible opportunity to offer other amendments. Senators no longer cared what bill passed as long as they voted for something that would create a new Homeland Security Department. In the process of trying to build a Homeland Security Department, this Senate has come dangerously close to building a massive chamber of secrets. This past weekend, Homeland Security Director Tom Ridge appeared on several of the Sunday morning talk shows to assuage concerns that the administration is planning to create a new domestic spy agency in the United States. When asked about his trip to London to study the British model domestic spy agency, Governor Ridge said his trip was very revealing, but that the administration was not likely to create such a domestic spy agency in the United States.

I must give Homeland Security Director Tom Ridge an A+ for invoking the Constitution. He mentioned the Constitution more than once. I compliment him on that. That is the first administration official that I have heard say anything about the Constitution in all of these debates with respect to the war on Iraq, the Iraq resolution, and with respect to homeland security. I am sure something could have been said that escaped my attention. I cannot hear every administration official. But for once the U.S. Constitution was mentioned—more than once—by Mr. Ridge. I almost stood in my family room and applauded him for doing so.

A number of Senators appeared on the Sunday morning talk shows and assured the show's viewers that, if such a domestic agency were created, the Congress would exercise appropriate oversight to ensure that abuses of power did not occur within it.

I remember hearing these same kinds of comments with regard to the creation of a new Homeland Security Department. "A new Department won't solve anything," said the White House spokesman. That was not too long ago. The White House spokesman said a new Department would not solve anything. Then to everyone's surprise, the President suddenly made the creation of a new Homeland Security Department his top priority.

The President sought broad authority in the plan he presented to the Congress. He wanted the authority to reorganize and run this new Department with limited congressional interference. He wanted to hide decision-making within the new Department from the American public and the press. He wanted what he called "managerial flexibility" to waive statutory protections, for example, for Federal employees within the new De-

partment. He wanted to free himself from as much congressional oversight as possible.

Members of Congress said they would exercise appropriate oversight to ensure this new bureaucracy could be reigned in, but what has the Senate actually done? What can it point out in all of these months and weeks of consideration? This homeland security bill authorizes this new Department to cloak its actions in secrecy. The President's plan, for example, for reorganization of this Department, has not been sent to the Congress. The President probably doesn't even know himself yet what he plans. He has several months in which to do that. Even then, the plan will not require congressional approval. The Congress will be informed by the President what the plan is under this bill. That is it. Just inform us, Mr. President. Let us know what you will do. No approval is required of Congress. So we are going to be a pig in a poke here. We are going to approve the President's plan in advance. Even before he knows what is in his plan, before he sends it to the Congress, we are going to approve it when this bill before the Senate is passed.

It provides broad new authorities to the President without any real mechanism to ensure that those powers are not abused. I sought to offer an amendment earlier when Mr. LIEBERMAN brought his bill from his committee when he and Mr. THOMPSON had worked in the committee to bring out a bill and did bring out a bill. I sought to amend it so as to keep Congress in the loop with respect to the President's organizational plan. I sought to have Congress continue to stay in the mix. But that amendment was rejected. It would have been well to have had such an amendment because it would have provided for an orderly process in the filling in of the Department by the various agencies. I understand there are about 28 agencies and offices that will go into the Department. Even Mr. LIEBERMAN, the author of that, one of the authors of the bill, and he is here in the Chamber, even he voted against my amendment.

Today I think that amendment would help. If that amendment had been adopted, I think it would have assured the American people that their elected Representatives in Congress were going to stay in the mix, and it was not going to relegate itself to the sideline. But that is water over the dam.

This legislation allows the President to rewrite the civil service code for Federal workers within the new Departments so that most new rules go into effect without any congressional approval. Congress has rolled over on almost every issue that would have provided the Congress with some oversight mechanism and the public with some transparency.

So here we are, on this day, we are going to vote in all likelihood on final passage, and the Congress has done precious little to make sure that appropriate safeguards are included in the

legislation to protect the privacy rights and civil liberties of the American public. What is more, we have endangered the constitutional doctrines of the separation of powers and checks and balances between the President and the Congress.

What do we hear from supporters of the bill? The American people should trust the President, they should trust their elected leaders to ensure the mass of new bureaucracy will not intrude upon their private lives. How can Senators make such arguments? The administration has told us it is not planning to create a new domestic spy agency in the United States. Yet within this bill, this language would fund the total information or authorize funding of this total information awareness program that is being developed by the Pentagon, apparently for one purpose: to peer into the daily transactions and private lives of every American.

I urge Senators to vote for this amendment. I hope they will vote for it, and I hope they will not be cajoled by disingenuous arguments that a vote for the amendment is a vote against the homeland security bill. I don't buy that argument. If we amend this bill, it is beyond our control in the Senate, but it is the Senate's last chance to show the American people that we are serious about placing some controls over this massive new bureaucracy.

I hope the Senate will support the amendment, and I urge its adoption.

How much time remains?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. BYRD. I thank the Chair. I reserve my 5 minutes.

The PRESIDING OFFICER. The Senator from Connecticut

Mr. LIEBERMAN. May I inquire how much time the majority leader or his designee has?

The PRESIDING OFFICER. Twenty-eight minutes.

Mr. LIEBERMAN. I ask the Chair notify me when I have consumed 15 minutes so I can preserve the rest for the majority leader.

The PRESIDING OFFICER. The Chair will do so.

Mr. LIEBERMAN. Mr. President, I rise to voice my support for the motion to strike which Senator DASCHLE and I and others have introduced.

I do so, as my colleagues know, believing deeply in the urgent need for a Department of Homeland Security and believing deeply that the vast majority of the underlying bill rises to the difficult and critical challenge of organizing and equipping our Government to protect the American people from terrorism. Of course, there are parts of the bill that I wish had been somewhat different, but in the nature of the legislative process one never achieves everything one wants, and that goes particularly to the long-debated sections on the rights of Federal workers whom we will now ask to carry out the work of the Homeland Security Department.

But on balance, the core of this bill is not only urgently necessary, it is good. The core of the bill is smart, and the core of the bill is vital. But I must register my strong opposition to a number of provisions in the bill that now appears before us that have been inserted at the last moment and that threaten to do serious damage to this otherwise urgently necessary piece of legislation. I fear that some of our colleagues have seized upon the likely passage of this bill as an opportunity to load it up with unwise, inappropriate, and hastily considered provisions, many of which protect special interests. That is a shame, and it is an embarrassment.

A common cause as urgent and weighty as homeland security post September 11, 2001, should not be tainted by a bevy of last-minute favors, surprises, and slapdash attempts to address controversial problems, some of which are totally unrelated to homeland security. That should not be the way business is done in the Congress of the United States, especially not with so profound an underlying responsibility as protecting the American people from terrorism.

Let me dispense with two myths that have reared their heads on the floor of the Senate during this debate on the motion to strike. First, some opponents of the amendment have suggested that to alter the underlying bill in any way would be to kill homeland security legislation in this 107th session of Congress. That is just not right. The House passed a new homeland security bill, numbered H.R. 5710, which means they will have to return to act on the version of the bill sent to them by the Senate whether or not we make any changes. So we are certainly not killing this bill for this session. We are simply trying to clean it up.

Second, some of my colleagues are saying that a vote for this motion to strike is a vote against the President. That, unfortunately, reminds me of what became a familiar refrain in some States during the recently concluded elections, in which some seemed to suggest that any opposition to anything the President wanted was unpatriotic. Here is where I borrow from Senator BYRD in saying that the President is the President, not the king. And to question the President's judgment on one or another matter should not be described as a lack of patriotism. It is through free discussion and exchange of ideas that our Nation grows and that we have always believed we would achieve the truth. Was it Voltaire who said: I disagree with everything you said but will fight to the death to protect your right to say it? So, too, here.

I believe deeply that the seven extraneous provisions our amendment targets have hurt this bill, and that is why we are striking them. Six would be struck, and a seventh would be amended. None of these provisions goes to the heart of the Department that I believe so urgently should be created. I cer-

tainly would not want to do that, since Senator SPECTER and I and so many others of both parties have spent, now, more than a year in trying to achieve the creation of such a Department.

Let me speak about a few of the seven serious shortcomings in this current version of the homeland security legislation that our amendment would strike. First, the one that has received the most attention, is the one that attacks the childhood vaccine liability. This bill includes a surprise provision, one that was not in any version of homeland security legislation, and we have gone through, by my count, at least six versions: The original bill I cosponsored with Senator SPECTER in October 2001; the Governmental Affairs Committee reported-out bill in May; the President's proposal in June; the revised Governmental Affairs bill in July; the original House bill; and the original Gramm-Miller substitute. None of these contains this legislation which would dramatically alter the way certain vaccine preservatives are treated for liability purposes under the law.

As my colleagues have said, the bill would take complaints about vaccine additives out of the courts and require them to be made through what is called the Federal Vaccine Injury Compensation Program, which handles other vaccine-related claims. Incidentally, these provisions of the bill are retroactive, which would mean that a host of existing lawsuits would be interrupted, probably terminated, including claims involving the mercury-based preservative Thimerosal, which some have charged is related to autism in children.

This is just plain unfair. In the past, I have supported various tort reform or liability protections for companies—certainly the ones that design and manufacture lifesaving products. In 1998, for instance, Senator MCCAIN and I sponsored, and the Senate passed, the Biomaterials Access Assurance Act. In this Congress, I introduced a bill that would offer a comprehensive package of incentives to biotech and pharmaceutical companies that develop vaccines, antidotes, and other countermeasures for biological and chemical weapons, a package that included liability protections. But this amendment would strike a provision in this bill that goes well beyond that and ought to be pulled out of the underlying bill.

The fact is that committees of the House and Senate have been struggling to reach a consensus on this question of the childhood vaccines and liability for some period of time now. They have been trying to craft a broad and balanced bill on childhood vaccines. This provision in this bill, which we would strike, would pull the rug right out from under the committee deliberations, offering a quick but unfair answer that is sure to do more harm than good.

I received late last night—and we are going to try to distribute it to our colleagues this morning—a Dear Colleague letter from our friend and colleague in the other body, DAN BURTON, chairman of the House Committee on Government Reform, really crying out to us to strike from the underlying bill this provision on childhood vaccines. Congressman BURTON, to whom I have spoken, believes passionately that this is a terrible mistake and very unfair. I am far from expert on this question and cannot vouch for all that Congressman BURTON asserts, but his passion cries out from this letter and I wish to cite several excerpts to illustrate the depth and complexity of this debate. For instance, Congressman BURTON says:

During the past 24 hours, a number of incorrect statements have been made about the vaccine provisions in the Homeland Security Act. The facts are simple. These provisions severely restrict the legal rights of parents who believe their children have suffered neurological damage due to vaccines. The scientific debate remains unresolved. These provisions do not belong in the Homeland Security Act. I hope the following points will help separate fact from fiction.

Again, from DAN BURTON:

In 2001, the respected Institute of Medicine concluded that a connection between thimerosal and autism, while unproven, is “biologically plausible.” The IOM called for further research, stating, “the evidence is inadequate to accept or reject a causal relationship between exposure to thimerosal from vaccines and neurological developmental disorders of autism, ADHD, and speech and language delays.”

Another fiction, according to Congressman BURTON, is that the sections that we intend to strike with our motion from this underlying bill do not eliminate the rights of vaccine-injured individuals to sue manufacturers of vaccines and their components. Congressman BURTON says proponents of these provisions have stated that once individuals have gone through the Vaccine Injury Compensation Program, they can still choose to file a civil lawsuit. And Congressman Burton feels very strongly that is wrong. As he says as a fact, “for many families who believe their children were injured by mercury-based Thimerosal, these provisions do eliminate their right to file suits. The Vaccine Injury Compensation Program has a narrow 3-year statute of limitations. Because many families were unaware of the program, they were unable to file a petition on time. Sections 1714-1717, which we would strike, take away their only remaining legal recourse.”

I would add that I have received today a statement of opinion from the staff of the Senate Finance Committee which points out another problem. It states, “the Joint Committee on Taxation has advised the Committee on Finance that absent changes to the Internal Revenue Code, these changes would not be effective to change the approved disbursement purposes from the Fund.”

In other words, by keeping this childhood vaccine provision in this home-

land security legislation, we would not only remove the families’ rights to sue, we would force them to go to the compensation fund. But barring additional changes in the law, they couldn’t receive any funds from that fund.

This is not only wrong but shows how quickly and hastily and incompletely this provision was put together.

Congressman BURTON’s words speak loudly to us of how critical it is to strike this provision from the law.

Some of our colleagues have tried to make the case that the provisions are necessary to maintain a plentiful vaccine supply in case of a bioterror attack, including a smallpox attack. Wrong. This has nothing to do with those bioterrorism provisions of the law, including one that provides liability protections for the makers of smallpox vaccines.

Our motion to strike doesn’t touch those provisions. It only goes to the childhood vaccine rights of families of children who are suffering from autism.

I also want to strongly refute the suggestion about this part of our motion to strike by the senior Senator from Texas that we will suddenly have to throw away all of our smallpox vaccine doses if we strike this narrow provision. With all respect, that bears no relationship to the amendment. The Vaccine Injury Compensation Program doesn’t cover claims against smallpox vaccine or any other vaccine used in the fight against terrorism—bioterrorism in this case. Moreover, Thimerosal has not been used at all since 1999, and the NIH confirms that none of the stores of smallpox vaccine nationwide contain it.

Excuse the pun on a serious matter, but this provision is an additive, and it is a harmful additive that ought to be removed from the bill by this motion to strike.

We in the Senate owe the parents, the children, and frankly, the companies on all sides of this issue a serious solution—not some last-minute patchwork change in the law which deprives people of their rights.

Second, another extremely problematic provision our amendment and motion to strike would remove is the one involving companies that shift their headquarters offshore to avoid paying American taxes and then turn around and seek to do business with the Federal Government.

The ACTING PRESIDENT pro tempore. The Senator has used 15 minutes.

Mr. LIEBERMAN. Mr. President, I ask you to let me know when I have consumed an additional 3 minutes, and then I will yield the floor.

Mr. President, this is the amendment to our committee bill that was offered by our esteemed colleague, our dear friend, the late Senator Paul Wellstone, and accepted by the Senate, which would have barred companies that set up offshore tax havens from getting Federal homeland security contracts with the Secretary of the De-

partment retaining the singular important right to waive the prohibition for national security reasons. Now the underlying bill, at the last minute, would essentially nullify Senator Wellstone’s provision by expanding the list of criteria the Secretary can use in granting a waiver beyond national security reasons to include a host of other provisions that gut the Wellstone proposal.

It is just wrong that companies that are going out of the way to circumvent the tax laws of the United States should be allowed to do business and basically to get the money that the taxpayers who pay their taxes have put into the Treasury of the United States, unless there is a national security reason that would be so. Our amendment would strike that provision as well.

Our amendment would also move to strike from the bill a measure that would require the Transportation Security Oversight Board to ratify within 90 days emergency security regulations issued by the Transportation Security Agency. If the oversight board does not ratify the regulations, under this bill, they would automatically lapse. Despite the TSA having decided that they are necessary, 90 days later, lacking the Board’s approval, they’d disappear.

This doesn’t make any sense. In the current climate, shouldn’t we be trying to find new ways to expedite and implement TSA rules, not ways to disrupt and derail them? This bill is contrary to new procedures that the Senate passed just a year ago in the aviation security bill. Under that law, regulations go into effect and remain in effect unless they are affirmatively disapproved by the Board. I think that’s a better system.

My esteemed colleague from Texas, Senator GRAMM, has claimed that our amendment would strike from the underlying bill the one-year extension of the deadline by which all airlines must install new security scanning equipment. I don’t know whether he got that idea based on this provision or not; regardless, he is mistaken. We keep that extension in tact, and striking the new cumbersome approval process, as our amendment seeks to do, would have no effect whatsoever on it.

I urge my colleagues to strike this provision.

Another provision would extend liability protection to companies that provided passenger and baggage screening in airports on September 11.

But we in the Senate already decided against extending such liability protection—in at least three different contexts. First, the airline bailout bill limited the liability of the airlines—but not of the security screeners, due to ongoing concerns about their role leading up to September 11. Then, the conference report on the Transportation Security bill extended the liability limitations to others who might have been the target of lawsuits, such as aircraft manufacturers and airport operators, but again not to the baggage and passenger screeners.

The earlier Gramm-Miller substitute and the bipartisan Governmental Affairs Committee-approved legislation also left this provision out for the very same reasons.

Now, somehow, this provision is back again. Like that little mole you hit with the mallet in a whack-a-mole game, somehow this provision has reappeared. At this late hour, in this context, it is just inappropriate to reverse the Senate's carefully considered judgment without clear justification.

We must strike this provision.

Another unnecessary and overreaching provision our amendment seeks to strike would give the Secretary of the new Department broad authority to designate certain technologies as so-called "qualified anti-terrorism technologies." His granting of this designation—which appears to be unilateral, and probably not subject to review by anyone—would entitle companies selling that technology to broad liability protection from any claim arising out of, relating to, or resulting from an act of terrorism, no matter how negligently—or even wantonly and willfully—the company acted.

The bill goes well beyond what Republicans were advocating just last month in the Gramm-Miller substitute, which would have provided sellers with indemnification, but wouldn't have left many victims without any compensation at all, as this bill does. This bill seems to say that in many cases, the plaintiff can't recover anything from the seller unless an injured plaintiff can prove that the seller of the product that injured him or her acted fraudulently or with willful misconduct in submitting information to the Secretary when the Secretary was deciding whether to certify the product.

Even in cases where a seller isn't entitled to the benefit of that protection, the company still isn't fully—or in many cases even partially—responsible for its actions, even if it knew there was something terribly wrong with its product. Let me say that again. This bill gives protection even to those sellers who knowingly put anti-terrorism products on the market that they know won't work to keep people safe against an attack. Perhaps worst of all, this measure would cap the seller's liability at the limits of its insurance policy. In other words, if injured people were lucky enough to get through the first hurdle and even hold a faulty seller liable, they still could go completely uncompensated even if a liable seller has more than enough money to compensate them.

Again, I ask, is this really the kind of provision we want to fold up and cram into this vital legislation? I urge my colleagues on both sides of the aisle to stop, carefully consider the consequences, and then vote for our amendment, which would strike this provision.

The substitute bill also unwisely and unnecessarily allows the Secretary to

exempt the new Department's advisory committees from the open meetings requirements and other requirements of the Federal Advisory Committee Act (FACA). I am well aware that this isn't a provision that will get big headlines but it ought to raise some eyebrows.

Agencies throughout government make use of advisory committees that function under these open meetings requirements. Existing law is careful to protect discussions and documents that involve sensitive information in fact, the FACA law currently applies successfully to the Department of Defense, the Department of Justice, the State Department even the secretive National Security Agency.

So why should the Department of Homeland Security alone be allowed to exempt its advisory committees from its requirements? Why should its advisory committees be allowed to meet in total secret with no public knowledge?

Again, if those rules work for the Department of Defense and the National Security Agency, I think they can work for the Department of Homeland Security.

What is the harm? Conceivably, this could allow the Secretary to create forums that operate in secret in which lobbyists for various special interests could advance their agendas and get back channel access with this and future Administrations, without concern that the public would ever find out—and that's regardless of whether their discussions were about security, business, or anything else. I am not suggesting that this is what the Administration intends, or what the authors of the bill intend, but the danger is real and must be recognized.

We all say, and say often, that we're for "good government"—for openness, integrity, and accountability. But if we pass this bill unamended, few of us will be able to say with confidence that the new Department's advisory committees are designed to be as independent, balanced, and transparent as possible. I know full well that the Homeland Security Department will deal with sensitive information involving life and death, but so does the National Security Agency. So does the FBI. So does the Department of Defense. Their advisory committees aren't allowed to hide themselves away from the public.

I hope my colleagues join with me to reject this unfortunate and short-sighted provision.

Finally, our amendment would alter a provision in the substitute bill creating a university-based homeland security research center. Now, I have nothing against creating a university research center focused on homeland security.

There are currently many effective university center programs—centers for expertise and excellence—established through competitive processes by the National Science Foundation and other science agencies. And the science and technology division in this homeland security bill closely tracks

what we proposed in the legislation that came out of the Governmental Affairs Committee—which would give the Department many exciting new tools to harness talent in our universities and companies and focus it on meeting the unprecedented challenge we face to out-think and out-innovate our enemies.

But there is a problem with this particular proposal as it is written. Based on the fifteen criteria outlined in the bill, the research center that it would create is described so narrowly, through fifteen specific criteria, that it appears Texas A&M University has the inside track, to say the least, to get the funding and house the center. House aides have admitted as much to *The Washington Post*.

Texas A&M is a fine school that may be perfectly suited to run such a federal research center—but there are many other fine schools that may also be well suited to run a homeland security research center, and Congress should not predetermine the best site.

Science in this country has thrived over the years because, by and large, Congress has refused to intervene in science decisions. Science has thrived through peer review and competition over the best proposals—which are fundamentals of federal science policy. We are violating them here. This is nothing short of "science pork."

This provision was strongly opposed by the Chairman of the House Science Committee. And it has been roundly criticized by the university community as an inappropriate Congressional intervention in science program selection.

My friend, the Senator from Texas, has suggested that a few other institutions conceivably could assemble the qualifications to meet the 15 criteria that Texas A&M has specified. But I urge him to look at the list, which is breathtaking in the particularity of its detail. And even if a handful of schools might meet in theory these requirements, that does not solve our problem. We face grave dangers here, lives are at risk. We should all agree that we need to apply the most competitive possible process, the one that brings our best scientific brainpower brought to bear on this problem.

Suppose for the sake of argument that a few other schools technically do qualify. Then think about the agency employee, sitting at his desk at the new department, who receives the application from Texas A&M. A&M meets all the criteria specified in the statute, and meets them to a tee. The employee knows that Representative DELAY wants this done. Realistically, how do we think this decision will turn out? We know how it will turn out.

When it comes to making these research funding decisions, we need a playing field that is truly level—not one that only looks level when you tilt your head.

Perhaps that is why previous versions of this bill were wise enough

not to include this provision. The bipartisan Senate Governmental Affairs Committee bill did not make this mistake. Nor did Senator GRAMM include them in his earlier Gramm-Miller substitute. I have worked over the years on science policy issues and legislation with Senator GRAMM, and I hasten to point out that this provision certainly did not originate with him. He has a strong understanding of the importance of strong science to our nation's economic and social well-being, of strong federal support for science, and of the need for competitive funding decisions that are based on sound peer review. These provisions did not originate with him.

Our amendment keeps the university-based science center program. However, it removes the list of highly-specific criteria that appear to direct it to a particular university. That is the way we will get the best science, not by making Congressional allocations to particular institutions.

I was under the impression that this homeland security bill would be clean. What does that mean? That it wouldn't be, for lack of a better word, mucked up with lots of extraneous provisions that are marginally relevant or irrelevant to the central mission of this department, which of course is protecting the American people from Twenty-first Century terrorism with every ounce of talent, every tool, every technology at our disposal.

I understand the legislative process. I know that, as a wise person once said, compromise is what makes nations great and marriages happy. I did not expect this substitute bill to look exactly like the bipartisan bill approved by the Governmental Affairs Committee I am privileged to chair.

But I did expect that this bill would be clean—and clean it is not. I believe passionately in the need to create a Homeland Security Department. And I recognize and appreciate the many good things in this bill. It has moved much closer to our vision of how to combine our strengths and minimize our weaknesses on intelligence to protect the American people from terrorism. So too has it embraced our creative and comprehensive vision of the new Department's science and technology division. And when we step back and look at the big picture, it looks pretty good. And more important than looking good, it looks and is necessary to protect the American people.

But these flaws are real. They are serious. And they are utterly unnecessary.

Luckily, they are easy for us to fix. One amendment, one vote. I once again urge my fellow Senators to pass this amendment.

There are other colleagues who wish to speak. I would, therefore, ask for the support of my colleagues for the motion to strike.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana.

Mr. BREAUX. Mr. President, what is the time situation?

The ACTING PRESIDENT pro tempore. There are 10 minutes 20 seconds remaining to the majority leader or his designee.

Mr. BREAUX. Mr. President, I rise to indicate my support for two things: No. 1, for the homeland security legislation which I think is very important. We fought for weeks about what it was going to look like. We made some suggestions about what should be in the bill with regard to worker protections in the area of collective bargaining. The White House was not willing to accept our recommendation. And I understand that is not going to be possible. I thought that the bipartisan recommendation we had on collective bargaining was the right way to go. That did not work out. What we have in the bill is what the President wanted from the very beginning. I accept that. The concept of homeland security bringing these agencies together is very important.

It is clear that after 9/11 we found out that the Federal Government was not working very well together, that agencies were not sharing information that they should have been sharing with each other, and we could have been doing a much better job.

Under the leadership of the distinguished Senator from Connecticut, Mr. LIEBERMAN, a proposal came about for a homeland security agency. Quite frankly, at the very beginning the White House didn't think the idea was a good one. They were worried about it creating too large a bureaucracy, but they came to the realization that I think all of us have come to that, yes, this is in fact the right thing to do. That is where we are right now.

What has happened in the course of this process is interesting but not unusual. The House loaded up the homeland security bill with a whole bunch of things that were concocted in the middle of the night and not the subject of any hearings or not brought through the normal committee process and not voted on by the House and not voted on by any committee in the Senate and not passed by the Senate.

But, lo and behold, all of these provisions are now attached to the bill, and the House announced that they are going out of town, and take it or leave it.

I understand that some of them may be in Paris or London or Japan or doing things that are important. But we are not finished yet. This bill—no matter what happens—is going to have to go back to the House of Representatives for consideration. It is going to have to go back to the House for consideration even if this amendment to strike out these add-ons is not adopted because the bill still has to be—after we adopt the Thompson substitute—approved by the House. What is wrong with the House at that time saying we understand that the Senate is not going to accept these provisions and, therefore, we will pass homeland security such as the President requested it?

The President, himself, in the White House said don't load this thing up with unnecessary items.

I would suggest that having a homeland security research center at Texas A&M University is a good idea, if you are from Texas. But how about the other 49 States that would like to also participate in the process? LSU would make a great center for homeland security research. They have already been working on it. But this legislation just cuts them out, sticks one university in the process, and says: This is it. Take it or leave it. We're gone. We're out of town.

That is not the way things are supposed to work. It is not the way they should work. I hope it will not work that way after we vote this morning.

There is nothing wrong with taking these items out of the legislation and having the House take the bill up without it and have them pass it. They can do it by voice vote. We could finish it this afternoon. The President can get the homeland security bill as he has requested. I will support that effort.

I think it is very important to do homeland security, but don't let it become a vehicle for special interest provisions which the Congress has never considered. I think it is wrong.

Mr. DORGAN. Will the Senator from Louisiana yield for a question?

Mr. BREAUX. I am happy to yield.

Mr. DORGAN. I ask the Senator from Louisiana, is one of the provisions you are describing a provision that makes it easier for a corporation that has renounced its citizenship, and moved to the Bahamas in order to save on its tax bill in the United States, to get contracts with the U.S. Government? Is that one of the provisions they stuck in at the hour of midnight?

Mr. BREAUX. The Senator makes a good point. In addition to spelling out one university that all of a sudden will get all the work in the entire country, the other earmark is it takes away the Wellstone amendment, which prohibits contracting with corporate expatriates.

What does that mean, expatriates? People who have left the country. People who said: I don't want to be a citizen of the United States any longer. I am taking my business overseas. But, oh, by the way, I would still like to do business with the Federal Government while I am in another country not paying taxes to the United States.

That really strikes me as being something we should not allow. I think the Senator is correct in pointing it out. That is not the way we should do business. If you want to provide homeland security, I would suggest giving business to companies that have left the United States is not in the interest of homeland security. It may be in the interest of the Bahamas, but it is certainly not in the interest of the United States of America.

Mr. DORGAN. If the Senator will yield for one additional question, isn't it a fact that the provision that would prevent corporations that renounce

their U.S. citizenship in order to avoid paying taxes to the U.S. Government—the Senate actually passed a provision that said: Well, if you don't want to be an American citizen, then maybe you ought not be contracting with the Federal Government. We set a date by which that would be the case. That was in the legislation that moved out of the Senate. My understanding is it is the case that the House of Representatives put one of these special provisions in and said: Oh, we don't agree with that. We want to weaken that to make it easier for these companies that renounced their citizenship to get U.S. Government contracts once again. Isn't that the case?

Mr. BREAUX. The Senator is exactly right. In order to have homeland security, we need to protect the citizens of this country. Giving financial assistance to companies overseas that have left this country because they don't like to be citizens of the United States is the wrong way to do this.

Let's pass this bill clean. The President will get the homeland security bill he desires. He will sign it. I will support it. That is the right way to do business.

Mr. DURBIN. Will the Senator yield?

Mr. BREAUX. I am trying to save time for Senator DASCHLE.

Mr. DURBIN. For just 30 seconds?

Mr. BREAUX. I will yield.

Mr. DURBIN. The point was made last week that within this bill is a provision that benefits the Eli Lilly Pharmaceutical Company that says pending lawsuits brought on behalf of parents who believe their children are suffering ill effects from a preservative which the company made and put in vaccines, causing harm to these children—physical and mental harm to these children—that pending lawsuits against this pharmaceutical company would be wiped away by the language of this homeland security bill.

Does this amendment we are about to vote on eliminate that provision and say that these parents and families and children will still have their day in court against this major pharmaceutical company?

Mr. BREAUX. Just briefly, the Senator is correct in his observation. It does exactly that. There may be an argument whereby companies that make a vaccine should not be subject to liability suits. There is a provision for a fund for people who make vaccinations, that if they are being sued, they will recover against a fund. That is current law. But that should be prospective, not retroactive. It should not wipe out legitimate litigation that has already been filed. It is like saying here is a legitimate lawsuit, but all of a sudden, by this action, we wipe out all court proceedings against that particular company. That is not the right way to proceed.

The company, as I understand it, did not ask for it, did not lobby to put it in this bill, but all of a sudden, here it is, in the middle of the night. It should

not be in the bill, and this amendment would take it out.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Mr. President, how much time is left for Senator DASCHLE under the order previously entered?

The ACTING PRESIDENT pro tempore. Two minutes twenty seconds.

Who yields time?

If no one yields time, time will be charged equally to both sides.

The Senator from South Dakota, the majority leader.

Mr. DASCHLE. Mr. President, I will use leader time to augment the time allotted for me to make some remarks with regard to the amendment.

The ACTING PRESIDENT pro tempore. There is an order for the Republican leader to be recognized at 10 o'clock.

Mr. DASCHLE. Mr. President, I ask unanimous consent that I be allowed to speak and to complete my speech prior to the time the Republican leader addresses the Senate.

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

Mr. DASCHLE. Mr. President, I did not hear my colleagues speak to one of the greatest myths that I have heard in the debate about this amendment. That myth is, if we pass this amendment, somehow it makes it impossible for us to reconcile this amendment with the House of Representatives; that somehow it would put some chink in the process.

But I think, as my colleagues have noted already this morning, regardless or whether this amendment is adopted, this bill must go back to the House. There will be another vote in the House. So do not let anyone persuade any colleague, any Senator, that somehow there a procedural impediment is created if we pass this amendment.

This legislation will go back to the other body. And when it does, if the House does the right thing, they will accept this language, and we will send the bill to the President as we should.

I must say, Mr. President, this has been a difficult debate for many of us, a very difficult debate. All of us, of course, want to do the right thing. Many of us think perhaps supporting some new infrastructure with regard to homeland security is right. We have worked and worked and worked to reach a consensus.

Much of what is in this bill reflects a consensus. But I must say, this language, these additions to the bill, added at the eleventh hour, is arrogance, is an atrocious demeaning the legislative process. They ought to be ashamed of themselves. At the eleventh hour, when nobody was watching, when most people had gone home, those people with deep political pockets, those people with the resources to make a difference, had inserted in this bill items that the House itself had already voted against.

In July of this year, the House voted 318 to 110 to cut off those corporations that move offshore to avoid paying taxes—318 to 110, 3 months ago. They said: If you are going to do that, you will not be able to contract with the new Department. You ought to be ashamed of yourself. How can you be so unpatriotic?

They did the right thing in July. But what did they do at the eleventh hour? Well, at the eleventh hour, when nobody was watching—when they thought nobody was watching—they quietly said: We didn't mean it. Now the elections are over. Now we will make a mockery of the tax law. We will make a mockery of the homeland defense bill. We will reopen the treasury to corporate expatriates, thinking nobody could possibly call attention to it.

Mr. President, that is just the beginning. Why would we possibly want to give liability protection to a company that made a pharmaceutical product that may cause autism in children? Why would we do that?

Why would we possibly slow down the process by which the new Transportation Security Agency issues new emergency rules to protect travelers? We do it to help out airlines and other transportation companies. That is why we are doing it.

The House inserted the liability protection for vaccine additives to help out a company. The House inserted the expatriate corporate exemption to help out a lot of companies with deep pockets. Why would the House put a university earmark in the homeland defense bill, earmarking Texas A&M for special treatment? Why, because some lobbyist got the job done at the eleventh hour. That is why it happened.

These items make a mockery of the legislative process. Everybody who has their fingerprints on these issues ought to be ashamed of themselves. We have one opportunity to make it right, and that is in about a half hour. We will have an opportunity to strike these, to send a bill to the President that better reflects the consensus we have worked so hard to achieve. We want to do that; some of us want to do that. But I must say, it is a sad day for the legislative process. It is a sad day for homeland security. It is a sad day for the institutions of the House and the Senate when we can insert language such as this unabashed.

I hope each Senator will think very carefully about the consequences of this vote. We ought to feel good about passing this bill. We ought to feel good about making some new contribution to reorganizing the Government, if indeed that will move us to a better sense of confidence about our own security.

But how do you feel good, how do you feel positive, how do you feel that you could in any way explain what the House has done?

I say to my colleagues in a bipartisan way, let's reject these provisions. Let's ensure we send the clearest message

possible that this kind of legislating will not be tolerated. Let's do it now before it is too late. Let's not have to explain this weeks or months later. We have the opportunity to rectify bad decisions made at the last hour, made without any scrutiny, made without any real public attention, made for all the wrong reasons. We can do it today. We can do it in a half hour. I urge my colleagues to join us in getting this right.

I yield the floor.

THE PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from West Virginia still has 5 minutes.

Mr. BYRD. Mr. President, how much time remains before the vote?

THE PRESIDING OFFICER. The Senator has 5 minutes, and the Republican leader has 28 minutes.

Mr. BYRD. And does the time come out of both Senators, if no unanimous consent request is made?

THE PRESIDING OFFICER. A quorum call will be charged to the party who suggests the absence of a quorum. If no quorum call is in place, both sides are charged.

Mr. BYRD. Does the distinguished majority leader want more time? I would like to give him my remaining time. I don't want to see that time whittled away simply because somebody is not taking the floor.

I ask unanimous consent that I may yield my remaining time to the majority leader.

THE PRESIDING OFFICER. The Senator has that right.

Mr. DASCHLE. Mr. President, I am very grateful to the distinguished Senator from West Virginia. I ask unanimous consent that I be recognized for that time just prior to the vote.

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

Mr. DASCHLE. I thank the President and thank the Senator from West Virginia.

Mr. BYRD. Mr. President, might I have just 30 seconds of my time back?

Mr. DASCHLE. Mr. President, I yield whatever time the Senator from West Virginia may require.

Mr. BYRD. I thank the Chair. I thank my leader.

I have just heard from the Budget Committee, CBO has scored the vaccine amendment as increasing direct spending by \$100 million in the first year, \$2 billion over 10 years. In other words, it is a gift to drug companies by this amount that would increase the deficit by this amount.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I suggest the absence of a quorum, reserving the final time, as has been indicated in the previous order, to Senator DASCHLE.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAMM. 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. GRAMM. Mr. President, we are reaching the moment where we are going to vote on homeland security. I rejoice that we have found our way here. It has been a long and difficult debate. I commend to my colleagues that they vote for the homeland security bill. There will be an amendment that will be offered prior to that bill.

I yield myself 10 minutes.

THE PRESIDING OFFICER. The Senator has that right.

Mr. GRAMM. I want to take my 10 minutes to talk about the amendment that we will have prior to the final vote. I remind my colleagues that over the last weekend, as we tried to bring this 7-week debate toward cloture, the President reached a compromise with several of our Democrat Members to give additional power and input to government employees and their representatives, not the power to veto the President's decision but the power to have input, the power to have review. Also, to get a bill we could vote on and hopefully conclude this debate, we had to meet with Members of the House who had a separate bill.

What we have before us is the old Gramm-Miller amendment with the amendments that we adopted; 95 percent of the Lieberman bill is in this stack of paper. And then we had to reach an agreement with the House.

A great harangue has come forth against that final agreement. There is an amendment pending that would strike seven provisions. In striking those seven provisions, we would endanger the bill and, if we were fortunate, we would have a conference in December.

That is a risk that is not worth taking and, further, I believe the bill is a better bill with the seven provisions in it. Let me just address them.

The one that has gotten the most discussion is the provision with regard to liability on vaccines.

Let me state it in the simplest possible form. We have always had separate treatment for vaccines because some people react differently to vaccines.

In 1986, we set up a comprehensive program to compensate people who are harmed by vaccines that are used for general purposes. We have paid \$1.6 billion out of that fund. Under that fund, you go through a process of arbitration and, if you settle, you settle; if you don't, then you can go on to court. The vast majority of people settle.

A loophole has been found in that process. Plaintiff attorneys are now arguing that damage is being done by a mercury derivative, which is a preservative in these vaccines. The plaintiff attorneys are arguing this preservative is not covered under the compensation program. Nobody has proved scientifically one way or another where the harm comes from. But plaintiff attorneys have now reached around the arbitration process and have filed suits

that total 10 times the aggregate value of all the vaccine sales in the world combined.

This bill, recognizing that the stockpiling of new and powerful vaccines will be important to the war on terrorism, seeks to close that loophole by making it clear in law these preservatives that have always been part of vaccines are covered by the current arbitration process.

Now, many people have tried to label this into everything from a political payoff to you name it. We have a process that is working. People are satisfied with it. Plaintiff attorneys are trying to go around this process. Unless some order is brought to it, we are going to end vaccine production in the world. We don't want to do that. This is a good government provision that brings this process under the 1986 act, which was written by Senator KENNEDY and Congressman Waxman.

Now, the second provision—and there are two that are criticized—has to do with liability limits. Senator WARNER and Senator ALLEN introduced an amendment, which we accepted, that puts the taxpayer on the hook for paying any liability that occurs from items produced for fighting the war on terrorism. It is something we have done since the Civil War to try to indemnify manufacturers that are producing cutting-edge items that are desperately needed on a time-sensitive basis for the war effort. The House had similar language, but with liability limits included in the Transportation Safety Act. When it came to a choice between the taxpayer being at risk or having previously established liability limits, we accepted those liability limits from the House bill.

Another provision that has been criticized is a change in the Wellstone amendment. The Wellstone amendment originally said any company that has ever been domiciled in the U.S. that is domiciled somewhere else cannot sell items to be used in the war on terrorism. We thought there had to be some moderation on this language, so we added three points. One, if the language produced a situation where you actually lose American jobs because a product was produced here, even though the company's headquarters is in France, you could have a waiver. Two, if you have a sole source bidder and no competition, you can have a waiver. And three, if the product is cheaper with higher quality, a waiver can be given under those circumstances.

That is a good government provision. It makes eminently good sense. If a company in France is producing something in Cleveland and selling it for the war on terrorism, why should we put people in Cleveland out of work to buy something produced in Japan by a company that has no employees in the United States? It makes absolutely no sense. Those waivers represent good government.

There are two final provisions in the bill. One doesn't matter, and that is advisory councils. I don't know if they have any value or not. I don't see jeopardizing the bill to strike them.

The final provision has been referred to as a "Texas A&M" provision—a provision I did not write and didn't have anything to do with, and it doesn't specifically have anything to do with Texas A&M.

I have a letter from the University of California supporting the provision. I ask unanimous consent that it be printed in the RECORD.

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

UNIVERSITY OF CALIFORNIA,
OFFICE OF THE PRESIDENT,
Washington, DC, July 25, 2002.

Hon. NANCY PELOSI,
Ranking Member, House Select Committee on
Homeland Security, House of Representatives,
Rayburn House Office Building,
Washington, DC.

DEAR REPRESENTATIVE PELOSI: As you prepare to vote on H.R. 5005, the Homeland Security Act of 2002, the University of California encourages your support for provisions in the bill that aim to strengthen the role of science and technology in the new Department and that ensure that the capabilities of the U.S. Department of Energy's National Laboratories are made available to the new Department. UC supports the establishment of an Under Secretary for Science and Technology and provisions to strengthen the important role that academic research institutions play in protecting our homeland.

As you are aware, UC is actively engaged in activities associated with homeland security and our nation's war on terrorism, including conducting ongoing research and providing scientific expertise. UC faculty and researchers, including those at the UC managed national laboratories, have testified before Congress, developed bio-agent detection devices, aided in the anthrax clean-up effort on Capitol Hill, and analyzed the World Trade Center structure, among many other activities.

Section 307 of H.R. 5005 calls upon the Secretary to establish university-based centers for homeland security. This section provides the Secretary with a list of merit contingent criteria from which to base the selection of colleges or universities as centers. The criteria range from strong affiliations with animal and plant diagnostic laboratories to expertise in water and wastewater operations. UC would welcome the opportunity to compete for such an important center. As the public research institution serving the state of California, the ten-campus UC System, with its three national laboratories, is uniquely qualified to address all of the selection criteria. To improve the selection process, UC would like to work with you and the conference committee to ensure that the final version of the legislation provide that the Secretary shall make the designation of university centers with the advice of an academic peer review panel.

I commend you for your leadership on this landmark legislation and for your continued service to the people and institutions of our state. If you need further information about the issues raised in this letter, please contact me.

Sincerely,

A. SCOTT SUDDUTH,
Assistant Vice President.

Mr. GRAMM. Mr. President, that provision is similar to provisions we have at the Department of the Interior and the Department of Energy. It basically says the major research universities in the country will be eligible to participate in a center or centers. It also says the agency and the President have the power to set up centers and do research wherever they want to. This is a provision that provides no money. It does say major research universities will be part of the process, but it doesn't say they will be the only part of it.

Let me conclude and then keep the balance of my time, because others may need it if I have not used it up. The seven amendments that would be stricken by the Daschle amendment are amendments that improve the bill. A couple of them didn't have to be there. They do no great harm. Five of them improve the bill by dealing with problems directly related to terrorism, and they all trace back to a provision, in one form or another, that was in both the Senate and House bills.

I know this is going to be a close vote. I urge my colleagues to vote against the amendment, A, on substance—the bill will be better if the amendment fails—and, B, I think there is a substantial probability that we will not get a bill this year, though we will certainly get one next year. It simply would mean a 3-month delay.

So I urge colleagues to vote no on the amendments and to vote for the underlying bill. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, how much time do the opponents have?

The PRESIDING OFFICER. Fifteen and a half minutes.

Mr. THOMPSON. Mr. President, I ask the Chair to notify me at the end of the consumption of 7 minutes.

The PRESIDING OFFICER. The Chair will do so.

Mr. THOMPSON. First of all, Mr. President, with regard to the comments that have been made concerning the inversions, a couple of colleagues on the other side said our amendment takes out the Wellstone amendment to bar companies who leave the U.S. to evade taxes.

This doesn't eliminate the Wellstone amendment. That amendment to bar the Department of Homeland Security from contracting with inverted companies is included in our amendment. What our amendment does, though, is give the Secretary of Homeland Security the ability to waive the bar if U.S. jobs would be lost, or if it would cost the Government more taxpayer dollars because there would be less competition.

On this issue, I know this is extremely important politically for many of our colleagues. When you examine it from the standpoint of social policy, or policy as it affects the U.S., it does not

bear scrutiny. We in the Governmental Affairs Committee, I think on a bipartisan basis, over the years have tried our best not to interject social policy in our procurement process.

Our Government needs to be able to get the best and cheapest goods for the taxpayers. One can think of many different things companies might do that are totally legal, totally proper, that we might disapprove of. We wish they were different kinds of companies, had different kinds of social policies. But if we say, with regard to all of them, that if there would be a new batch every year under consideration, we are not going to do business with them, we are going to cut off our nose to spite our face, even though their products are better, they are cheaper, and we are trying to protect homeland security, we are not going to do business with them because we do not approve of your policies, even though they are perfectly legal, that would hurt this country.

It is more important to have a viable Homeland Security Department to protect this country than it is to make a political point or punish some company. We are punishing, in some cases, companies that have thousands of domestic employees working in the United States. What we would be doing is depriving them of contracting with the Department of Homeland Security and allowing a French company or a German company that has always been a foreign company, always with foreign employees, getting the contract.

That makes absolutely no sense. However, it apparently is an idea whose time is come and is included in the amendment Senator GRAMM, Senator MILLER, and myself offered a while back.

What we do is this: We do not necessarily agree with the underlying policy, but we are going to include it in the amendment. But at least let's have some exceptions if it really benefits our country in terms of homeland security, our jobs, our costs. Let's give the Secretary the discretion to make some exception with regard thereto. It is just common sense and it focuses where we need to get, not for short term political gain but to punish some company.

Bermuda, for example, is the home of Intelsat from whom our Department of Defense gets satellite services. Do we want to cut ourselves off from that? There are not that many companies like that around the world. Intelsat is an inversion. Why limit it to homeland security?

Let's get away from the idea of punishing somebody or punishing some company when it hurts our country to do so. It does not say you have to do business with them. It says let them compete. We are not giving them anything if it is not the best thing for our country. That is the philosophy behind our approach, and it is incorporated in this amendment. No one should have to make any apologies for this provision

being in the Thompson amendment the way it is.

With regard to the other point Senator GRAMM made concerning vaccines—and Senator FRIST spoke eloquently about this. This is an incorporation. What the Lieberman amendment seeks to remove is the incorporation of a portion of a bill that was submitted by Senator FRIST.

If one looks back at the history of vaccines, it is obvious vaccines have been special cases in this country for years. We have treated them in a special way because the profit margin on vaccines is lower than most drugs, and the risk is higher, and we need vaccines. As a part of our governmental policies, as part of our national policies, it has always been that way.

We addressed that when the swine flu epidemic came about, and we made some changes to the Federal Tort Claims Act. Back in the 1950s, an Executive order was put forward that would provide some indemnification for companies to produce vaccines. We have a long history of that practice.

Finally, in 1986, Congress created the National Vaccine Injury Compensation Program which said basically this to plaintiffs: Look, plaintiffs, you are not getting anywhere the way it is in the court system. Nobody ever gets any recovery off this because you cannot prove causation. You cannot prove your injuries were actually caused by this vaccine. So we are going to set up a separate system so you do not have to prove causation; basically a no-fault situation.

If plaintiffs do not have to prove causation, on the other hand, there is some limitation to the amount of damages they can get. Instead of a special court, you go to a special master. If you do not like the results, then you can go to court. We think that is a pretty sound deal. Congress thought it was in 1986 when it passed that legislation and it was signed into law.

Lawyers look at this and say: OK, we are cut out from suing in court if it has to do with a vaccine. So we will take this particular additive and say it is not really a vaccine. It is an adulterant, a pollutant in this vaccine; therefore, it is not covered by this compensation process. That is the way they got to court.

We have scads and scads of lawsuits as a result of it, and it resulted in two U.S. companies left producing vaccines in this country. What Senator FRIST was trying to do and what we are trying to do in our amendment is to effectuate the intent of the 1986 law which was to roll all this in to the compensation program.

Mr. President, I ask for an additional 2 minutes.

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

Mr. THOMPSON. The intent was to roll these new lawsuits of the future into this compensation program, so that in the future, not only with regard to vaccines, but components of vac-

cines, have a new definition, a more comprehensive definition of vaccine and make that a part of the system.

It is not cutting plaintiffs off, it is putting them in the same position we thought we were putting plaintiffs in in 1986, anyway, and that is go through a special master and prove your case. You do not have to prove your injury was actually caused by a vaccine, as one would in a court of law; on the other hand, there is some limitation on recovery. Then if you are not satisfied, you can sue in court.

A benefit to a company? When are we going to stop looking at who gets some little benefit, who is able to survive, and start looking at what is in the interest of our national security? Sometimes I believe we had rather make some small point and put some company or group of companies out of business who are not in favor at the moment, even if it hurts us as a nation. And vaccines are a classic case. We have to have more.

We are trying to figure out what to do with smallpox. It is not going to be in our country's interest to drive these companies out of business, and it does nothing to harm qualified plaintiffs to require them to go through the compensation program we set up in 1986 and which most people thought these plaintiffs would be a part of, anyway.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. Six minutes 41 seconds.

Mr. HATCH. Will the Chair interrupt me after 4 minutes?

The PRESIDING OFFICER. The Chair will do so.

Mr. HATCH. Mr. President, today I rise to speak in opposition to the Daschle Lieberman amendment. There are some provisions that I consider very important to the Department of Homeland Security and which Senators DASCHLE and LIEBERMAN seek to strip from the House-passed language—thus, in my opinion, making their amendment more about abusive litigation security rather than homeland defense security.

In order to provide for our homeland defense, we must take necessary steps to promote research and development of important technologies and vaccines, and ensure their accessibility. We will have failed the American people if the development and deployment of needed technologies and vaccines is prevented by the threat of unreasonable exposure to overwhelming lawsuits.

To foster quality research, the House established criteria to ensure that when selecting universities as centers for the development of homeland security technologies, we partner with the highest quality programs. Many of these criteria mirror similar provisions routinely found in current Federal laws funding research and development.

Proponents of the Lieberman-Daschle amendment claim the criteria are too selective and should be eliminated. Shouldn't we be concerned that the Department of Homeland Security works with the best and the brightest when developing technologies intended to protect the American people? If the Lieberman amendment passes, I caution you that the university-based centers could become more about pork and which legislator can deliver the most in government funds to his or her district, rather than protecting the American people with cutting edge technologies and programs.

To facilitate the development and deployment of needed technologies, the House included its SAFETY Act provision, recognizing that we cannot saddle manufacturers with unreasonable exposure to unlimited lawsuits. The House-passed SAFETY Act language imposes reasonable provisions to manage potential legal exposure of those companies that we have asked to step up to the plate in homeland security. Otherwise we will be faced with a crisis in homeland security when companies are unwilling or unable to become involved. Let me be clear, contrary to assertions by some, the House-passed language does not give blanket immunity to corporations. What it does is permit companies that manufacture and deploy designated antiterrorism technologies, approved by the Federal Government for use in homeland security, to be afforded the "government contractor defense," but only if certain criteria and precise government specifications are met.

It is important to note that if these criteria are not met, if the equipment deployed does not meet Government specifications or if the manufacturer conceals any information regarding the dangers posed by the equipment—the government contractor defense will not be successful. Moreover, if a company engages in fraud or willful misconduct, that are not protected. And if a State imposes additional requirements which do not conflict with the Federal criteria, the State law is not preempted. The defense is not a blanket immunity from suit.

If the government contractor defense fails, and the plaintiff prevails at trial, the subsequent award would be subject to reasonable limitations which include:

Proportionate liability for non-economic damages—Companies would only be liable for noneconomic damages according to their portion of culpability. Under current joint and several liability laws in place in many States, a defendant that is only 1 percent at fault could be forced to pay an entire award if payment cannot be obtained from those responsible for the other 99 percent. It is unconscionable that we would subject manufacturers that have stepped forward to protect the American people to unlimited litigation exposure that could result in their paying damages for which they are not responsible. A crafty plaintiff's attorney

could conceivably add one of the terrorists as a defendant in a case to inflame the jury. Consequently, even if the jury finds the terrorist 99 percent liable because he perpetrated the act, the manufacturer of a device that may have failed one time in 1,000 might be forced to pay a huge, often crippling award. Often these types of lawsuits become less about culpability and more about the trial bar extorting huge settlements based on emotions that run high in the aftermath of a tragedy. Nonetheless, the House-passed language only remedies this injustice with regard to non-economic damages. Economic damages would not be subject to proportionate liability and State laws forcing those less culpable to pay for the damages inflicted by those who are really responsible, would still apply.

A Ban on Punitive Damages—It is appropriate to ban punitive damages in lawsuits which we can anticipate could very well be based more on emotion than legal culpability and are less in line with the real purpose of punitive damages—to punish bad behavior—and more about making a statement about a tragedy. Uncontrolled and inflated punitive damage awards run the risk of drying up defendant resources and reducing awards to subsequent plaintiffs to pennies on the dollar.

We must provide some stability to the legal process, especially in the context of terrorist attacks to ensure that private-sector resources are available for our homeland defense and that plaintiffs are compensated for their actual damages.

In order to facilitate the development and deployment of essential vaccines, the House-passed language recognized the importance of this aspect of our homeland security and included language that would treat doctors and hospitals who administer certain vaccines and manufacturers of certain vaccines as Federal employees. This means that the government will step in under the Federal Tort Claims Act, FTCA, and defend the lawsuit and pay any damages awarded, subject to the parameters of the FTCA. Claimants will still be compensated, but those who partner with us to protect our people will not be overwhelmed by an unrestrained trial bar. Nobody is arguing with that particular provision—but we must recognize that it works in tandem with the other provisions that I have addressed.

If we suffer another attack, do my colleagues want to be faced with a shortage of important vaccines, or the inability to get those vaccinations to the public in a rapid and orderly manner? As Senator FRIST noted, our vaccine capability is in crisis. Potential exposure to unlimited lawsuits has made it impossible for most companies to participate in a vaccine program. We have seen the number of vaccine manufacturers fall from 12 to 4, only 2 of which are U.S. companies. Doctors and hospitals are legitimately concerned about their potential legal ex-

posure should they attempt to partner with the government in the dissemination of a vaccine. Let me stress that the government cannot do this alone; we must partner with the private sector or else we will leave significant portions of our constituents unprotected.

I must note that the last-minute inclusion of sections 1714-1717 in the House-passed bill dealing specifically with liability for vaccines that are covered under the current National Vaccine Injury Compensation Program, NVICP, has raised many concerns. I have heard from many parents that feel the process by which this bill was brought to the floor will deny them a meaningful opportunity to influence legislation that is important to children and their families. Simply, the process leaves much to be desired. A piecemeal, unvetted approach to addressing these specific, very complex vaccine injury compensation and supply issues is not the best way to protect our children and families. Without broad debate and consideration of all the issues surrounding vaccine compensation, the narrow inclusion of certain provisions regarding NVICP, such as “clarification of definition of a manufacturer,” removal as “an adulterant or contaminant any component or ingredient listed in a vaccine’s product license application or product label,” and application of these definitions to pending litigation, without addressing other criticisms of NVICP may not be the best course of action. What is most troubling is the fact that we have not been given the opportunity to fully understand the implications of sections 1714-1717 and develop comprehensive solutions due to a poor legislative process.

Maintaining a safe, adequate vaccine supply while fairly compensating vaccine injury is an important issue and deserves far more deliberation and debate than it was afforded. Americans are rightfully concerned about the manner in which this important issue has been handled in the eleventh hour. Clearly, on the one hand, the vast majority of our children and families have benefited from vaccines. On the other hand, unfortunately, there are rare adverse events that are caused by vaccines. Balancing these issues to ensure the health and well-being of our children requires careful consideration. Legislation introduced by Senator FRIST, S. 2053, the Vaccine Affordability and Availability Act, which contained the original provisions now included in the Homeland Security bill, had never been subjected to any legislative scrutiny such as hearings or markups. Our citizens expect to be heard and their concerns taken into account when forming legislation, especially when modifying a current program. I am disappointed that this did not occur. Ensuring affordable, life-saving vaccines while protecting our children from vaccine injury and fairly and expeditiously compensating the unfor-

tunate families who suffer harm is not a simple matter, and at the very least, should be the subject of an open, thoughtful legislative process. This issue was clearly not afforded the deliberation the American public deserves.

Though I may not agree with every provision in the House-passed bill, and I must emphasize my disappointment in the hurried manner with which some provisions were included, I recognize that if we allow this amendment to strip the provisions which I feel are vital, we will threaten overall passage of the bill.

Failure to enact this legislation would be a serious disservice to the furtherance of our homeland security and the interests of the American people because it would leave us in danger of being unable to develop the technologies or vaccines necessary for the defense of our country in the 21st century. We are in a new type of war, and litigation that could follow terrorist attacks will not be garden variety lawsuits. Leo Boyle, president of the Association of Trial Lawyers conceded as much in a January 9, 2002, Washington Post article, “Legal Eagles, Beating Back the Vultures,” where he stated that lawsuits seeking to blame the effects of the September 11 attacks on anyone but the terrorists “deny the essential nature of the attacks” and should be subject to special rules limiting the liability of Americans. If that is true, the trial bar should not oppose these provisions.

Fred Baron, a leading member of the trial bar, was recently quoted as referring to an article in the Wall Street Journal that stated the trial bar “all but controls the Senate.” Mr. Baron took issue with the “all but.” I took issue with his assertion during a recent hearing in which he was a witness before the Judiciary Committee on asbestos litigation, because as I think it is clear to all of us—the trial bar has so far been successful in preventing us from enacting essential reforms in the area of asbestos litigation and class actions which are spiraling out of control and crippling American businesses. Often these abusive lawsuits have little correlation to any actual culpability of these companies, and often end up being to the detriment of claimants deserving of appropriate compensation.

I challenge my colleagues to show the American people that we are serious about providing them with the technologies and medicines necessary to protect them in the event of another terrorist attack by opposing this amendment, and thereby proving that the Senate will not cow tow to the special interests of the trial bar or their campaign contributions.

I thank the Chair. I yield the floor.

Mr. REID. Mr. President, I wish to speak in support of the Daschle-Lieberman amendment to the homeland security bill. Many people have pointed out many of the problems this amendment attempts to address.

I share the concerns of my colleagues that the homeland security bill should not include provisions protecting Eli Lilly from lawsuits over a vaccine that may be responsible for causing autism in children. The homeland security bill is no place for these special interest, last minute provisions.

There are many other such provisions that I am concerned about which this amendment will address.

In particular, I am extremely disappointed with the provision in the bill that essentially establishes Texas A&M as a homeland security research center. This provisions was drafted in such a way that many other universities, such as the University of Las Vegas-Nevada and University of Nevada-Reno, will not be able to compete fairly for this important designation.

The war on terrorism will only be won when we utilize all the best and brightest academic minds all over the country. I am proud of the universities, colleges, and community colleges in the State of Nevada. We have some of the best counterterrorism training and research facilities affiliated with the Nevada universities and colleges. I am disappointed that the administration and the House decided to support one facility without taking the time to learn what these other facilities have to offer.

If this amendment is not successful, I will still work to ensure that UNLV and UNR will be able to compete for this important distinction. By doing so, these universities will continue the proud Nevada tradition of offering up our skills to serve the nation in times of crisis.

Ms. SNOWE. Mr. President, it is only after long and careful consideration, as well as assurances from leadership I and several of my colleagues have secured which I will detail in a moment, that I have determined that I will not support the Daschle-Lieberman amendment before us today.

This is not a decision I have come to lightly. I am deeply troubled by a number of eleventh-hour additions to this major piece of legislation, in the dead of night, as we face adjournment. This is not the legislative process at its finest.

Even as we speak, unprecedented challenges face our national security. Counterterrorism officials report that the level of intelligence "chatter", or information, being picked up from al-Qaida by the CIA, FBI, and National Security Agency is approaching the volume seen in the weeks before September 11, promoting the FBI's recent warning of "spectacular" attacks. That is why the President needs this new Department, and must have the opportunity to begin its organization as soon as possible in order to respond to this national imperative and to secure American soil to the best of his ability.

Yet, here we are, with the House regrettably having adjourned having sent to us a Homeland Security bill encumbered with stealth provisions that have

prompted considerable and justifiable alarm, particularly the clarification of vaccine manufacturer liabilities, the criteria by which colleges and universities will be chosen to undertake work on behalf of the new Department, and the waiver allowing the use of inverted domestic corporations as contractors for the purposes of homeland security.

As to the vaccine program, some argue that the measure included in the legislation is necessary in order to help ensure the continued viability of the industry, especially at a time when vaccination against a host of potential biological attacks has become all the more critical. Others have serious concerns about the impact of this provision on pending litigation.

I'm also extremely concerned about the loophole that was opened in the bill's provision banning homeland security related contracts with inverted corporations.

It may be one thing to say that exceptions can be made should our security requirements demand we deal with an inverted corporation because there simply is no other option. It is quite another to actually require Federal contracts to be awarded on the basis of the lowest bid regardless of where the company is incorporated, thereby rewarding the very companies that moved offshore for the purpose of avoiding Federal taxation. What kind of message does that send? What kind of precedent does it set when just 5 months ago in the Finance Committee we were working to crack down on the most egregious corporate inversions?

And finally, the under-the-radar provision concerning college and university work mandated extremely selective and narrow criteria that effectively excluded the vast majority of institutions of higher learning in America. The measure offered the new Secretary no discretion, but rather was tailored to apply to only a handful of colleges and universities. Why shouldn't the University of Maine be able to contribute to the cause if the Secretary believes that specific security needs match with a specific expertise they may possess?

The only reason I will not be supporting efforts to remove these provisions from this legislation via the Daschle-Lieberman amendment is because I have been able to obtain assurances from the Republican Leader, the Speaker of the House, the Majority Leader-elect of the House and the Administration that these objectionable measures will be addressed with alacrity upon our immediate return in January, through the first available appropriations vehicle in the 108th Congress.

All of these parties have been in close communications on this matter. And let me say it is a credit to Leader LOTT that he worked swiftly and decisively to address the concerns I and others raised, as well as to secure the necessary assurances from House leadership.

I appreciate that our Republican leader came to the floor to speak to

our concerns, agreeing there are items in the bill that cannot stand as they are and pledging they will be redressed. And I applaud the leader's initiative to form a committee to remedy the most troublesome provisions I have outlined, and as a member of that committee I look forward to achieving that goal so that we can right these wrongs as part of the first order of business we conduct in January.

As a result of these assurances, we can move forward toward completion on this bill that can no longer wait. After 6 month of deliberation, at this sustained period of "Code Yellow" elevated alert status, the time has come for the perpetuity of purpose ensured by statutory status for a new Department of Homeland Security.

A Department responsible for safeguarding our homeland defense must not be dependent solely on the relationship between a particular President and his or her Homeland Security director. Rather, it must be run as efficiently and effectively as possible under the leadership of a permanent, cabinet level official. That is the only way to achieve the kind of "continuity of urgency" the security of our homeland demands.

The fact of the matter is, we cannot afford a descent into complacency when it comes to this life-or-death obligation to protect the American people. Under a new cabinet-level department, responsibility would rest with a Secretary of Homeland Security—a position created under law—who would manage the vital day-to-day functioning of the new department. Critically, this person would have their own budget, while they work closely with the Administration to develop and implement policy.

The bottom line is, I support the creation of the Department of Homeland Security—the largest re-organization of our Government since WWII—because it will centralize our efforts to prevent and respond to any future terrorist attack. Currently, at least 22 agencies and departments play a direct role in homeland security, encompassing over 170,000 people. This legislation consolidates these various responsibilities into one Department which will oversee border security, critical infrastructure protection, and emergency preparedness and response.

Every day we wait is another day that we risk having to look back and wonder, what if we had acted sooner? For this reason, along with the commitment I have personally received from the Leader that we will address the issues of vaccine liability, inverted corporations, and university contracts next year, I will oppose the Daschle-Lieberman amendment.

Mr. LEAHY. Mr. President, tucked away into the Homeland Security bill is a small provision that no one seems to want to take credit for and yet it would bestow huge benefits on just one interest group. According to news accounts, Sections 714 through 716 of the

Homeland Security bill were "something the White House wanted," not necessarily something the House or Senate wanted.

This explanation hardly clarifies why we are including such a far-reaching amendment that has nothing to do with homeland security in this bill. It hardly explains why, in these final days of the 107th Congress, we have decided so blatantly to put the interests of a few corporate pharmaceutical manufacturers before the interests of thousands of consumers, parents and children.

Sections 714, 715 and 716 basically give a "get out of court free card" to Eli Lilly and other manufacturers of thimerosal. Thimerosal is a mercury-based vaccine preservative that was used until recently in children's vaccines for everything from hepatitis B to diphtheria. Unfortunately, while these vaccines were intended to help protect our children's health, there are many health professionals and parents who now believe the opposite occurred.

Parents and health professionals are now concerned that using vaccines with thimerosal has exposed as many as 30 million American children to mercury levels far exceeding the "safe" level recommended by the Environmental Protection Agency. In 1999, the American Academy of Pediatrics and the Public Health Service began urging vaccine manufacturers to stop using thimerosal as quickly as possible. Since then, parents of autistic children around the country have gone to court to hold pharmaceutical companies liable for the alleged damage caused by thimerosal. Many of these parents now cite pharmaceutical manufacturer's own documents to show that they knew of the potential risk of using mercury-based preservatives back in the 1940s and yet did not stop its use.

Now tucked away in the Homeland Security bill, we find this small provision that changes the definition of a vaccine manufacturer to include those companies that made vaccine preservatives. This small change to the Vaccine Injury Compensation Program cuts the legs out from under the families involved in pending lawsuits against thimerosal manufacturers. The amendment is obvious in its attempt to put up roadblocks to these cases. Those who brought the cases against manufacturers would lose their option of going to court while the manufacturers get new protections from large judgments.

Let's be clear about this provision. It has nothing to do with homeland security. Smallpox and anthrax vaccines do not use thimerosal. We should not take away the rights of our citizenry under the guise of trying to protect them.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. What is the current time remaining?

The PRESIDING OFFICER. The Republican leader has 2 minutes 20 seconds, and the majority leader has 4 minutes 3 seconds.

Mr. DASCHLE. Since the Republican leader is not here, I will use the time remaining to respond to a couple of the points raised by my colleagues.

First, with regard to the comments made by the Senator from Texas, I again reiterate this has nothing to do with support for pharmaceutical research. This has everything to do with a questionable preservative used in combination with pharmaceutical vaccines. Thimerosal is an additive, a preservative. There are those who have made the case that Thimerosal may cause autism in children. We do not know. All over this country, there are class action suits by families who have sued to make the case, who have sued to have their day in court, who want to get more science and more answers than they have right now. That is what this is about: Whether those thousands of families will have an opportunity to be heard in court; whether they will have an opportunity if, God forbid that there is that connection, to be indemnified. Make no mistake, this legislation eliminates all of that opportunity.

I heard the Senator say this is good government. I must say, I am baffled by that expression. How can it be good government to say to families all over the country who have been victimized, or at least who think they have been victimized, that they can no longer go to court to seek redress?

Again, let me say, this has nothing to do with research or with the vaccines themselves. Thimerosal is no longer being made. We are not even dealing with future class action lawsuits. We are only dealing with the ones currently pending. This legislation, let everyone understand, will wipe out—eliminate—the access to courts by families who have been injured, whose children have autism, who want the right to make the case to the courts, and then the courts decide. If the evidence is not there, they do not get the compensation. But if they can make the case and if the science will support the connection, then there is some hope for these families who otherwise have none.

Why at the eleventh hour, why in the dead of night, somebody, even if they thought they were right, would add legislation without debate, totally stripping these families of that opportunity, is something I cannot explain, I cannot understand. That is what we are talking about. That is not good government; that is shabby government. That should not be allowed. That is really why we are taking it out.

We can explain, we all know how these targeted amendments get put in legislation. In the course of any one Senator's career, those occasions occur. I don't think anyone can justify a Texas A&M earmark for research. I say to the Senator from Nebraska, the University of Nebraska should be entitled to that research. The University of South Dakota might be interested in that research. There ought to be a bidding process. There ought to be some

open opportunity for colleges to compete. But to earmark, without debate, Texas A&M as the only university allowed under this legislation—it may be justified; maybe after all the competition they could win—is not the way to legislate. That is also an embarrassment. I hope we can avoid that.

I will finally say, because I know I am out of time, for the Congress to reverse a decision we both have made—passed in the Senate, passed in the House, passed overwhelmingly in both bodies—to send a clear message to companies that go overseas to avoid paying U.S. taxes, that will not be tolerated, especially with regard to their ability to deal with the Homeland Security Department, and now to say we were not serious, we were just kidding, those votes, as overwhelming as they were, really did not mean anything; what we really mean is, go ahead and have that business, do that business, that is OK, you can go overseas, avoid paying taxes, you can renounce your U.S. citizenship, but you can still do business with homeland security, that is OK—that is what we are saying if we oppose this amendment.

I could go on and on. I know I am out of time. I urge my colleagues to do the right thing. Let's cleanup this bill. Let's not have this vote and send the wrong message to the people of this country, to the families who are victimized, to the businesses that have no business dealing with homeland security. We can do better than that. That is what this amendment will allow us to do.

The PRESIDING OFFICER. The minority leader.

Mr. LOTT. How much time is remaining on each side?

The PRESIDING OFFICER. Two minutes 11 seconds remain.

Mr. LOTT. Mr. President, if I need additional time, I will yield myself leader time so I can wrap up this discussion.

I regret I have not been able to hear all of the debate this morning. We have had an opportunity to have a long and fruitful debate. A lot of Senators and Congressmen and the administration have been involved in this process. There is no use rehashing all of the history. We know we need a Department of Homeland Security. We know this 484-page bill that Senator BYRD referred to is not a perfect bill. There are things we will find out very quickly we will have to add that are not there now. We will find out some of the provisions are not good. We will have to revisit that. This is a huge undertaking. We all know this has not been done for 50 years.

We will bring together 170,000 people and try to make this thing work out of whole cloth. It will be a tremendous challenge, whether Gov. Tom Ridge or whoever winds up being the Secretary. They will have to have a strong Department. They will have to have support from Congress. We will have to carry out our oversight responsibilities. This will be a continuing process.

However, if we do not do it now, when are we going to do it? Do I like this process? No. Is a legislative process like making sausage? No, it is not pretty and it is not done well, sometimes. Sometimes we are the problem, individually or collectively. Sometimes it is the House; sometimes even the administrations make mistakes.

The terrorists are not going to wait for a process that will go on days, weeks, or months.

We have fought this fight. We need to get this done. And we need to do it now. If we don't, we don't know when this process would end. Would we have to go to conference? When would conferees be appointed? Who would appoint them? When would the conference meet? I don't want to be singing "Jingle Bells" here on December 21. We are all prepared to do it if that is the right thing for the country.

But we could very well be working on this again next year. And then you have to get this Department started. It could take a month, 2 months, 3 months, 4 months. Is our homeland going to be secure during that process? Are we vulnerable still in our ports? How about our drinking water? Are we at risk? Yes.

Now, there are some things in this bill that cannot stand, as it presently is.

We don't like it. Texas A&M University is a great university. Mississippi State University could do this job. I don't think we ought to be setting criteria that directs research being done at one place or another. We have to open that up. We have to make sure everybody has a shot at it and that the research will be done at universities—if that is needed, and I am not even sure it is—in the right way. We are going to change that. You have my commitment we will change that.

And I don't like the language in this expatriate area. I think it is too broad. However, a little bit of what is at stake here is trust. We have to have some modicum of trust that the new Secretary and the President and the Congress are not going to let these things be done in an irresponsible way. We are not going to grant block waivers to companies that have left this country for tax purposes. But we also have to have some common sense.

What if homeland security is at risk? What if a large amount of jobs is at stake? What if this particular company offers a particular thing we really need that somebody else can't offer? We are going to have to deal with the liability. We don't like limiting liability in some areas—some of our colleagues on both sides. But here is the question: Are they going to go into this business of homeland security without some degree of reliability that what they are going to be able to do will be without the threat of lawsuits going on and destroying them?

We are asking companies to produce items and to deal with this vaccine problem. Let me tell you, one of the

toughest decisions the President of this United States is going to have to make is are we going to have a broad-based smallpox vaccination of the population? That could kill hundreds, thousands of people, but perhaps protect millions. It is a huge, tough, emotional, personal decision the President is going to have to make. And liability exposures could be huge.

But do we want the vaccine? Do we want the inoculation opportunity to protect our people? Yes.

So I am asking for common sense. I am asking for trust. I am asking for action now. And we will address some of these issues. I am going to be specific as the day goes forward about some of the changes that are going to have to be made. We will find what they are. We will find a vehicle.

Some people would say: Change it now and let the House deal with it. But how do you do that? How do they do that? How do we get a conclusion? How much longer does it delay this? We need to get this done, my colleagues, and now is the time to do it. We need to work together to make sure it is implemented in the right way.

We are going to find there are a lot of provisions here that are going to have to be refined. There are going to have to be technical corrections. There are going to have to be amendments and they are probably going to come soon. But I urge the Senate to go ahead and act now.

As I said earlier, we have fought this fight. Is it perfect? No bill, no law, ever is. And I am going to ask the President of the United States to give us some assurances, when he signs this legislation, that we are going to look at it carefully and we are going to continue to work to make sure he has the authority and that the Department does the job in the way we expect them to do it.

In conclusion, I thank Senator LIEBERMAN, the chairman of the committee, for his work. He was for it before it was cool. And so were some others on that side and this side. I thank Senator FRED THOMPSON for his great effort. This is his swan song. He will be leaving at the end of this year and we are going to miss him. These are two fine Senators who have worked on a very difficult job. I think we should show our appreciation to them and get this work complete.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 4953.

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

The PRESIDING OFFICER. Is there a sufficient second? There appears to be. The clerk will call the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

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

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

[Rollcall Vote No. 245 Leg.]

YEAS—47

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

NAYS—52

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

NOT VOTING—1

Kennedy

The amendment (No. 4953) was rejected.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 4911

The PRESIDING OFFICER. Under the previous order, there are 2 minutes equally divided for debate prior to the vote on the next amendment. Who yields time?

Mr. DASCHLE. Mr. President, I ask unanimous consent to vitiate the yeas and nays on the amendment in the first order.

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

The question is on agreeing to amendment No. 4911.

The amendment (No. 4911) was rejected.

Mr. GRAMM. Mr. President, 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.

AMENDMENT NO. 4901

The PRESIDING OFFICER. There are 2 minutes equally divided prior to the next vote. Who yields time?

Mr. BYRD. Mr. President, what is the amendment that is before the Senate?

The PRESIDING OFFICER. The Thompson substitute amendment is the next item of business.

Mr. BYRD. Is that the amendment by Mr. THOMPSON?

The PRESIDING OFFICER. It is.

Who yields time?

Mr. BYRD. Mr. President, I assume someone who is in favor of the amendment will take 1 minute out of the 2 minutes.

The PRESIDING OFFICER. Who yields time?

There are 2 minutes equally divided.

Mr. BYRD. Mr. President, if no proponent wishes to take the 1 minute, I will take 1 minute.

I say to my colleagues that the Senate had just 48 hours to review the 484 pages of the House bill before cloture was invoked, before we stabbed ourselves with the dagger.

In reviewing the details of the bill finally, though, I have had a chance to do a cursory review. The Congressional Budget Office has identified three provisions that increase mandatory spending by \$3.26 billion. Some of this new mandatory spending has nothing whatsoever to do with homeland security.

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

Mr. BYRD. Mr. President, my time has not expired. Senators should pay attention. I insist that I have the rest of my time.

The PRESIDING OFFICER. Would the Senator ask unanimous consent.

Mr. BYRD. I ask unanimous consent that I may proceed for at least a half minute.

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

The Senator is recognized for 1 minute.

Mr. BYRD. Mr. President, at age 85, I need no hearing aid. I don't think I will ever need one, but sometimes it is pretty difficult to hear, even for those who can even hear better.

These additional expenditures are not provided for in the budget resolution adopted in 2001 for fiscal years 2002 through 2011. Therefore, the amendment is subject to a point of order under section 302(f) of the Budget Act.

I make a point of order that the pending amendment violates section 302(f) of the Congressional Budget Act of 1974.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I yield myself 1 minute. We have debated this issue for 8 weeks. The American people spoke very clearly on this issue in the election. It is now time for us to speak.

This is the vote on homeland security and I urge my colleagues to vote aye.

I would like to thank Richard Hertling, the distinguished staff member who has been the leader here. I thank Mike Solon of my staff, and I thank Rohit Kumar of the Republican leader's staff.

Mr. President, I move to waive the budget point of order. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

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

The yeas and nays resulted—yeas 69, nays 30, as follows:

[Rollcall Vote No. 246 Leg.]

YEAS—69

Allard	Domenici	Lugar
Allen	Edwards	McCain
Barkley	Ensign	McConnell
Baucus	Enzi	Miller
Bayh	Feinstein	Murkowski
Bennett	Fitzgerald	Nelson (FL)
Bingaman	Frist	Nelson (NE)
Bond	Gramm	Nickles
Breaux	Grassley	Roberts
Brownback	Gregg	Rockefeller
Bunning	Hagel	Santorum
Burns	Hatch	Sessions
Campbell	Helms	Shelby
Cantwell	Hutchinson	Smith (NH)
Carnahan	Hutchison	Smith (OR)
Carper	Inhofe	Snowe
Chafee	Kerry	Specter
Cleland	Kohl	Stevens
Cochran	Kyl	Thomas
Collins	Landrieu	Thompson
Craig	Lieberman	Thurmond
Crapo	Lincoln	Voinovich
DeWine	Lott	Warner

NAYS—30

Akaka	Dorgan	Levin
Biden	Durbin	Mikulski
Boxer	Feingold	Murray
Byrd	Graham	Reed
Clinton	Harkin	Reid
Conrad	Hollings	Sarbanes
Corzine	Inouye	Schumer
Daschle	Jeffords	Stabenow
Dayton	Johnson	Torricelli
Dodd	Leahy	Wyden

NOT VOTING—1

Kennedy

The PRESIDING OFFICER. On this question, the yeas are 69, the nays are 30. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to and the point of order falls.

The majority leader.

Mr. DASCHLE. I ask unanimous consent the next two votes be 10-minute votes.

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

Mr. BINGAMAN. Mr. President, I rise today in support of the Thompson substitute amendment to the Homeland Security bill. While I have concerns about the process by which this legislation was put together and some of the provisions contained in it, I believe that passage of the Homeland Security bill is a necessary first step in the Government's effort to secure our nation against future terrorist attacks.

I want to speak first about the provisions in the bill that will help my State of New Mexico. First, I am pleased that this legislation includes many provisions that will ensure that New Mexico's national laboratories—Sandia and Los Alamos continue to play a key role in the fight against terrorism. To that end, the Thompson amendment incorporates a number of science and technology provisions from Senator LIEBERMAN's Homeland Security bill that I helped write.

In particular, I am pleased that the Thompson amendment allows the De-

partment of Homeland Security to become a joint sponsor of the Department of Energy's national laboratories. I believe joint sponsorship retains the clear lines of authority needed for the Government to manage the national laboratory system effectively. I am also happy to see that the bill includes \$500 million for the technology acceleration fund, which represents a good starting point for our investment in the new technology that will be needed to defend our homeland against terrorist threats. Finally, the amendment includes the formation of a Homeland Security Institute, as called for by the National Academy of Sciences. The Institute will provide vital technical analysis and policy advice to the new Department. In particular, I look for the Institute to help the new Department strike an appropriate balance between the desire for greater information gathering by law enforcement and intelligence agencies and the fundamental need to protect the privacy rights of individuals. I believe we have done the right thing by establishing a not-for-profit institute to advise the Department on these most important issues.

The bill also transfers the Federal Law Enforcement Training Center, FLETC, to the Homeland Security Department and ensures that the activities currently underway continue to be carried out at the same locations. This will ensure that the FLETC division in Artesia, NM, will continue to play a key role in training Federal law enforcement personnel who are on the front lines in the effort to keep our country safe.

The legislation also creates a new Bureau of Border Security within the Department of Homeland Security, which will include the Customs Service and Border Patrol, as well as the other enforcement functions of the Immigration and Naturalization Service, INS. While I would have preferred that the service and enforcement functions of the INS be kept under a single directorate, as proposed by Senator LIEBERMAN, I am hopeful that the consolidation of these border agencies under a single bureau will enable us to address the efficiency and security problems that have been experienced at ports-of-entry along the U.S.-Mexico border in recent years. That said, if we are ever going to ensure the security of our borders, we must also take steps to improve the efficiency of the INS with regard to its processing of legal immigrants. As the new Department takes shape, it is my hope that the Secretary of Homeland Security will make immigration reform a top priority.

I would also like to talk briefly about some of the concerns I have with this bill. First, I was deeply troubled with the process by which the final legislation was crafted. Senator LIEBERMAN worked for months in good faith to craft a Homeland Security bill that was well thought out and included significant input from both the majority

and minority in the Senate. His bill even passed the Governmental Affairs Committee with bipartisan support. Unfortunately, when the bill came to the Senate floor, the Republican party and President Bush chose to politicize the issue and block many good faith efforts to pass the bill before the election. After the election, the President and the Republican leadership, with virtually no other input, produced this 484-page bill, which is loaded with numerous special interest provisions and a bad deal for Federal workers. Further, as we considered this bill on the Senate floor, we were allowed only one amendment. This process of last minute, backroom deals and limited amendments is not the way the Senate should conduct its business.

Second, as I mentioned, this bill is loaded with special interest provisions that were inserted at the eleventh hour by the Republican leadership at the request of the White House. The one amendment that was considered would have stricken seven of the most egregious provisions. One such provision will grant new liability protections for pharmaceutical companies that make mercury-based vaccine preservatives that may have caused autism in children. Provisions such as this have nothing to do with homeland security and have no business being in the Homeland Security bill. That is why I was greatly disappointed that the Senate voted against the Daschle/Lieberman amendment to strike these seven extraneous provisions from the bill.

Finally, I want to emphasize that I remain concerned with the lack of provisions that address protections for civil service employees. I know that support for these provisions has been characterized over the last few weeks as support for the unions. I think that characterization is overly simplistic, however, and the issue far more complex. I believe that all employees—whether they be in the public or the private sector—deserve to be protected against the arbitrary treatment this so-called “flexible” management system will allow. Over the decades we have established a set of reciprocal principles and practices in Government service that require both employers and employees to treat each other with respect and integrity. Those principles and practices have worked well through national crises of all kinds and a willingness has always been evident on the part of both employers and employees to sit down and work through problems that have arisen.

The idea that we need to change that system because it will break down in this instance is, in my view, a red herring. There is no evidence that this will occur, and there are no examples when it has occurred. From where I sit, the brave men and women who work along the border in the Border Patrol, U.S. Customs, and the Immigration and Naturalization Service are patriots and are not inclined to take any action

that would harm the national interest. They deserve better than this bill offers. There are no protections against unlawful discrimination, political favoritism, and unjust decisions. There are no protections for whistleblowers. There are no protections against management that use the “flexibility” available in this bill to settle a personal or professional grudge. There was instead a decision on the part of the administration to impose its ideological solution to a problem that begged for discussion and compromise. What we ended up with was a bill that establishes a system based on individual whims and not established law. Government employees deserve better than this, and I believe in the end our capacity to serve the public will be diminished because we did not find a way to address this issue in a mutually satisfactory manner. That said, I believe the need for the creation of a Homeland Security Department outweighed the potential consequences of these provisions in the bill. As the President takes steps to establish the new Department, I will be watching his actions with regard to Federal workers closely, and I hope that we will have the opportunity to address this matter further during the 108th Congress.

It may seem like we have finally reached the end of a long and difficult debate on how best to ensure our homeland security, but passage of this bill means that our efforts have just begun. It will take some time to get the Homeland Security Department off the ground. During the coming transition, I am committed to helping President Bush make this new Department operational as soon as possible, and I will continue working to ensure that the new Department has the funds necessary to carry out its mission effectively. Further, I will continue working to maintain New Mexico's preeminent position in the fight against terrorism and to ensure that our national labs remain at the leading edge of homeland security research and development. At the same time, I will be monitoring closely the actions of the President and his administration as this legislation is implemented. We do not have to sacrifice our civil liberties to maintain homeland security, and I will be working to ensure that the new Department remains accountable to the American people.

The PRESIDING OFFICER. The question is on agreeing to the Thompson amendment No. 4902.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

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

The result was announced—yeas 73, nays 26, as follows:

[Rollcall Vote No. 247 Leg.]

YEAS—73

Allard	Dorgan	McCain
Allen	Edwards	McConnell
Barkley	Ensign	Miller
Baucus	Enzi	Murkowski
Bayh	Feinstein	Nelson (FL)
Bennett	Fitzgerald	Nelson (NE)
Bingaman	Frist	Nickles
Bond	Graham	Roberts
Breaux	Gramm	Rockefeller
Brownback	Grassley	Santorum
Bunning	Gregg	Schumer
Burns	Hagel	Sessions
Campbell	Hatch	Shelby
Cantwell	Helms	Smith (NH)
Carnahan	Hutchinson	Smith (OR)
Carper	Hutchison	Snowe
Chafee	Inhofe	Specter
Cleland	Kerry	Stevens
Cochran	Kohl	Thomas
Collins	Kyl	Thompson
Craig	Landrieu	Thurmond
Crapo	Lieberman	Voinovich
Dayton	Lincoln	Warner
DeWine	Lott	
Domenici	Lugar	

NAYS—26

Akaka	Durbin	Mikulski
Biden	Feingold	Murray
Boxer	Harkin	Reed
Byrd	Hollings	Reid
Clinton	Inouye	Sarbanes
Conrad	Jeffords	Stabenow
Corzine	Johnson	Torricelli
Daschle	Leahy	Wyden
Dodd	Levin	

NOT VOTING—1

Kennedy

The amendment (No. 4091) was agreed to.

Mr. HATCH. 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.

CLOTURE MOTION

The PRESIDING OFFICER. By unanimous consent, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion which the clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on Calendar No. 529, H.R. 5005, the Homeland Security legislation.

John Breaux, Ben Nelson of Nebraska, Larry E. Craig, Jon Kyl, Mike DeWine, Don Nickles, Craig Thomas, Rick Santorum, Trent Lott, Fred Thompson, Phil Gramm, Pete Domenici, Richard G. Lugar, Olympia J. Snowe, Mitch McConnell.

The PRESIDING OFFICER. Under the previous order, there are 2 minutes of debate equally divided on the cloture vote.

Who yields time?

Do Senators yield back their time?

Mr. DASCHLE. Mr. President, I yield the remainder of our time.

Mr. THOMPSON. Mr. President, we yield back the remainder of our time.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call under the rule is waived. The question is, Is it the sense of the Senate

that debate on H.R. 5005, an act to establish the Department of Homeland Security, and for other purposes, shall be brought to a close? The yeas and nays are required under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) necessarily absent.

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

The yeas and nays resulted—yeas 83, nays 16, as follows:

[Rollcall Vote No. 248 Leg.]

YEAS—83

Allard	Domenici	Lott
Allen	Dorgan	Lugar
Barkley	Edwards	McCain
Baucus	Ensign	McConnell
Bayh	Enzi	Mikulski
Bennett	Feinstein	Miller
Biden	Fitzgerald	Murkowski
Bingaman	Frist	Nelson (FL)
Bond	Graham	Nelson (NE)
Breaux	Gramm	Nickles
Brownback	Grassley	Roberts
Bunning	Gregg	Rockefeller
Burns	Hagel	Santorum
Campbell	Hatch	Schumer
Cantwell	Helms	Sessions
Carnahan	Hollings	Shelby
Carper	Hutchinson	Smith (NH)
Chafee	Hutchison	Smith (OR)
Cleland	Inhofe	Snowe
Clinton	Inouye	Specter
Cochran	Johnson	Stevens
Collins	Kerry	Thomas
Conrad	Kohl	Thompson
Craig	Kyl	Thurmond
Crapo	Landrieu	Voinovich
Daschle	Leahy	Warner
Dayton	Lieberman	Wyden
DeWine	Lincoln	

NAYS—16

Akaka	Feingold	Reid
Boxer	Harkin	Sarbanes
Byrd	Jeffords	Stabenow
Corzine	Levin	Torricelli
Dodd	Murray	
Durbin	Reed	

NOT VOTING—1

Kennedy

The PRESIDING OFFICER. On this vote, the yeas are 83; the nays are 16. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:29 p.m., the Senate recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CORZINE).

HOMELAND SECURITY ACT OF 2002—Continued

The PRESIDING OFFICER. The Senator from Montana is recognized.

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

The PRESIDING OFFICER. We are postclosure on H.R. 5005.

Mr. BAUCUS. Mr. President, I ask unanimous consent that I may soon make a unanimous consent request

that the time be charged against the pending measure.

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

DISASTER RELIEF

Mr. BAUCUS. Mr. President, soon, I am going to ask unanimous consent to take up the emergency disaster relief bill that the Senate passed earlier with over 79 votes on September 10, 2002.

The only difference between my consent request today and that amendment is today's bill reimburses the \$752 million of section 32 funds that were used to pay for the livestock compensation program earlier this year. This all really stems from the agricultural disaster our country has been facing for the last year and, frankly, in preceding years.

In 1996, not too many years ago—that is the year before the drought began in Montana—our producers earned \$847 million from wheat sales. In 2001, 4 years later into the drought—we have had a series of droughts in Montana—producers made just \$317 million from wheat sales, a 62-percent decline.

That 62-percent decline in sales is through absolutely no fault of Montana wheat producers. These farmers haven't been cooking the books. This is not an Enron matter or a WorldCom matter. They have not been taking exorbitant bonuses at the expense of their shareholders. They have been farmers and ranchers working the soil and doing their very best, in many cases, just to survive. They are dedicated, honest, plain folks, raising livestock for our country and the world, raising agricultural and grain products to try to make ends meet. They need our help.

The drought is no longer touching only isolated pockets of our country; it has become an epidemic that is affecting a majority of our Nation.

According to the U.S. Department of Agriculture, 49 percent of our Nation's counties were declared an agricultural disaster in 2001; 78 percent of our counties were declared a disaster in 2002; 38 percent of those counties were declared a disaster in both 2001 and 2002.

So it is in many parts of the country. In fact, a map I displayed in this body earlier showed that the western half of the United States basically is experiencing drought conditions, and the eastern United States as well. Now, there are also pockets. In Montana, for example, there are some counties where farmers are devastated and other counties where they harvested a bit of a crop.

In any event, if you are a farmer who has lost his crop continuously and you are having a very difficult time making ends meet, I say you deserve our help.

According to the New York Times, on May 3 of this year:

In eastern Montana, more than a thousand wheat farmers have called it quits rather than try to coax another crop out of ground that has received less rain in the last 12 months than many deserts get in a year.

It is anticipated that another 1,300 wheat producers will call it quits this year if disaster assistance is not provided.

Continuing, Mr. President, that same New York Times article—this is an eastern newspaper, not Montana:

Those people, small businesses and rural communities have been devastated by an unpredictable and uncontrollable national phenomenon.

On September 3, 2002, the Wall Street Journal also printed an article:

The United States may be looking at the most expensive drought in its history inflicting economic damage far beyond the farm belt.

Producers every day hope, plead, ask that Congress help them a little bit.

I could go on at great length. I am not going to go on at great length except to say many times we have brought up this measure. It passed the Senate by a large margin both times, and the other body has said no, basically because the White House has said no. That is a fact. Nobody denies that fact. I will ask again today; we still do have time today or tomorrow, however long we are here, to help our farmers. This is a disaster payment; it is an emergency disaster payment. This is what America does. If we have hurricanes, we provide disaster assistance. If we have floods, we provide disaster assistance. We have other natural disaster phenomena in this country, and the Government provides assistance to help the people get back on their feet. That is all we are asking.

If we pass this legislation today, the other body can take it up and pass it, and the President can sign it. It is that simple.

As we near the end of this session and approach the holiday season, the very least we can do is provide disaster assistance to our farmers and ranchers, many of whom are either going out of business or about to go out of business because of an agricultural disaster, in most cases, drought and in some parts of our country it is flooding.

I see our distinguished majority leader on the floor. I am quite certain he wants to speak on this matter as well. It is a huge issue in many parts of our country. It is very much hoped we can take disaster assistance up and pass it at this time. I yield now to my colleague from South Dakota.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I commend the distinguished Senator from Montana. He has been at this now for over a year. The very first conversation I had about drought assistance was with Senator BAUCUS over a year ago. I believe it was in connection with the economic stimulus package of a year ago. It has been 278 days since the Senate acted. So he has been at it for over a year. We, as a Senate, have been at it now for 278 days.

I must say, we can go all the way back to a year ago when Senator BAUCUS made the case that if you want

economic stimulus in our part of the country, there is no better economic stimulus than to provide some drought assistance.

I would use the word economic salvation. This is more than stimulus in our part of the country. This is salvation. This is the only way we can provide some salvation to ranchers and farmers who otherwise will not be here a year from now. We have done everything we know how to do. We have passed amendments. We have passed legislation in various forms. We have offered the House an opportunity to negotiate with us. We have suggested to the White House: Act alone. It does not matter, use whatever vehicle you will, but get it done.

How in the name of economic stimulus can we ignore a large part of our geographic population, a large part geographically of our country? If these people are without this assistance, the rural communities associated with these people simply cannot survive.

I thank the Senator from Montana for his leadership and for again coming to the floor to remind our colleagues of the import of this question, of the urgency that we get something done before we leave. This may be the last day. We may not be in session after today. If we do not do it today, we will not do it. What kind of a message does that send to rural America, to farmers and ranchers who have been waiting now 278 days for the Congress to complete its work?

We voted, as he said, overwhelmingly—overwhelmingly, Republicans and Democrats. I would hope we were not doing that just for a political cover because this is far more important than political cover. This is economic survival. This will provide the only salvation to the farmers and ranchers who are desperately looking to Washington for help. Let's do it right. Let's provide this assistance. Let's agree with this request. Let's get this assistance to them quickly. Let's save them before it is too late. I hope we will do that this afternoon.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, there are many Senators who wish to speak on this because it is so important. I ask unanimous consent that I be able to yield to other Senators without losing my right to the floor.

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

Mr. BAUCUS. Mr. President, I yield to my good friend from Minnesota.

Mr. DAYTON. Mr. President, I thank the distinguished senior Senator from Montana for his leadership on this matter. As the majority leader said, the Senator has been superb in his leadership on this for now over a year and has been speaking out not only on behalf of Montana farmers but on behalf of thousands of Minnesota farmers who have also been devastated over the last 2 years and have not seen \$1 of disaster aid provided to our State.

The message is: If you are a pharmaceutical company and you have that kind of political clout, you will be taken care of by the Congress. If you are a company that has run away from this Nation to hide your tax obligation, you get a special consideration stuck in the bill that came over from the House of Representatives which we just voted on this morning. If you are a farmer in Minnesota, however, Montana, or elsewhere and you have been devastated by conditions beyond your control, the Congress is going to turn its back on you, the administration is going to turn its back on you.

As the Senator pointed out, this Senate has not turned its back on farmers on disaster aid. The 2002 farm bill—and I served with the Senator from Montana on the Senate Agriculture Committee—had agriculture disaster assistance in that measure, but, again, the House and the administration turned a cold shoulder and had no funding whatsoever, and the conference report came back after many days of negotiation with the House unyielding and the administration unyielding in their position of not providing disaster assistance.

The farmers in my State of Minnesota have lost over three quarters of a billion dollars in crop devastation in the last 2 years—three-quarters of a billion dollars in 2 years, and not \$1 back from the Federal Government. That is why people lose their faith and trust in Government because we do the wrong things for the wrong people and we do not do the right things for the right people. By “we,” I mean the collective bodies, because this Senator and the majority of the Senate have said again and again: We want to stand with those farmers who are suffering the greatest losses, who are being wiped out.

Over half the crops in my region have been wiped out over each of the last 2 years.

I say let's stand with the farmers. I stand proudly with the Senator from Montana. I thank him for his leadership. Let's make one last plea to this body and the House and the administration to do what is right and do what is urgently needed on behalf of farmers in my State and elsewhere in this country.

I thank the Chair, and I thank the Senator from Montana for yielding to me.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I now yield as much time as he consumes to the Senator from North Dakota, an ardent fighter on behalf of agriculture, I might add.

Mr. DORGAN. Mr. President, I thank the Senator from Montana for bringing this issue before the Senate again and again.

It is interesting what people consider a priority in this Congress. We have voted on this issue of drought relief and disaster assistance for farmers in

the Senate. Seventy-nine Members of the Senate voted to do something. We passed legislation for \$5.9 billion. Let me tell you why we did that.

This map shows what happened to a major part of the country. A major part of our country suffered a devastating drought. In my State, we had that extreme drought in the southwestern corner. We also had extreme moisture and therefore flooding in the northeastern corner.

Let me show a picture of two farmers in the same State. This farmer is standing on his land that looks like a moonscape. Put seeds in that ground and nothing grows. Is that a disaster? It is if you put all your hopes, dreams, and capital into the ground. We had literally a moonscape. No pasture, no crops in these areas.

In the same State, flooded land. Drought and flooding. No crop.

Now, when family farmers suffer this circumstance, they cannot make it from one year to the next. One of my colleagues said we really ought to name droughts. We do name hurricanes. If a hurricane came through tomorrow and it took a portion of the country and flattened it, immediately airplanes would leave Washington, DC, FEMA would be on the airplane, other governmental offices would be on the plane, and they would be rushing there. Why? Because Hurricane Andrew, Emma, or Hurricane Myrtle hit land. We would all understand this was a disaster. All of the mechanisms of the Federal Government racheting up to try to deal with disasters would be on the way to help.

But this gripping, relentless drought that occurred in our country, with flooding in some other parts, is something that happens over time. So there are enough people in Congress—including the President of the United States—who decided we do not want to do anything; we want to block this. We passed disaster assistance by 79 votes in the Senate. Bipartisan. The Speaker of the House and the President say, We do not want it, we will not do it.

My colleague from Minnesota made an appropriate point. What did they have time to do? As to the question of whose side are you on, at least part of the answer this morning is we are on the side of corporations who want to renounce their citizenship and move offshore to stop paying taxes to the United States Government, or at least minimize those taxes. We would like to become citizens of Bermuda, some corporations say. So this morning the vote in the Senate was to say, at least by the majority, regrettably, we would like to help those companies. The Senate already voted to say if you want to renounce your American citizenship, you ought not be getting American contracts with the Federal Government.

In the homeland security bill they have stuck in a little piece that says let's make it easier for corporations that renounce their citizenship to get

these contracts. That was a priority. It was a priority, for those corporations that renounce their citizenship, to help them out. We had the time and the will by some in Congress to help them out.

It is interesting, exactly the same people who do not want to lift a finger to help family farmers are saying we would like to help out these poor corporations that renounce their citizenship.

Mr. BAUCUS. Will the Senator yield?

Mr. DORGAN. I yield the floor.

Mr. BAUCUS. How many family farmers in North Dakota are able to move offshore to Bermuda and not pay income taxes? How many would you guess could do this?

Mr. DORGAN. The answer is zero. But the answer would be zero if every farmer had the opportunity to do it. Do you know why? Because our farmers are Americans. They do not want to move anywhere. They do not want to become citizens of Bermuda. They do not want to avoid paying income taxes. They would love to pay income taxes for a change. They would like an opportunity to have an income to pay income tax.

There is no income with a moonscape farm or when your crop is under water. Our farmers would not move to Bermuda for tax purposes.

Mr. BAUCUS. And that means they do not have to pay income tax.

Mr. DORGAN. Yes. They consider that unpatriotic.

The question is, why does Congress have time to help those corporations that renounce their citizenship but it does not have time to pass a piece of legislation that deals with disaster?

The point the Senator from Minnesota made is an important point. They have the opportunity and the will, apparently, to help drug companies but not family farmers.

It was Tom Paxon a couple of decades ago, when Congress gave some financial assistance to Poland, who wrote a song that said, "I'm changing my name to Poland."

Well, the question is, What is important to the Congress? Do you have to change your name to get some help? My farmers are named Johnson, Olson, Christianson, Larson. And they are out there and they put everything they have in the ground in North Dakota. They do it on a hope and a prayer that somehow it will rain enough, not rain too much, the insects will not come, the disease will not come, and they raise a crop and take it out of the ground and take it to the elevator for some money. That is a hope beyond hope with a natural disaster.

We have a responsibility, if we care about rural America, care about family farmers and care about the special culture they provide for this country and contribution they make to this country, we have a responsibility to help in tough times. That is what we ought to do, to extend a helping hand to say, we would like to help you during these tough times.

Yet, I regret, in answer to the question, Whose side are you on, too many decided to block this. They blocked it at the White House, blocked it at the speaker's office in the other body. The Senator from Montana has been on the floor before—again and again and again. I am proud to have been here with him to say this is a priority for us. This is not a giveaway. It is not something that is not desperately needed. This is a responsibility as Americans to say to others in this country when they need help, here is a helping hand.

I am proud to have served in both the House of Representatives and the Senate. In every circumstance on every occasion where someone in this country has been injured, hurt, or disadvantaged by fires and floods and earthquakes and tornados and so many natural disasters, I am proud to say I have voted to provide disaster assistance to them because I believe that is the best of what we should do in this country.

I will never, ever vote against that kind of assistance to people who are down and out and need help. That is why I would have expected this Congress and this President to join us, 79 Members of the Senate, Republicans and Democrats, to provide disaster help now when it is needed.

I regret we may now, in the waning hours, leave this session with an objection to the unanimous consent request, after it has already passed the Senate by 79 votes and after the House is somewhere scattered across America—done with their business, they will have left this Congress and left undone a significant piece of legislation that should have been saying to America's family farmers, beset by disaster, that this country cares about you and this country wants to help you in a time of need.

Again, let me say thanks to the Senator from Montana for his effort today. I fully support him.

Mr. BAUCUS. I thank the Senator. I notice my colleagues are coming over. This is an important matter, and we have an opportunity and we owe it to our people to get this legislation passed.

I yield to my friend from Michigan, Senator STABENOW.

Ms. STABENOW. Mr. President, I thank my friend from Montana who has been such a leader on this issue. We have all joined on the floor time and time again to talk about the need for emergency assistance, for disaster assistance in our States. As a member of the Senate Agriculture Committee, I stand with my colleagues to indicate that Michigan has been under a disaster from flooding, from drought, from changing temperatures. We had our cherry growers this past year find extraordinarily high temperatures in April, only to see freezes just a few weeks later. This has stopped the ability for practically any cherries to end up on the trees this year. It is incredible, the fact that they have essentially

been wiped out, not including what has happened the last 2 years for our grape growers, what has consistently been the battle for our apple growers, what we have seen from dry beans in Michigan, asparagus.

I could go on and on. We have had harmed numerous crops in Michigan. We have seen consistent emergencies come as a result of weather.

This is not only an issue for our family farmers but for the business community as well. When we do not have the cherries on the trees, our processors do not have any business. We are seeing processing plants that are cutting back or closing. This is a ripple effect throughout the economy in Michigan. I am sure in other States, as well.

This is truly a disaster. As my colleagues have said, if this were a hurricane, if this were a tornado, if this were another circumstance, we would all be joined together to help communities that find themselves in a disaster situation because of no fault of their own. This is no less a disaster. It is no less a situation out of the control of our farmers and all of those involved in agriculture.

I thank the Senator from Montana again and stand, as I have throughout this process, with the Senator. This is our last opportunity to do this and to indicate to our family farmers, to agriculture across this country, that we understand what you are going through; that we support you and we will provide the same assistance we would for any other disaster and emergency that might occur.

I strongly hope we will be able to prevail in getting some action today.

Mr. BAUCUS. I might ask a question of the Senator. Did the Senator by any chance vote for disaster assistance to aid other parts of the country, such as, say, New York City?

Ms. STABENOW. Absolutely. As our leader has just indicated, we are consistently coming together on a bipartisan basis to support important efforts. I was proud to stand with all my colleagues in the time of need of New York and New Jersey and all those who were affected after 9/11. We consistently have requests from FEMA that come forward, to which it is necessary that we respond, and we do that and we step up together. Honestly, for the life of me, I do not understand why, when it comes to our farmers, we do not have the same bipartisan support nor the same support from the administration. It is deeply concerning.

I very much hope as we come to the end of the session that we could come together and stand up for those who fight hard every day against the elements. They are in a tough job. They cannot control whether it rains or shines. Yet they are putting food on our tables, as well as around the world, and providing for a very important part of our economy. I hope we stand up for them at this time.

Mr. BAUCUS. Mr. President, I yield to the Senator from South Dakota.

Mr. JOHNSON. Mr. President, I thank Senator BAUCUS of Montana; Senators DORGAN and CONRAD of North Dakota; Senator STABENOW of Michigan; my colleague, TOM DASCHLE of South Dakota; and others who have risen on the floor to talk about the urgent need for disaster relief to the agricultural sector of our economy. It seems extraordinary to me that at a time when we have passed disaster relief for earthquakes in California, hurricanes in Florida or New York or whatever—whenever there is a natural disaster that has occurred, our country has come together. Our colleague, BEN NELSON of Nebraska, suggests perhaps we ought to give names to these droughts. If it was Drought Hugo or Drought Andrew, perhaps there would be a different perception at the White House.

I was profoundly disappointed this summer when President Bush traveled all the way to Mount Rushmore, in fact, to announce to the agricultural sector that there would be no relief other than what meager amount there might be available in the farm bill. That was never designed to address natural disasters. We have always dealt with disasters in the agricultural sector or any other sector of the economy on an individual basis. Some years we have them, some we do not. There is no slush fund in the farm bill designed to be utilized for a disaster relief. It is simply not put together that way.

Yet we know we could do a full \$6 billion level of drought relief and do it in a fiscally responsible fashion because, in fact, the farm bill, over the course of this next year, is going to be using less countercyclical payments, and those payments will not be required, and that will come to around a \$6 billion savings. It is not a technical offset, we know that, but it is a fiscally responsible way we can go about doing this.

But to single out agriculture for the first time ever in this unprecedented way strikes me as an extraordinarily bad precedent. Republican and Democratic administrations alike in the past have supported disaster relief when disasters occur. It is not like we seek relief every time we have a little shortage of rain or a little problem of one kind or another. That is the nature of agriculture. But what we have here is a devastating circumstance that has damaged agriculture in a significant way in some 37 different States, at least, across the country. Yet we have an administration for the first time ever saying we will help tornado victims, we will help hurricane victims, will help earthquake victims, but if you are in the agricultural sector, forget about it. We are not going to be there for you. That is a precedent that is of profound consequence to the agricultural sector all across our country.

In South Dakota, the State university tells us the loss to the economy is already in excess of \$2 billion in our small State. Obviously this ripples up and down every Main Street of every

community. Those who are the least capitalized, the younger producers, are the first to be forced off the land at a time when we have a demographic problem as it is in terms of keeping our young people and young leaders in our rural communities. It has an enormous impact. We will be feeling the effects for years and years to come. Even if we were to have this disaster relief, as Senator BAUCUS well knows, this would not make people whole. This would not make it as though the disaster had not occurred. This would simply get people by through the winter so they can know whether they have to continue to disperse their herds or whether they would continue to farm at all—they would have that knowledge. They would be in the hope next year things would turn better.

As it is, we have had a 2001 and 2002 drought, 2 years back to back. On top of that, we have unfair trade policy, concentration in the agricultural sector, and all kinds of conditions at work to lower the price that our producers get in too many cases and it simply gangs up on our producers to the point where income is falling off a radical level this year—down at least 23 percent this year; last year it wasn't good. What we are going to find is a depopulation of this part of the country.

If we were seeking something unique and special for the agricultural sector that no other sector gets, it would be one thing, but what we are looking for is equity, fairness. I ask my good friend, the Senator from Montana, who has played such a lead role in helping to raise this issue, is there any logic, is there any equity in singling out the agricultural sector to be devoid of any kind of disaster relief as opposed to any other sector that faces a natural disaster in America? Why should agriculture be the one sector that is told to drop dead when you have a natural disaster in your region?

Mr. BAUCUS. I thank my friend. Frankly, I was going to ask him roughly the same question; namely, what possible reason could the administration have, the other side of the body have, for saying no? What possible reason? Can you even think of a reason? The only one I can think of is, perhaps, that it costs money. That cannot be a reason when we spend so much money in so many areas where there is no disaster, no emergency. This is black and white. This is so easy. As the Senator has so articulately said, in so many instances it is the American way to help parts of the country that suffer natural disasters, America is there. America has a big heart. We are there. We are Americans. We work together to help other Americans who suffer disasters.

The Senator has mentioned earthquakes. We know of the devastating earthquakes, say in California and we were there. We know of the devastating hurricanes in Florida or on the eastern coast, and we have been there. We know of other floods and we have been there. All of us together have been

there. As the Senator said, it has been nonpartisan, it has just been America.

But for some reason, and I cannot fathom what the reason is, the White House said no to this disaster; said no. The other body, on the other side, said no. The only possible reason I can think of, as the Senator has suggested, for some reason they think they can get away from it because farmers and ranchers are kind of stoic. They are good people. They do not raise the rafters. They don't take to the streets. They are good, solid people.

I think the Senator from Minnesota made a good point earlier. He said, and frankly this is very poignant, it is ironic: When our beloved late departed colleague, Senator Wellstone, often said, there are other people—there are law firms, lobbyists, who can represent big companies in Washington, DC. But he, Senator Wellstone, was there to represent the people who don't have big lobbyists and well-heeled people. He, Senator Wellstone, is there to represent the people. That is our job. It is the job of both sides of the aisle, to represent the people. It is the job of both ends of Pennsylvania Avenue to represent the people.

Now we have our nation's farmers and ranchers, down and out—there are not better, more decent, hard-working, wonderful, people in America than our farmers and our ranchers. They don't complain. They work really hard. They do their very best. Yet the administration and the other body is turning their backs to them.

It reminds me sometimes of New York. The current occupant of the Chair from New Jersey certainly knows this phenomenon. Certainly, when an administration or Congress says no to something New York wants, the headlines are: Drop dead. The administration says drop dead.

Clearly this administration, the other party, to our farmers and ranchers has said: Drop dead.

The Senator made another excellent point; namely, the farm bill is not designed to take care of natural disasters. You must have a crop to participate in the Farm Bill. There is no slush fund, the Senator said, in the farm bill.

The farm bill is irrelevant to this phenomenon, this disaster, we are facing. For the life of me, I cannot understand. Maybe drought is just a "silent killer," as some of our colleagues mentioned earlier. It is not on the front pages. It is the silent killer in different parts of the country. You do not see it coming slowly, but it just as pernicious and devastating, if not more so.

Mr. JOHNSON. Mr. President, I thank my colleague for his insight because I think he is exactly right. While the damage is as great as with any other disaster, it takes a matter of days and weeks and months for this to occur, as opposed to the headline-grabbing earthquake or tornado or hurricane that may take a day or two and grab headlines.

I invite my colleagues from the House who have refused to even hold

hearings on this issue, much less have a vote of any kind on disaster relief, and I invite the administration to come to my part of the country to look at what has happened to those fields, to those farms, and to those ranches. The liquidation of herds has already taken place. The equity built up for generations has been lost over the course of this last year. Again, we find a stone wall relative to disaster relief for agriculture.

I applaud the leadership of my colleague from Montana, and my colleague from South Dakota, Senator DASCHLE, and Senators DORGAN, CONRAD, NELSON, and others who have done so much to highlight the equity and the common sense of this action. It is my hope that before we leave this place, we can in fact see to it that our rural parts of America get the same kind of attention, the same kind of concern, and the same kind of compassion that every other part of America and every other sector gets when they have unmitigated disasters facing them.

I yield my time.

Mr. BAUCUS. Mr. President, I have the floor. Before I yield time to the Senator from North Dakota, I see the distinguished minority leader. I ask if he can wait for a short while so the Senator from North Dakota can give his statement, if that is OK with the Senator from Mississippi.

Mr. LOTT. Mr. President, I would be glad to withhold. I hope it doesn't take too long.

Mr. BAUCUS. I am giving him in a little nudge.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the Senator from Montana. I thank the Republican leader. I appreciate that.

As you can imagine, this is deadly serious for the people I represent. This picture says it all. This is what southwestern North Dakota looks like. It looks like a moonscape. Nothing grew this year. It is the most devastating drought that many have faced since the 1930s. Many would say it is an even more devastating drought than we had in the 1930s because absolutely nothing grew this year. It is a devastation.

One of the newspapers in our State published this headline: "Disaster Aid Just Common Sense." This is my hometown newspaper. They said: Look, this is a circumstance that demands a response. Always before, we have given disaster assistance to every other part of the country in every other circumstance, but not here.

The President of the United States says take the aid out of the farm bill. There is no disaster aid in the farm bill. That was specifically precluded. But the farm bill can provide the funding because the savings from the farm bill will directly provide the amount of money necessary for disaster assistance.

Here is the circumstance we face, according to the USDA. Net farm income

is going to go down 21 percent even though prices are higher. Even though farm program payments will be lower, farm income is going to plunge. It is going to plunge because of natural disasters in every part of the country. Obviously, it is very acute in the Midwest—especially Montana, North Dakota, and Minnesota.

I end by reminding colleagues of what Senator Wellstone, who so tragically died, said in his last days. He was fighting for disaster aid. He said: "Politics delays aid for northwest Minnesota farmers."

Senator Wellstone may be prophetic in what he said because he was afraid that politics would kill the disaster assistance that is so desperately needed.

In my State, literally hundreds, and perhaps thousands, of farm families will be forced off the land if we don't do what we have always done in the past; that is, provide disaster assistance—a disaster package that can be fully offset and fully funded by savings out of the farm bill. Because of these natural disasters, and because we have had drought and floods, production is less and prices are higher. That means payments are less from the farm bill. That money could be used to pay for disaster assistance that is so desperately needed.

I plead with my colleagues. I plead with them. Let us do now what we have always done in the past. When any part of the country suffered a disaster, we helped. We should do no less now.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 3099, the bill to provide emergency disaster assistance to agricultural producers, that the bill be read a third time and passed, that the motion to reconsider be laid upon the table, and that any statements thereon be printed in the RECORD.

Mr. President, before I ask the Chair to put that question, let me just say that I plead with my good friend, the minority leader—soon to become the majority leader—from Mississippi. I know he is about to object. But I urge him to not object at this point.

Maybe there is a way to work something out here. I say that because this is not a political gesture. As the Senator well knows, Mississippi farmers are hurt for various reasons. As a final good-faith, bipartisan way to work something out with the White House, if he can possibly figure it out—I don't want to put the Senator on the spot. Believe me. I don't. I am only putting it this way because this could be the last day we are in session, and we still have an opportunity here. I wonder if the Senator might not object. As the Senator from North Dakota pointed out very well, there really is no cost to this because the farm bill costs will be about this amount less because of the way the farm bill works; namely, with

the drought we have less production and higher prices and much less in government payments made to farmers, it works out to be very close to the amount of disaster assistance to farmers and ranchers who suffer from a natural disaster.

I know it is a long shot. I am still going to make the request. We haven't given up around here trying to help our people.

Mr. LOTT. Mr. President, reserving the right to object, I have no doubt about the seriousness of the sponsors of this effort. Also, I am sure the administration and the Congress are going to continue to look at this to find ways to be of assistance in every way that is possible and that is needed.

There are a couple of serious problems with this, though. First of all, we do not really know what the cost will be. We are being told it wouldn't cost anything because it would come out of the agriculture bill. I thought I heard another Senator say you can't take it out of the agriculture bill that we passed because it is prohibited. I am not sure exactly how that would work.

Second, this bill came straight to the floor. It didn't come through the committee. I have a lot of faith, even though I disagree sometimes with the leadership on the Agriculture Committee. My colleague from Mississippi, Senator COCHRAN, is certainly sensitive to agricultural disasters. He will be the chairman of the Agriculture Committee next year. We will have a chance to revisit this. But no committee considered it; it was just brought straight to the floor.

For those reasons and others, and the fact that the House will not have an opportunity to fully consider it, or even take it up at this late date, I would have to object. So I do object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Montana.

Mr. BAUCUS. Mr. President, I am gravely disappointed that there is objection.

Our farmers cannot wait, frankly, until next year. It looks like they are going to have to wait now. Those who are still farming, those who are still raising livestock are going to have to somehow dig deeper, if you pardon the pun, to make a living, scratching off the land.

I am baffled. I am totally baffled. This case is so clear. With all due respect to my colleague from Mississippi, he made two inconsistent points. I heard no real reason, just an objection, as is any Senator's right under the rules of the Senate.

But, nevertheless, we have spoken. And I will fight this in January; that is, we will figure out some way to help our farmers and ranchers who are suffering from these disasters, just as other people around the country get aid when they experience disasters.

With that, Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. EDWARDS). The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, I thank you for this opportunity to speak today regarding the importance of disaster relief yet this year.

Now, in just the last few minutes it became fairly clear this is now going to have to carry over. And I respectfully disagree with the Republican leader that this should be carried over. I do understand the rules and will have to abide by them, but I think it is important to point out that while the legislation may wait, the people who need these funds for their very survival are not going to be able to wait. They are going to sell off their land. Many are selling their herds right now. They will not wait because they can't wait. We will have to wait for this legislation and do the best we can.

But I would like to quickly thank Senator BAUCUS and certainly Senator DASCHLE for their tireless efforts to provide drought assistance. And I certainly associate myself with the comments made by Senator CONRAD from North Dakota, who I think very eloquently laid out the numbers and what the implications are relative to the need for this disaster relief in his State.

Nebraska isn't much different. Much of our land looks like a moonscape because the pastures have had inadequate precipitation for a number of months and, in many cases, years, and they do not come back quickly. Without water, without snow, without the precipitation required, the grass simply will not grow.

This body has twice passed drought assistance—twice. We first passed it as drought relief. Then we passed it as part of the Interior appropriations process. We tried to include it in the farm bill.

Yet as we come to the conclusion of this 107th Congress, the House has failed to act. We must try one more time to get the point across so that, as the year turns from 2002 to 2003, there will still be a recollection that just because the year has changed, the conditions have not changed; they continue, unfortunately.

We are here not to make a point, although a point must, in fact, be made, but to get the necessary drought assistance for our farmers and ranchers in those areas of our country that are experiencing a continuing drought, a multiyear drought, that is devastating to their economic well-being today and threatens to be even more devastating in the days ahead.

Some are worried, apparently, about the cost. I, too, as a fiscal conservative, am worried about the cost. But I must ask, what would we do if it was a different kind of natural disaster, let's say a hurricane or a flood or an earthquake, some other kind of disaster?

It is not that the people in this body are not worried about the cost; it is that when we have emergencies, we respond to those emergencies without looking for offsets because we recognize emergencies are special situations.

They cannot be simply provided for within the current budget or in a future budget.

On disaster relief, the Congressional Budget Office has said Government spending is down, almost enough to pay for this disaster relief, because of this year's high commodity prices. Why cannot we see our way clear, in some manner, before the end of the year, or right after the beginning of the new year, to put disaster relief on the continuing resolution or be the first order of business in the next Congress?

If some believe this drought is really not as damaging as other natural disasters, I invite them to come to Nebraska and visit with our farmers and our ranchers and take a look at the landscape and begin to understand that if our farmers and ranchers are unable to make it financially, the lenders will require them to sell their land, to sell their herds, to go into bankruptcy.

This damaging drought is not only a problem for farmers and ranchers, but it devastates main street Nebraska, main street North Dakota, the main street in any community that depends primarily for its existence on successful agriculture. If you talk to the merchants in these small communities, they will tell you what is happening to their business. They are going under. They are not making it. They are worried about not only next year but making it this year. Because if you don't have money coming from agriculture, these communities are going to wither, and they are not going to be able to make it.

So I only suggest, half in jest, that we begin to label droughts, because if this was "Drought Andrew" or "Drought Margaret," it would have some identity that could attract emergency aid for a disaster. We make a mistake in not having these droughts named after an individual, as we do with hurricanes, because then these natural disasters, these natural events, that occur over a continuing period of time might have a substance that could attract the attention of those who are today saying: Well, let's put it off until next year.

I can assure you, if we had another type of disaster today, it is very unlikely it would be put over until next year. If we had had a hurricane last month or the month before, I can absolutely assure you, it would not have been put over until next year.

I don't think it can be any more clear to me that America's farmers and ranchers need this effort in our Senate to go forward. We need the House to pass disaster relief. I have seen so much of the damage firsthand. I have been across the State. I see the reports. This summer I was on a dryland farm that has had crops—some good, some bad—for 70 years. During the Dust Bowl years that farm produced a crop. This year there is no crop—for the first time in 70 years, and perhaps long before that, certainly in the recollection

of the owners of that farm. They can only go back 70 years. But they know there has never been a year until this year where they have not had a crop.

A family farmer in my hometown of McCook, NE, Dale Dueland, whom I have known since the days he crawled across his family's floor—he is not going to like me saying that, but I remember when he was that little boy in that farmhouse, and today he is a man with children, and with a successful farming operation, except for the drought. It is not simply because of prices but because it does not matter what the price is if you do not have a crop.

He does not have a crop. He said he would have a zero yield on his 900 acres of dryland corn. It would not matter if corn went to \$5; if you don't have anything to sell because of a disaster of this kind, you are not going to be able to make it. His poor crop performance is not the result of poor planning or poor farming or nondrought-related weather. This is the result of a natural disaster that has been going on in some cases for over 2 years.

For much of my State, this is, in fact, a no-yield year or, at best, a low-yield year.

Al Davis from Hyannis, NE, told me that "each day places another nail in the coffin of many individual ranchers in Nebraska and on the Great Plains. Many ranchers have already thrown in the towel and are liquidating portions of their herds," which will have an impact not only today but tomorrow, the next year, and the next year, because rebuilding herds is not a singular event that occurs in a short timeframe. It takes years to build a herd. It takes only days to liquidate a herd.

Annette Dubas, who owns a ranch and farm in western Nance County in Nebraska, told me that after the third year in a row of drought conditions, some farmers in her area have already been forced out while others have been working two jobs just to be able to keep their farm going. That is neither a happy situation nor is that a good thought about what the future is going to hold. They are going to have to be able to sell or they are going to have to be able to have a crop or they are simply going to go out of business.

These are not big time corporate farms. Nebraska law bans corporate farming. These are family farmers who are being driven out of business for the first time in generations. These farms have been in their families for many generations; in some cases, 100 years or more. Farmers and ranchers have not only been let down by Mother Nature, they have been let down by those in the Senate and House who have blocked efforts to provide disaster relief despite its severity and despite CBO's savings indications.

We can't keep denying relief to those in need. Maybe the procedure is that it be put over for another couple months. But it must be one of the first things, if not the first thing, that this Senate

and the House take up after the beginning of the year in the new Congress. We cannot allow the House to remain idle on the issue. We need the White House to support this bill, and we cannot allow objections from those few who don't understand that this drought is no different than a flood or a hurricane or an earthquake to stop us from providing relief. We must, in fact, recognize the savings from the farm bill are there. And if need be, we need to get it as part of this drought assistance.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I want to say, before the Senator from Nebraska leaves the floor, that the statement made by the Senator from Nebraska, former Governor, should be a primer for someone trying to lay out a case. He laid out a case as well as I have ever heard. He talked about the State itself, about individual people. It is compelling.

Nevada, of course, does not have large agricultural interests. We have some agricultural interests. But the Senator from Nebraska has done as good a job as I have ever heard in presenting a case.

I hope the people of Nebraska know what an advocate they have in the Senator from Nebraska. When students study how to lay out a case, whether it is for farm aid or whether it is for anything else, reviewing the statement of the Senator from Nebraska makes the case in point.

Mr. NELSON of Nebraska. Mr. President, I thank my friend from Nevada. The challenge we have in Nebraska is laid out by the fact that this is about the present but also the future. The future will be dim if we are not able to take care of the problems that have developed in the past and continue today. It is about young people, the future of the State, and the future food needs for the people of this country. Everybody will be continually adversely affected if we don't remedy this situation as soon as possible. If it can't be before January 7 of this coming year, it would still be early enough.

The PRESIDING OFFICER. The Senator from Michigan.

BAY MILLS INDIAN COMMUNITY LAND CLAIM SETTLEMENT ACT

Ms. STABENOW. Mr. President, I rise today to discuss another bill, a very important bill to communities in Michigan, a bill I introduced earlier this year, S. 2986, the Bay Mills Indian Community Land Claim Settlement Act. I also, on a personal note, thank Patty Bouch of my staff for her excellent work on this issue. She has been diligently focused for a number of months now in working with all those interested in this issue.

S. 2986 provides for congressional approval of a land claim settlement agreement reached earlier this year by the State of Michigan, Governor Engler, and the Bay Mills Indian com-

munity of Brimley, MI. The agreement settles the tribe's longstanding claim to over 110 acres of land that was once deeded to the Governor of the State to hold in trust for the ancestral bands of the Bay Mills Indian community.

This land, now called Charlotte Beach, MI, was later sold for unpaid taxes and without the knowledge of the bands or consent of the State. In agreeing to extinguish the historical land claim in the area, the Bay Mills Indian community will be granted alternative lands in the State as outlined in the settlement agreement. These alternative lands are located in Port Huron, MI, and would become part of the reservation of the Bay Mills Indian community.

Furthermore, the legislation directs the Secretary of the Interior to take these alternative lands into trust as land obtained in a settlement of a land claim under the Indian Gaming Regulatory Act. The Senate Committee on Indian Affairs held a hearing on S. 2986 on October 10 of this year. I am very appreciative of Chairman INOUE's willingness to hold the hearing, particularly that week, in light of the fact that the Iraq resolution was being debated at that time on the floor. It was a very serious week with much happening. I am grateful for his willingness to hold the hearing and to work with me on this issue as we have moved through the process.

The hearing afforded me and House colleagues in attendance and my constituents a forum to explain the merits and the need for the legislation. I appreciate the fact my House colleagues, Congressman BART STUPAK and Congressman DAVE BONIOR, were in attendance. They testified in support of S. 2986 as it directly affects their current congressional districts.

Before the committee, Congressman STUPAK discussed his past efforts to remedy this land claim for the Charlotte Beach landowners in his district. He has worked on the issue for the last 8 years. He has been trying to resolve it. He believes that S. 2986 will grant the clear property title to the landowners in Charlotte Beach, MI who have inadvertently been involved in an issue greater than themselves.

The settlement of this land claim will also greatly benefit a community in Michigan. Port Huron, MI is a community that is in great need of new economic development and jobs. The citizens of Port Huron can look directly across the waters at a casino in Canada—right across the bridge. There is a large bridge that goes from Port Huron to Sarnia. They watch every day as people drive across that bridge, citizens of Michigan and the United States taking their dollars to Canada where there are more jobs now as a result of that establishment.

On the other side we have a community desperately in need of jobs. This community has wrestled with economic development and what to do. In June of 2001, they had a referendum

and the voters of that community, after thoughtful discussion and debate, voted by a 55 to 45 percent margin to show their support for potential gaming activities in their community.

This was done, as in any community, with thoughtfulness about what the alternatives are. I know they are very frustrated at the fact that they can look at job loss, economic loss right across the river from them.

Should my legislation pass this Congress, Port Huron could be the last U.S.-Canadian border crossing in my State to have gaming, which would provide some desperately needed economic development and job creation for a community where the unemployment rate exceeds both the State and the national unemployment rate.

Unemployment in Port Huron is nearly 12 percent and the community desperately needs new economic development and jobs. They have a plan now. Community leaders have come together and developed a plan that will work for them. It will create jobs in the building and construction industry, and it will create long-term jobs in the service industry as it relates to this project. They are urgently asking us to pass this legislation. They are ready to go to work and get it done. They ask that we pass this now in the final day of the session. It is very important to them that this be passed this year and not next year.

Mr. President, I ask unanimous consent that the Committee on Indian Affairs be discharged from further consideration of S. 2986 and the Senate proceed to the immediate consideration of the bill; that the bill be read the third time, passed; and that the motion to reconsider be laid upon the table, without any intervening action or debate.

Mr. REID. Mr. President, reserving the right to object, first, let me say to my dear friend, the junior Senator from Michigan, I don't oppose Indian gaming. I am responsible for writing the Indian Gaming Act. It was done many years ago. I am still a member of the Indian Affairs Committee. I haven't liked the way the law has gone with the Indian Gaming Act, but I follow what the courts have decreed.

I think there have been some very good things happening in the country in Indian gaming. They have been taken advantage of on a number of occasions, but that is the way it is in a lot of different businesses. I don't oppose Indian gaming, I repeat. While I had some concerns initially, they basically have been met, and I have had some very good relations with Indian gaming operators and operations across the country.

I oppose this legislation that my friend from Michigan has asked be passed by voice vote today. I oppose it for a number of reasons, not the least of which is that the legislation would undermine the gaming compacts that were approved by the Michigan State Legislature after years of careful and deliberate negotiations.

Senator STABENOW's bill would circumvent the terms negotiated in all 11 tribal-State compacts, including the compact to which Bay Mills is a party, which prohibits off-reservation gaming in the absence of a revenue-sharing agreement involving all of Michigan's Federally recognized tribes.

Additionally, in recent gaming compacts, the tribes involved all agreed to limit themselves to one gaming site for each tribe; yet this legislation would allow Bay Mills, which already has two gaming facilities, to open still another facility hundreds of miles from its reservation and in direct competition with the tribes in the lower peninsula.

Secondly, allowing a tribe to settle a land claim and receive trust land hundreds of miles from their reservation for the express purpose of establishing a gaming facility sets a very dangerous precedent.

This pursuit of off-reservation gaming operations should continue to follow the procedures outlined in the Indian Gaming Regulatory Act, Public Law 100-497, which authorizes tribal gaming operations on off-reservation "after-acquired lands" where the land to be acquired has no relationship to the land upon which the claim was based.

Let me say that the first gaming compact ever approved with an Indian tribe in the history of the country was done in Nevada. So it is not as if Nevada is here opposing this request. The first compact ever approved in the country was in Nevada. That is still an ongoing operation and a very successful one.

The proposed casino would be located just north of Detroit on a major link to Ontario that is in the lower corner of the lower peninsula. Bay Mills is located in the upper peninsula. The legislation is fundamentally flawed because it allows Bay Mills to establish gaming facilities under the guise of settling a land claim.

The land claim is simply—and everybody knows this—an excuse to take land into trust for off-reservation gaming.

I object.

The PRESIDING OFFICER. Objection is heard.

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. WYDEN. 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. WYDEN. Mr. President, I ask unanimous consent that I be permitted to speak for up to 15 minutes and that the time be charged postcloture.

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

HEALTH CARE THAT WORKS FOR ALL AMERICANS
ACT

Mr. WYDEN. Mr. President, recently I introduced with Senator HATCH

health care legislation, the Health Care that Works for All Americans Act. I come to the floor today because I think many Senators are frustrated about the inability to make more progress on the health care issue in this session of the Senate. I want to take a few minutes and talk about what I think the key principles are for this country to make headway with respect to health care.

The three principles that I believe are central on this health care issue are, first and foremost, to make sure the public is involved from the ground floor. Again and again, what we have seen is health care legislation proposed that is attacked by special interest groups, and then it goes nowhere. The public gets understandably confused about the discussion, and the bill dies.

Under the Wyden-Hatch legislation, the public would get the first crack at looking at the key issues, which are: What are the essential services that people feel strongly about? How much would they cost? And who would pay for them?

The second feature of our legislation is that it establishes a process to ensure that Congress actually votes for meaningful and comprehensive health reform. The last time Congress took a crack at this, almost a decade ago, there were not even votes in Congress on the legislation.

The third principle we ought to zero in on with respect to health care for the future is that it has to be bipartisan. The Wyden-Hatch legislation is literally the first bipartisan effort in comprehensive health reform in a decade.

I come to the Chamber today to say those three principles—involving the public at the outset, ensuring there will be an actual vote by the Congress on comprehensive legislation, and that the bill be bipartisan—ought to be the core of the Senate's effort to reform the health care system.

Today I wish to take a couple of minutes to talk about a central part of our legislation, and that is what to do about rising health care costs in America.

Rising costs in American health care are a runaway train, and the American people have literally been tied to the track. Again and again, small businesses come up to us and say they have been subjected to 15-, 20-, 25-percent rate hikes year after year. This is all before the demographic tsunami comes in 2010 and 2011 when we will have millions of baby boomers, and right now millions of working families, some with insurance, some without, that cannot afford doctor visits and disease treatments and the drugs they need. So certainly at the center of any effort to reform health care has to be putting the brakes on those rising costs that are literally a runaway train in our society.

There are going to be tough choices. If resources are limited, we have to make some tough calls about how to

allocate those resources and to focus on some of the ethical and moral questions that are inherent in rising costs. The tough moral and ethical considerations that will be necessary to contain them are stark realities, but they have to be faced if this country's health care system is going to work for all.

My colleague from Utah, Senator HATCH, and I have proposed in our legislation, the Health Care that Works for All Americans Act, a specific plan so that citizens can face those realities and fashion a better health care system.

Under our proposal, the American people will have a chance—a chance they have not had in 57 years since health care reform was tackled by Harry Truman in the 81st Congress—the American people will have a chance, before the special interest groups have at it, to talk about the kind of health care system they believe makes sense for them.

Our legislation has two major components: A public participation process at the outset over a relatively short period of time, and a guaranteed vote in both Houses of the Congress on the people's recommendations.

When it comes to health care costs, there is a lot for the public to examine. We are now spending 15 percent of our gross domestic product on health care. The last time it was looked at, the country spent more than \$1.4 trillion on medical care, a 10-percent increase from the previous year.

If you divide \$1.4 trillion by the number of people in this country, it comes to almost \$5,000 for every man, woman, and child. Tens of millions of our citizens, in addition, slip through the cracks every day, even as our Nation pours more and more money into health care.

We are going to have to take a look at where the money is going. A study that has now been published on the Web site of the journal Health Affairs attributes spending increases primarily to higher hospital costs and prescription drugs. Hospitals are raising prices to make up for declining insurance, Medicaid and Medicare reimbursement, and the money they lose treating patients with no insurance at all. Moreover, a backlash against the tight hospitalization controls of managed care has clearly contributed to rising costs.

There are a host of relentless forces converging on American health care. Technological innovations seem to be coming at us from every area, and each miracle cure comes with a high cost. More and more health information is available through the Internet through sites such as WebMD and health.gov. It shows up on the ticker on all the 24-hour news channels, and each new discovery drives up the demand for care. If CNN runs a story on a medical breakthrough at 9:30 in the morning, it seems that an hour or so later we will be getting calls at our offices asking if Medicare or Medicaid or various insurance plans will pick up that coverage.

We have an extraordinary appetite for health care, for new treatments, but sometimes when we order these, we are not sure we are getting what is medically effective. We are not sure we are getting services that are worth the money. And most importantly, there is no way to measure it.

This is all compounded by the baby boomer explosion. Already, elderly people make up 15 percent of the population and spend 40 percent of our health care dollars. Folks are not just getting older, they are living longer. Those additional lives and the care that is necessary is going to require more funding. Life expectancy has risen more in the last 50 years than it did in the preceding 5,000. In the last months of their longer lives, Americans are spending more money than ever on health care. But money does not always give the best results for a suffering individual.

As a direct result of health spending increases in 2001, the Health Affair Study that I noted said health insurance costs have risen sharply, but at the same time coverage is getting harder and harder for many to get. The costs have gone up two ways. The first is with simple premium increases. Insurance companies are asking purchasers to pay more for the policies. The second way is through something called buydown. Employers who subsidize insurance reduce available benefits and ask employees to pay a higher share of the subsidized premium. Employees often get lower wages, even as they pay more for health insurance, with no guarantee their insurance will meet their needs. When you combine that significant hike in premiums—12 percent has been one assessment by the Kaiser Foundation—with a 3-percent increase in the number of cases of the buydown, the total cost of insurance has risen about 15 percent this year.

Nationally, businesses are still paying three-quarters or more of employees' premium costs, but it is harder and harder for companies and individuals to absorb those cost increases year after year. Fully 60 percent of those who have no insurance work for small businesses. For the self-employed or for those who have to buy their own insurance, premium increases at this point have priced many plans out of reach.

If someone is listening today and saying, "The health care system works fine for me," let's also reflect on the fact that while it may work for you, it is not working for tens of millions of others. The fact is, every single day in America those who have no coverage, those who are going without, in effect, get subsidized by those who do have coverage.

If an individual listens today and says, "I am in pretty good shape; things are going well for me," I only point out for the millions who do not have coverage right now, those people are subsidized by those who think everything is fine.

The fact is, it is just not right to leave millions of Americans in this

country with a feeling of helplessness and a sense that when they go to bed at night they can see that train, that runaway train of health care costs I have mentioned bearing down on them.

The legislation Senator HATCH and I have proposed gives Americans the power to put the brakes on rising costs. It offers regular citizens the opportunity to make tough choices about spiraling medical bills. We will be addressing, if our bill can pass, the tough questions of health care directly related to our families: The question of what kind of care do people believe is most essential; how much are people willing to pay; how do you contain the costs without sacrificing quality of care; what about the government or private business being required to pay part of the cost.

My bottom line is pretty simple. It is time, finally, after 57 years of trying the same thing—writing bills in Washington, DC, only to have them attacked by special interests—it is time to try something different, and that is to give the people of this country a chance to make the judgment on calls with respect to what kind of health services they want, how much those services are going to cost, and who is going to pay. The alternative is to continue to spend more and more on a system that, while scientifically prodigious, is flawed in many of the administrative ways in which it is carried out.

At a time when America is becoming a nation of health care haves and have-nots, this country can do better. We have many of our providers and businesses already making tough choices as they try to deal with growing costs. I know scores of small businesses in Oregon and across this country who are dying to offer their people good coverage, and they have had difficulty offering it without effective policies to contain those rising costs.

Senator HATCH and I believe with a different approach it will be possible to reign in the costs, but it all has to begin—and begin in a fashion that has not been tried for 57 years—with the American people being given the opportunity to make some of the tough calls. The fact is, the options in the cost containment area do involve hard calls. The Kaiser Commission, for example, on the uninsured, on Medicaid, recently laid out a number of cost containment measures currently employed by our public health programs. They range from some that I think are progressive to some that I think would make the problems that we have today in health care even more serious.

According to Kaiser, the main way public health programs are cutting costs is by cutting payments to providers. Private insurers then follow suit, paying less to providers for each patient seen and for each procedure performed or for each bed the hospital provides. Then, in effect, the Robin Hood approach kicks in in a dramatic way with those who do get payments,

in effect, giving services to those who lack it. But when the cutbacks get severe, when the reimbursements continue to go down as we have seen in so many facilities, those providers, those health care facilities that have a great sense of community and caring, just cannot offer the services anymore. Instead of or even in addition to cutting provider payments, some insurers and public health programs are cutting back on what services they will cover, reducing the availability of some services. Unfortunately, services are often cut with no regard to their overall effectiveness—only for their cost.

Many types of health care programs are asking patients to pay more at the time of service—higher copayments. Higher copayments are also becoming a regular feature at the pharmacy, as prescription drugs are one of the biggest reasons behind rising costs. Options include those higher copays, requiring more prior authorization for prescriptions, requiring or covering only generics, or even limiting the number of covered prescriptions per month.

I want to pause to note a couple of issues here—first, that prescription drugs are on the table in the Wyden-Hatch legislation, just as long-term care and Medicare and Medicaid and private insurance are. Senator HATCH and I are placing no limits on what the American people can discuss and decide to change. And second, efforts to cut rising drug costs are perfect example of the range of choices that folks will face in this national discussion. Some of the choices for cutting costs seem good and fair. Some seem punitive and unfair. Senator HATCH and I just believe that Americans have enough sense to tell the difference.

People participating in the health care discussion prescribed in our bill will take a look at some of the toughest cost-cutters being employed today. In the case of private insurance, companies refuse to cover pre-existing conditions. They deny policies to people whose care is likely to be expensive. In the case of public insurance, States make last-ditch efforts to cut costs by limiting the number of people to whom coverage is available.

All across America today, mothers will tell their children that you don't always get everything you want in this life. That's the stark reality people are going to have to face when it comes to reforming the health care system. The key will be to find solutions that do the best job of splitting the difference, cutting costs and providing essential, effective health care services.

Cost containment is not enough. Our health care dollars must buy quality care, that not only treats disease but also prevents it whenever possible. That's the best cost containment. Failing that, care that manages diseases to slow or prevent their progression may be the next best thing. Disease management is a growing component of health care today. Instead of allowing

months to go by between doctor visits, patients with chronic illnesses meet or speak regularly with nurses or other health care providers to monitor their specific condition. Doctors have concerns about their patients being treated or advised by others, and all the kinks aren't worked out of this system yet. But the result, in many cases, is a reduction in the number of expensive complications and hospital stays.

I want to see Americans educated about disease management, preventive care, and every other option available for reforming health care. That's why the Wyden-Hatch Act calls for the publication of a Citizens' Guide to the Health Care System. A panel that's a cross-section of Americans using and running the health care system today will produce it. It will be designed so folks can be fully informed when the public participation portion of the process begins.

To me, some of these cost containment methods seem fairer than others; some seem more sensible than others. The American people should have the change to decide—because what's being done now isn't working. Benefits are usually considered in terms of cost-benefit, which basically measures how much money you save for every dollar you spend. Another way of looking at procedures and practices is their cost-effectiveness, which is how much good you do with every dollar.

Let me explain why I believe it is folly to continue to address questions of health care and health coverage as purely economic considerations. The problem is, and families know this, it doesn't all boil down to money. You're not just dealing with a bottom line. You're talking about maintaining people's health and about the basic care they have a right to expect. Sometimes you're literally talking about life and death. It's time America started recognizing its ethical and moral responsibilities with respect to health care, and acting on them.

This is not the seismic shift it sounds to be. Just as individual insurers and state health administrators are making choices about how to contain costs, American citizens are making moral choices around their kitchen tables every day. People already have to answer questions like, it okay to put off the colorectal screening my insurance won't cover because I really need to pay for my mother's prescription medicines? If we pay for Jennifer's broken arm, does Bobby have to wait a year to get braces?

Doctors and hospitals are already making ethical choices about what care to get and give, or how much cost the hospital is willing to absorb before cutting services. The question that must be answered is still the same: do Americans want these choices made as they are now, in a back-door way? Or do they want a chance to discuss these issues at the front door, decide on them as a community, and then ask Congress to deliver a health care system based on the country's values?

A better way to make decisions is to look at what we are and are not able to do on a societal level, instead of deciding what we are and are not able to do for a give patient at a given time. If that sounds tough, it is. But Mr. President, I'm here to urge that America tackle these issues head on and turn them to the advantage of as many people as possible. That's far better plan than letting back-door decisions suck away more funds and resources and deny people decent care.

It's time to look at questions on a broader scale. Is \$315,000 of public money better spent on one liver transplant and follow-up care for a 70-year old man with cirrhosis, or on 3,00 preventive well-baby visits costing about \$100 each? Does a woman with known risk factors for breast cancer have a right to a mammogram every year even if I have to help pay for it?

Because these choices are so tough, a variety of think tanks and great minds have tackled these issues, including Arthur Kaplan at the University of Pennsylvania, Daniel Callahan at the Hastings Center and others. I admire their thoughtful work. Their conclusions and study have provided valuable direction on these issues.

I believe that at the end of the day, only the citizens of this country can make the fundamental choices that affect their health and their well-being—and health and well-being of the society in which they live.

Researchers shows that Americans believe that there are certain basic rights when it comes to health care and no one should be forced to go without. If it's been confirmed that the American people feel that way, the key is to find out what the basics are and go from there. This country won't get anywhere on health care reform until we do.

Let me explain a little further. Most Americans operate on the idea that they should have the latest tests and treatments on demand. That's possible—if America spends more of its dollars on health care and other budget items like educations take the hit. But spending more doesn't necessarily buy better health care. More and more people are being let without even the essential health care services, let alone the latest drugs and procedures.

Let me be clear. I'm not talking about keeping people from spending their own money on whatever kind of health care they want. If someone wants to rebuild himself limb by limb and has the money to pay for it, I say go for it. But when it comes to the health care system as a whole, we can't just spend money for the sake of spending money. Health care dollars must be used in better ways, or the people of this country must decide that it's okay to keep spending and keep leaving people out.

I don't believe that's the way America wants it to work. As Marcia Angell wrote in the New York Times, there are some essential services in which we

all agree the public has stake, and health care should be one of them. For example, no one I know thinks of our country as a place where it's okay for babies to go untreated because Mom and Dad are in financial straits.

Postponing care sometimes places more strain on the health care system. If a baby doesn't get treated at the beginning of an ear infection, he may have to be treated as it goes further along, probably in the emergency room at a much higher cost than if he'd had a pediatrician to see in the first place. If he's not treated, and ends up with hearing damage, the costs will skyrocket not only in the health care system, but also in the educational system to meet his special needs.

More than a decade ago, the people in my home State of Oregon realized the interconnectedness of everyone in the health care system. Folks realized that no amount of money would ever be enough to pay for all the health care Oregonians wanted, and that too many people were doing without health care at all. So the people of my state took on the tough task of sitting down and deciding what the basics were, what health care no one should have to do without.

That may sound like an easy task; if you could just sit and make a list of all the things you'd like health care coverage to pay for, you would be able to do that without much trouble. But there's a flip side. The question Oregonians faced over and over again was, okay: if we want this fundamental service covered, what do we have to give up? What can't we afford to cover for anyone, if we want everyone to have at least some help? Those questions sometimes translated into heart-breaking real-life situations, where people using public health care couldn't get the latest and greatest innovations on demand. But lives were saved because people using public health care were able to get the basic when they needed them. That tradeoff, for the most part, made the tough choices worthwhile.

Now, Senator HATCH and I are not asking America to come up with a list of 880 health procedures in order of importance. But we are looking for a general idea of people's priorities—so that Congress can act on them when it's time for health care reform.

I believe there are some priorities our people already agree on. I think they agree that 18,000 Americans shouldn't have to die every year just because they can't get health insurance and health care. I believe 280 million people will agree they'd rather cover the cost of preventive services than get stuck with the much higher costs of preventable diseases that go unchecked. I think with some serious discussion, they can agree on some basic concepts of how and where our limited health care dollars should be spent to help the most people. I believe 280 million people can agree on a lot more than you think.

Some might say Americans aren't going to want to talk about this, that the idea of not paying for someone's liver transplant to take care of babies isn't fit talk for the public. But I believe Americans have a right to this discussion. These choices are going to get made, one way or the other, and I want them made in the open with the input of the people I'm here to represent. The stakes are just too high not to include the American people. And I believe they're up to the task.

To help Americans understand what's at stake, and make informed decisions, the dissemination of information will be key. I believe the Citizens' Health Guide will be a real eye-opener for most people—for instance, when they find out this: Medicare Part A will pay for prescription drugs when a patient is in the hospital. Part B will pay nothing for those same drugs on an outpatient basis. Some doctors are sticking patients in the hospital to the tune of thousands of dollars just to get their medicine to them. That money can't be spent, then, on preventive services or any other more beneficial health care concerns. Don't you think when people see the connection, they will insist on making a change?

Health care works like an ecosystem in this country. The consequence of every decision, and every reform effort, snakes through the system as a whole. Addressing health care properly, that, means addressing it as a system entire. Ad hoc is not going to work.

Just as a good doctor wouldn't prescribe a medicine that would treat one symptom but leave the disease to run rampant, it's time to stop with the piecemeal reforms that put a Band-Aid on the sucking chest wound of the health care system. To be most effective, you can't just make decisions on broken bones one day, organ transplants the next and something else the next day like they don't have any effect on each other. This country needs a way to consider the moral and ethical choices already being made that affect not just one person or one family, but the entire health care system. As hard as it's going to be, it must be done. The Wyden-Hatch bill provides a path to do that.

Yes, there are economic choices to be made about health care in this country. The runaway train of rising costs must be stopped somehow. And there are moral questions underlying every economic decision. The Wyden-Hatch proposal is built around the idea that these questions are simply too important to duck any longer. People deserve the chance to discuss their own moral and ethical priorities when it comes to health care, and to decide what's best for them and for our society as a whole. Only then can Congress deliver health care reform that truly works for all.

That's why our bill, the Health Care that Works for All Americans Act, centers on that public participation portion, and then guarantees the people a vote in both houses of Congress.

Perhaps the people of this country will choose one or more cost-containment measures being used today. Perhaps in examining their own ethics, they'll come up with new ideas. What Senator HATCH and I want to guarantee is that their voices will be heard—and that this Congress will act, with a mandatory vote in both houses—to make the people's vision for health care come to pass. I believe that if Congress chooses to put the people in charge, Americans will choose to fight rising costs, make tough moral choices, and direct this country toward better health care for everyone.

That is the point at which we have reached. That is why it is not right to leave so many underserved in so many communities without adequate health care.

I urge, finally, that as we leave and reflect on what is needed to reform the health care system in the next session, that the three principles in the Wyden-Hatch legislation of involving the money, forcing a vote in the Congress on the reforms that come from the people, and making it bipartisan guide our work in the next session.

I yield the floor.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I ask unanimous consent that all time, postcloture, be considered expired except for the following: 60 minutes under the control of Senator BYRD, 70 minutes under the control of Senator LIEBERMAN, 70 minutes under the control of Senator THOMPSON or their designees; that 20 minutes of Senator THOMPSON's time be under the control of Senator SPECTER; that 15 minutes of the time of Senator LIEBERMAN be under the control of Senator DODD; 15 minutes be under the control of Senator SARBANES; 10 minutes under the control of Senator CARPER; and 10 minutes under the control of Senator CLINTON; leaving Senator LIEBERMAN, I believe, 20 minutes.

Again, it will be 70 minutes under the control of Senator LIEBERMAN; Senator DODD would have 15 minutes, Senator SARBANES 15 minutes, Senator CARPER 10 minutes, Senator CLINTON 10 minutes, leaving Senator LIEBERMAN 15 minutes, with Senator DASCHLE having the final 5 minutes to close the debate.

That upon the use or yielding back of all time, the bill be read the third time, and the Senate proceed to vote on passage of the bill; provided further that the 10 minutes prior to the vote be controlled by the two leaders, with the majority leader controlling the final 5 minutes, without further intervening action or debate.

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

Mr. REID. Mr. President, if I could further ask the Chair to consider this unanimous consent request.

I ask unanimous consent that upon the adoption of the conference report to accompany H.R. 3210, the terrorism risk insurance bill, the Senate then proceed to the consideration of Cal-

endar No. 762, H.J. Res. 124, the continuing resolution; that no amendments or motion be in order to the joint resolution; that there be up to 3 hours for debate, with the time equally divided and controlled between the chairman, Senator BYRD, and the ranking member, Senator STEVENS, of the Appropriations Committee, or their designees; that upon the use or yielding back of time, with no intervening action or debate, the joint resolution be read a third time and the Senate vote on passage of the joint resolution.

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

Mr. REID. Mr. President, the only thing I would ask is I hope, because I did move quite hurriedly here, that the time, the 70 minutes that Senator LIEBERMAN has adds up to 70 minutes. I am quite sure that it does.

The PRESIDING OFFICER. It does.

Mr. REID. I appreciate everyone's cooperation. I ask unanimous consent that the time I have just enunciated not start running until 4 o'clock so people have time to get over here. But at 4 o'clock, I ask that the time I have outlined here would begin to run and that anyone who has the floor at 4 o'clock, they would have to yield to one of these individuals who control the time at that hour.

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

The Senator from Nevada.

Mr. ENSIGN. Mr. President, I ask unanimous consent that I be allowed to speak for up to 10 minutes as in morning business.

The PRESIDING OFFICER. The Senator might speak for up to 8 minutes.

HONORING THE GENEROSITY OF ANDRE AGASSI

Mr. ENSIGN. Mr. President, when I was first considering a run for office almost 10 years ago, I found a quote from Chaplain Lloyd John Ogilvie to be especially inspirational in helping me make my decision. Chaplain Ogilvie once said:

You may only make a small difference, but that does not relieve you of the responsibility to make that difference.

I want to tell you today about a constituent of mine who continues to raise the standard for how much difference one person can make.

The world knows this man as a top-ranked tennis star whose personality and success of the court have made him an American favorite. In Las Vegas, however, he's admired for his generosity and dedication to making a difference in the lives of our children.

Andre Agassi was born and raised in Las Vegas. Although he started playing tennis as a toddler, he won his first professional title in 1987. He has won at each of the four major professional tennis tournaments, and he holds a gold medal from the 1996 Olympics. As much as Las Vegans love to watch their "son" winning on the court, our hearts hold a special place for his devotion to underprivileged, abused, and at-risk children in Las Vegas.

You see, a top-ranked tennis player who has won as many tournaments as

Andre has accumulated a good amount of wealth. Throw in a few lucrative endorsement deals, and you have someone who could live extremely comfortably for the rest of his life. He could become his own island with very few cares in the world. Unfortunately, many successful people do just that.

Andre Agassi, on the other hand, created the Andre Agassi Charitable Foundation. Its Board of Directors is impressive and is led by another son of Las Vegas, Andre's best friend and president of Agassi Enterprises, Perry Rogers. I can't think of many other organizations that have made the impact that this one has. Its goal is simple:

To assist those underprivileged, abused and abandoned children who may be deprived of basic options in life. The foundation funds a combination of emotional, physical and academic programs designed to enhance a child's character, self-esteem and career possibilities.

Among the programs funded by the Andre Agassi Charitable Foundation are the Agassi Center for Education and the Andre Agassi Cottage for Medically Fragile Children at Clark County's public shelter for abused and neglected children. The Agassi Boys and Girls Club, which sees over 2,000 members during the year and features a tennis team and a basketball program, provides a safe after-school facility and a wonderful learning environment.

The Foundation, through the Assistance League of Las Vegas, provides the means for new clothes for well over 2,000 destitute and homeless children; helps to send 20 physically challenged or disadvantaged children to camp for a week each summer; and introduces fourth and fifth graders to symphonic music.

There are many more programs funded by the Andre Agassi Charitable Foundation, but I want to tell you about the Andre Agassi College Preparatory Academy, known in Las Vegas as Agassi Prep, and located in the heart of an at-risk community.

Agassi Prep is a charter school that focuses on technology, college preparation, cultural activities, and expanded involvement in community affairs. It also seeks to enhance character, respect, motivation, and self-discipline.

While HUD and the State of Nevada contributed significantly to the school, the core funding came from Andre Agassi's Foundation. The school's principal, Wayne Tanaka, is a distinguished educator who, in line with the goals of the Foundation, will truly impact the students who are fortunate enough to benefit from Andre Agassi's generosity and dedication.

I also want to share with you the reach of Andre Agassi's deep-seated concern for Las Vegas' at-risk children.

Since 1995, the Foundation has held the Grand Slam for Children concert benefits. The yearly event continues to draw some of the biggest names in entertainment, hundreds of volunteers, and crowds of almost 10,000. As someone who looks forward to this event

every year, I can assure you—there is no better show on earth. This year's benefit featured Elton John, Martina McBride, Carlos Santana, Robin Williams, Babyface, and Rod Stewart. And that's just the entertainment.

A live and silent auction before the show included sports items from Shaquille O'Neal, Wayne Gretzky, Greg Maddux, Muhammed Ali, and tennis lessons from Agassi and his wife, Stefanie Graf. I share these names with you because they are a testament to the respect that Andre Agassi and his Foundation have earned from so many different people.

When I tell you that Andre Agassi continues to raise the standard for how much difference one person can make, I mean it literally. Since its inception in 1995, the Foundation has raised \$23.6 million to help at-risk children. That includes \$5.6 million from this year's Grand Slam for Children—\$1.4 million more than last year.

That's \$23.6 million over 7 years, with every penny going to assist children. All administrative and overhead costs are funded through contributions made by Andre Agassi or Agassi Enterprises, Inc. When you step back and think about the enormous impact that this man has had in Las Vegas, it is incredible.

I share the story of Andre Agassi's impact on Las Vegas with the hope that it will challenge and inspire other successful people to make their own difference in this world. We all have a responsibility to leave this world a better place, even if—as Chaplain Ogilvie stated—we make only a "small difference."

Words are not enough to thank Andre for the way he has changed the lives of so many children. But Andre, your acts of loving kindness will touch not just the children you help today. They will make a difference for generations to come. Thank you for making a difference in our community and for setting an example for us all.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Might I inquire of the business before the Senate?

The PRESIDING OFFICER. There are 2 minutes remaining on general debate.

Mr. BURNS. I ask unanimous consent that the time I use be a part of the Thompson amendment of the homeland security bill.

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

HOMELAND SECURITY

Mr. BURNS. Mr. President, I rise today after talking with staff and going through what we are going to do with homeland security. This legislation provides the framework of the largest reorganization of Government in many, many years; in fact, going all the way back to the Depression days in the 1930s. But it is done because we are facing one of the greatest security challenges that this country has faced in its 26-year history from an enemy

that identifies with no specific nation, an enemy that has shown us that fear is really something that erodes our freedoms—and we learn how fragile they are and how fragile our economy is.

Is it a perfect piece of legislation to leave the Congress and go downtown to be signed by the President? It is legislation that he has wanted and it has taken us too long to pass.

There are parts of this piece of legislation that concern most of us. We have been around here long enough to know that once we pass a piece of legislation—no matter what the subject might be—we find that the administrative rule writers interpret it differently than we do. Sometimes the net result is not exactly how we envisioned it, and maybe not even how the President envisioned it.

There are sections in here which I am very concerned about. I think as legislators in this body we must pay attention to how the administrative rules are written and how some of the Departments are moved into one called Homeland Security.

DROUGHT ASSISTANCE

I was interested a while ago in the statement on the floor about drought assistance to our farmers. No State has been hit harder than my State of Montana. No one can argue that there is a need. In fact, we have worked for over a year and a half with our colleagues here in the Senate, in the House of Representatives, and with the administration to get relief to our farmers and ranchers. We have been unsuccessful to date for a variety of reasons.

There is drought assistance already in the appropriations process that this Senate this year did not get passed—some \$500 billion in rounded figures. But it wasn't allowed to move because of the debate on forest health.

Maybe this is the wrong place to talk about forest health. Nonetheless, I could see no logic at all in every night turning on the television, looking at the news, and watching America's forests go up in flames, and then denying the money and the change in policy—a change in policy that would have allowed us to prevent or at least take away some of the possibilities for such catastrophic fires as we have experienced in the last 2 years.

We were denied that—commonsense things, the relatively minor commonsense things that we have to do to our forests in order to make them healthy and productive and beautiful, as America envisions its national forests.

I am reluctant to raise false hopes for our farmers right now and say this is going to be done in the closing hours of the 107th Congress—unless it is done in January, or whenever we take up the appropriations bills. We have 11 more of them to pass. I imagine we will again try to develop some drought assistance for those States that have been hit hard this year by drought, and to help my farmers who are in the fifth year of drought in that part of the country.

We see a little bit of posturing going on here on the floor today. I do not like it. That wasn't the reason I was going to stand up here and talk in the first place. Nonetheless, I had to discuss this topic.

I notice that my friend from Kansas has come to the floor, and he has a problem, too, in Kansas. I think his State was probably the hardest hit this year of any State.

The PRESIDING OFFICER (Ms. STABENOW). The Senator from Kansas.

Mr. ROBERTS. Madam President, would the distinguished Senator from Montana yield for a question?

Mr. BURNS. I will.

Mr. ROBERTS. The Senator really alerted me to this. And I apologize for not watching on our closed-circuit television. Apparently some of our distinguished colleagues across the aisle are thinking about resurrecting the \$6 billion emergency disaster relief package and putting it on the continuing resolution. Is that the case?

Mr. BURNS. That was the case, plus I think there have been a couple of suggestions made by our colleagues across the aisle. That is part of it. With the House being gone and not coming back, it would seem that this would be an exercise that could not be successful.

Mr. ROBERTS. Madam President, I would like to ask if the Senator would yield for another question.

Mr. BURNS. I will yield.

Mr. ROBERTS. How on Earth do you take a \$6 billion disaster relief bill, which I happened to vote for, that was part of the Interior appropriations bill, as I recall—and, as I recall, the majority leadership filled the legislative tree and basically prevented this Senator from introducing an alternative to the \$6 billion package that this Senator thought might stand a chance of approval from the administration, might stand a chance in regard to the hurdle that any disaster bill faces to get through the House Agriculture Committee.

I am going to be very candid. There were certain farm groups and certain commodity organizations that did not want to consider any disaster legislation for fear of opening up the farm bill and having something happen to their payment limits. So you had the leadership of the House Agriculture Committee saying no. You had the administration saying no in regard to further expenditures over and above the \$180 billion we spent on a 10-year farm bill. You had the emergency assistance bill—not on Agriculture appropriations but on Interior appropriations.

Then, all of a sudden, we couldn't get any action on the Interior appropriations bill because there was a controversy in regard to forest management. Is that not the case?

I know the Senator worked very hard, because of the State he represents, in regard to forest management as part of that Interior appropriations bill. But the disaster relief money was attached to the Interior ap-

propriations bill, and then we couldn't move it. We couldn't get any action on this floor.

Is that about correct?

Mr. BURNS. Madam President, the Senator is correct. I am ranking member on that Interior Appropriations Committee. There was money to replenish the U.S. Forest Service for the moneys they had expended on fire-fighting. That was also in there and needed, and would have passed. But we got into a situation on forest health, and the other side would not budge on some very commonsense recommendations to the Forest Service on how we go about cleaning up our forests. I am sorry it happened that way.

I would say to my Agriculture leaders, to my farmers, and to the farmers in Kansas who, by the way, are not really interested in inside baseball here in Washington, DC—a 17-square-mile logic-free environment—they are interested in not only what the farm legislation that we passed late last spring would do for them but also how we deal with disasters. None of those issues were covered.

But the Senator from Kansas is right on. We have all voted for disaster assistance until we have just run our little fingers to the bone only to find it blocked by other legislation or parliamentary procedures.

Mr. ROBERTS. Madam President, I would like to ask the Senator to yield for several additional questions. I am a little confused about this.

Mr. BURNS. I yield.

Mr. ROBERTS. I have a bone to pick. I want to see if the Senator from Montana shares the same bone.

Let us go back to the original problem of why in the Great Plains and the great States of Montana, Wyoming—and move over into South Dakota, Nebraska, Kansas, which, yes, this year was the hardest hit State. Many other States incurred bad weather and disaster conditions. But why did this happen? The Good Lord was not willing. The Good Lord sometimes doesn't have the creeks rise too much, or there is too much water in terms of the creeks. From time to time we have disaster bills. They tend to come during even-numbered years, by the way.

We have made a lot of progress in crop insurance. There has been crop insurance reform. But when you have a total disaster, and you lose your grain crop throughout the grain-producing areas, you would think you would have a disaster bill.

Now, let me back up. I know one Senator from Kansas—this Senator from Kansas—who said, as we go through the consideration of the new farm bill, \$180 billion—make that \$200 billion really over 10 years because the budget was 10 years long—that you would at least think there would be some provision in there for a farmer who had no crops, no crops to harvest. The Senator knows that. You have gone through that up in Montana, how many years—1, 2, 3, 4, 5 years maybe?

Now, what did the new farm bill, I would ask the Senator, have? We had four different components, four different payments, four different ways to invest in agriculture.

We changed the old farm bill, which was a direct income supplement, to a price support farm bill, and there were four ways your farmers could be helped. No. 1, we increased the loan a tad. We decided the loan rate would become an income protection device but—guess what—the prices over the loan rate do not do you any good.

Then you had something called a loan deficiency payment. That means if the price were below the loan rate, you would get that amount. Well—guess what—the price is above the loan rate, so you don't get the loan deficiency payment.

Then you also had a target price deficiency payment. It is a little confusing, all this gobbledygook, with all the agricultural acronyms and everything to do with farm bills.

But—guess what—the price was above the target price, so he did not get or the farmer did not get or she did not get or that person did not get any help from the target price deficiency payment. So we are zero for three.

Then we had a direct payment.

Now, in the wisdom of the farm bill conference, of which this member did not serve—I am not going to get into that, as to how that ratio came down, and who was prevented from being on the conference, and who was not; I could, but I will not—but in the wisdom of the conference, they said: We are going to keep a direct payment just to make sure that if these other things don't work, and the farmer still wouldn't have a crop, the price is increased. We are going to have a direct payment. That was 6 cents a bushel in regard to wheat. And the corresponding numbers were true in regard to corn and other crops—6 cents.

Why do I mention that? Because all the way through this, both you and I said—Senator COCHRAN said, most of us on this side said—don't go down this road with this new farm bill and apply it to the 2002 crop year because any farm bill is too complex to really figure out, with all the fishhooks and all the saddle burrs, to try to get it in place for 2002.

What we would have had under the old farm bill—much maligned by the other side, constantly, day after day after day, for 4 or 5 years—the Freedom to Farm Act was a direct payment called an AMTA payment. Then we were going to double that because of the problems we were having. That was 60 cents a bushel. Now, there is a big difference between 6 cents and 60 cents.

I have given this speech to my farmers. Why do I give it to my farmers? Because they are desperate. We had the worst drought since the 1930s. It may have been hotter in some years, and it may have been dryer in some years, but it has never been hotter and dryer in the same year. So they lost all their

crops. Now, we were able to get some livestock assistance, but disaster assistance, as compared to the old farm bill, which would have provided them 60 cents a bushel, it did not happen.

So all the critics on our side of the aisle, and some on the other side, who say, well, we have a new farm bill, we are going to give the farmer four mailboxes to open—the loan rate; nope, nothing there. The loan deficiency payment; nope, nothing there. Are we going to have the target price deficiency payment? No, nothing there. We are going to have a direct payment—6 cents, as compared to the 60 cents we would have had if we applied the new farm bill to 2003.

Now, that is my bone to pick because my farmers are hurting. And now after having a \$6 billion emergency disaster bill that I voted for, in regards to the Interior Appropriations Committee, we have those with the temerity and chutzpah who will come to the continuing resolution and say, we are going to do it now, unless we shut down Government?

You know the administration is not going to support that. You know the House has already left town. You know the House Agriculture Committee, representing certain interests in agriculture, does not want to mess with the payment limitations. This is a horse going nowhere—nowhere.

The handling of this has been highly political. The election is over. There are some who wanted an issue and not a bill. They got the issue. And I guess the result in South Dakota proved that. OK, it is over. But why you bring up this particular effort for disaster assistance during this particular time is beyond me. It is not going anywhere. People crawl out of train wrecks faster than this bill will ever get passed and signed and provide real relief. And the farmers are not interested in this.

The Senator pointed out a long time ago, our farmers are not interested in politics or agriculture gobbledygook or legislative parliamentary gobbledygook as well.

I urge my colleagues who are thinking about this, don't do this. Now, when can we do this? We can do it in the omnibus bill.

We had some indication from the administration they will be a little bit more forward thinking. I don't want to leave them out of my tirade here. I am not happy with this administration. I tried to explain that wheat country was in a dire situation, that the farm bill didn't work. And it was sort of: Oh, well, you know. And we are saving money we are not spending on the farm bill, so I think we could score it. But there is no way they are going to do that.

So I just don't see why we are going through this exercise. And it has obviously got me mighty exercised because my farmers are hurting. Land values are starting to decline. Their lenders have already told them they hit their cap.

We have farmers who are mortgaging their place and their equipment in order to stay in business, and we sit here and introduce an emergency disaster relief bill to the tune of \$6 billion that is not going anywhere. That is not right, especially in a lame duck session.

So I would ask the Senator, finally, a question. You are going to work with me, I know. I just talked to the majority leader about this, and I will talk to the minority leader about this. He is a good man. He has been on the Agriculture Committee on the House side. He has been the driving force in regards to the Agriculture Committee and the farm program policy in this session.

Let's get it done in the omnibus bill when we have a chance to get it done. If we need offsets, we will find offsets. Otherwise, we are putting at great risk a lot of farmers in this part of the country on the Great Plains. Quite frankly, other people, other farmers, other farm groups, other commodity groups apparently don't care—apparently don't care. Well, by golly, I care. I know the Senator from Montana cares. So let's don't go down this road.

What is going to happen is, you are going to have to vote against a \$6 billion bill in a lame duck session of Congress, when the election is over, with no hope of actually getting the thing done. Farmers are damned tired of that, and so am I.

So my question is, to the distinguished Senator from Montana, let's work together with the plan we have already put together during the omnibus bill.

I just talked to the chairman-to-be of the Appropriations Committee, Senator STEVENS, and he said, yes, he will work with us. The administration said they will work with us. And we can get some real help to farmers at the appropriate time.

So would the Senator work with me in that regard? That is the question.

Mr. BURNS. Madam President, I would be glad to work with him. But I am sure glad we didn't get him stirred up where he is really excited about this issue. No one gets exercised more than the good Senator from Kansas.

That is the common-sense way to approach it. There is no question about it. I would like to see it happen that way.

I just wish that we could do something on forest health. I think there is a chance of doing that this time.

HOMELAND SECURITY

Madam President, before I relinquish the floor, though, I just want to express my concerns again about homeland security, and in some areas.

As you know, we have spent the last 3 years trying to pass a privacy bill. We have worked with Senator HOLLINGS, the chairman of the Commerce Committee, and also working with the Judiciary Committee. I would hope we can now do a privacy bill coming up in the next Congress.

I notice the Senator from New York is on the floor, and I am looking forward to working with her on the E-911 caucus because we know we have a lot of work to do on spectrum and spectrum management and how we apply our emergency first responders in the days to come because of this challenge we have before us. So I will be watching very closely as the administration rules are written on this piece of legislation. There it is right there. I can't even pack it back to the office. I probably couldn't understand most of what I read in there, if I did. But, nonetheless, those are the issues I think are very important.

Americans value their freedom. They value the privileges of living in this country, but they also value something else; that is, their personal privacy. A database or anything else that could be done in this is a great mistake. Whenever we start doing R&D on technologies that would allow us to invade the privacy of an individual citizen, whether it be in wireless communications or in the Internet or the firewalls we might burn, and before that technology is transferred into the agency that is in charge of gathering intelligence, there should be a firewall in there.

I hope whenever they write the administrative rules they will be sensitive to that and will allow congressional oversight before that technology is transferred. It is very sensitive.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

HOMELAND SECURITY

Mrs. CLINTON. Madam President, I want to associate myself with the remarks of the Senator from Montana about the importance of the implementation of the Homeland Security Department, particularly as it affects the privacy issues that will be raised going forward. Further, I would like to add a few other cautionary notes to the legislative record as we are about to, in a few hours, vote on this Department.

My friend from Montana raises some of the important issues, and there are indeed others as well that we will have to be vigilant about and hopefully involved in going forward.

Mr. BURNS. Will the Senator yield so I could correct a terrible mistake I just made?

Mrs. CLINTON. Certainly, I am happy to yield.

Mr. BURNS. I think I identified her as the Senator from Arkansas when I should have said the Senator from New York.

Mrs. CLINTON. I appreciate that correction.

Mr. BURNS. I would like to correct it, if I could.

Mrs. CLINTON. I thank the Senator. I appreciate that.

Mr. BURNS. I thank the Senator for yielding.

Mrs. CLINTON. I must confess I thought he was referring to the Senator from Arkansas who perhaps was in the Chamber.

As I said, I appreciate the Senator's yellow, flashing lights about some of the issues we are about to contend with going forward in the Homeland Security Department. In the months following September 11, which are really the time period that has brought us to this day, we knew as a Nation we had to take some additional steps, some unprecedented steps to protect ourselves. I believe we have attempted to do so certainly with respect to our men and women in military uniform.

I am very proud of the support we have given to our armed forces. I am proud to represent the 10th Mountain Division in upstate New York. When I go there, when I speak with the young officers and enlisted men who come to see me or when I go to Fort Drum to see them, I feel confident I can look them in the eye and tell them we are doing all we know to do to make sure they are ready, well equipped, and compensated appropriately. They are trained to the best of their abilities, and we are doing all as a Nation we can to support them.

I do not have that same level of confidence when I go to my firehouses, my police stations, my emergency rooms throughout New York. I cannot look into the eyes of our firefighters, our police officers, our emergency responders and tell them we have done all we need to do to make sure they are as well prepared, well trained, and safe in their defense here in the homeland.

So are we safer today than we were on the morning of September 11, 2001? The answer is only marginally. Because somewhere along the way, we have not kept that laser-like focus we needed to match our will and our resources and to get those resources to the front lines at home as we have around the world.

The people who we are going to count on to make our homeland safer are the ones who will pick up the phone when we dial 911. They will respond to the call. They will leave the firehouse and the police station. They will leave the emergency room. They will be there in order to protect us.

The votes we cast this afternoon for the creation of a Homeland Security Department are just that. They are votes to create a Department here in Washington.

My hope is the approval of this bill will set into motion a necessary reorganization process that will ultimately result in improved coordination, information sharing, and a stronger, safer America.

But we have to be absolutely clear to the American people about what it is we are voting for. This bill has to do with structural reorganization. There are many things in this bill we absolutely need to make us safer. Unfortunately, there are many things in this bill that have absolutely nothing to do with our security.

I am concerned that Americans will believe, because we have passed this bill, our Nation is safer. But when we

pass it and when Americans read about it or see coverage about it on television, they need to know this measure does not increase patrols or technology along our northern borders. It does not give our firefighters, police officers, and emergency personnel the resources, training, and equipment they desperately need. It does not increase security measures at our ports, our railroads, our public transportation systems. It does not increase our capability of detecting biological, chemical, radiological, and nuclear weapons.

What this bill does is fall short on many important measures. We had the opportunity to do this right, to do more than create a Department. The Senate's original bill coming out of the Governmental Affairs Committee under Senator LIEBERMAN's leadership, on a bipartisan vote, would have included critical measures that would make our country safer today. In the end, we failed to act on those critical measures.

There is a lot in this bill that secures the future for special interests at the expense of the security of the American people. I believe those who are using this legislation as a vehicle for their own particular commercial or special interest have done this country a grave disservice.

That is why Congress cannot stop with this vote. As the distinguished Senator from Montana said: We have to watch this process with vigilance. We have to be involved in the rulemaking. We have to ask the hard questions about resources. We have to continue to fight to make sure every substantive measure we need to enhance our security gets passed in the next Congress.

Let's start with the obvious. Let's support our first responders. They are the ones who are our front line soldiers at home. We need to do what we have been asked to do by mayors and police and fire commissioners. They have asked us for direct funding that they can best utilize to make sure those firehouses stay open, those hazardous material suits and equipment are bought and available. That is why I still believe we should pass legislation I introduced last November that would provide direct funding to local communities—the Homeland Security Block Grant Act.

We also know the recent report by former Senators Hart and Rudman, the terrorism panel's report, clearly states we are not doing enough to support our first responders. That report expressed grave concern that 650,000 local and State police officers still operate without close U.S. intelligence information to combat terrorists.

We have not done enough to help local and state officials detect and respond to biological attacks. The report expressed concerns that our firefighters and local law enforcement agencies still—more than a year later—do not have the proper equipment to respond to a chemical or biological attack. And they don't even have the

communications systems that will let them talk to each other—police departments, fire departments—across municipal and county lines in an emergency.

Madam President, I was also greatly disappointed that the SAFER Act, which would have allowed our Nation to hire 25,000 more firefighters over the next couple years, was completely eliminated from the bill. This is the time to do more for our first responders, not less.

We also have to act immediately to secure our Nation's nuclear power infrastructure. While the homeland security bill creates a new Department, it does not adequately address the real threat of terrorist capabilities and desires to destroy our nuclear powerplants. Last year, Senators JEFFORDS, REID, and I introduced the Nuclear Security Act. We moved that act through the committee. It is unfortunate the bill does not address nuclear security, particularly with respect to our nuclear powerplants. We clearly have a problem there, as we do with radiological attacks from a so-called dirty bomb.

Every day that goes by without us having those resources available in local communities around our country to respond is a day I cannot look into the eyes of my constituents and say, yes, we are safer today than we were.

We have all gone over the many provisions in the bill that have absolutely nothing to do with security. I regret deeply that they were included in this bill, and the impact of them will be known for years to come.

Madam President, this bill, which does some good by helping us better focus here in Washington, does not do nearly enough of what needs to be done out in our country. I am particularly concerned that New York does not have a specific coordinator as the bill provides for Washington, DC. We know from every intelligence report that New York City is still a high-risk area.

This bill has much that perhaps can make us safer, but nothing that will immediately do so; and it does not address the most serious issues with respect to the resources that are needed.

There is an article in this day's Washington Post about how the fact that we have not funded the war on terrorism here at home means that money—even if it passes in January—will not get to the people who need it the most for quite some number of months.

This is, unfortunately, a day where we have adopted a piecemeal approach to homeland security without the resources and the comprehensive strategy that many experts have recommended. I hope we will come back in January and address the gaps in our homeland defense strategy going forward.

I yield the floor.

The PRESIDING OFFICER. Who yields time to the Senator from Idaho?

Mr. CRAIG. Madam President, I yield myself time from Senator THOMPSON's time.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Madam President, I came to the floor for two purposes this afternoon. I will briefly speak about H.R. 5005, our homeland security legislation, which will become law in a reasonable time, possibly today, to suggest I am really not going to play the political game that has been played with this bill for the last 2 months, and that is being caught up again in the rhetoric of the hour—that somehow you don't need to structurally change the way Government thinks, that you can spend billions of dollars ahead of time to get it done.

You do need to change the way Government thinks. You do need to change the culture of the Federal bureaucracy. You do need to coordinate. That is what we are doing because, clearly, to anyone on this floor, or anyone in any of the committees that have spent the last several years analyzing what happened prior to 9/11, and following 9/11, it became very clear our agencies did not connect, they did not coordinate, they did not communicate, and the culture of the day—and probably a prevailing attitude—was somehow what happened would not happen here, didn't allow us to come to attention.

Well, we are now at attention. We have already spent billions of dollars getting there—both in the fine city of New York, which was tragically hit, and across this country. My State of Idaho alone—a State of 1.2 million people—for its first responders is going to get a couple million dollars more this year. That is significant money for beginning the process of coordinating and training and communicating, right hand to left hand, local responders to State responders to Federal responders.

There is a long way to go, but to suggest that the step we are taking today is unnecessary, or for 2 months did not prevail and, therefore, the bill is no good, shame on those who want to play the politics of the moment, because the politics of the moment is this country has decided to make a major step in the right direction.

I will tell you that I can pick the bill apart and say there are bits and pieces in there I don't like. I agree, in part, with the Senator from New York and the Senator from Montana that it will take due diligence, that we should not suspect that what we pass today goes on autopilot. My guess is we will be back next year making refinements in it. I am not quite confident that it protects the privacy of the citizens of our country in our pursuit for security in a fashion I would want to see happen.

I am glad we gave the President the flexibility not to be tied up in the bureaucracy of the public employees unions, but to give them an ample opportunity to express their concern; but in the end, in a national crisis, to give the chief executive of our country the latitude he or she should have and must have to make this system work. That is what we finally won the day over.

I am sorry the other side lost that fight, but the country won, and the legislation we bring today is a significant and appropriate step forward. I will probably be here on the floor within a couple of months offering some amendments, and my guess is my colleagues from both sides of the aisle will be doing the same. But to demagog our way into a new form of Government in the context of homeland security, shame on us.

The politics of that day is over. The reality of what we must do is now at hand and this Senate is stepping forward, as it should, to get the job done.

I said I came to the floor to talk about a couple of other issues. I have been watching from my office the great politics of agricultural drought disaster. What I heard on the floor was in itself a bit of a disaster. For one full month, we had a bill on the floor with drought assistance in it. When the bill was controlled by the other side, which had the majority, I innocently came to the floor and said, hey, why don't we add an amendment on forest health? Why don't we get to the business of thinning and cleaning the seven or eight million acres of land that is desperately in need of our caretakership and our stewardship that, by every estimation, is a tinderbox waiting to explode, like the seven million acres that burned this year across our public forest lands, that burned up 2,800 homes and cost us 25 lives.

But for one full month, the other side refused to vote on it. Why? Because of the November 5 election. They didn't want to put their people at risk, or what they thought was risk, to vote for a good piece of legislation that would have passed the Interior bill and would have put forth the drought legislation and the money that was talked about on the floor.

What I witnessed over the last hour is raw politics that won't get done. The Senator from Kansas came down a bit exercised a few moments ago, and he had every right to say, shame on them, it is politics, it won't happen—and it won't happen. What will happen is we are going to come back to a new Congress on the 7th of January called the 108th Congress. We are going to swear in some new Senators and convene, and we are going to have a new organizational resolution; we are going to have chairmen. And already, at that moment on the 8th, 9th, 10th, and beyond, we are going to move, I believe, 11 appropriation bills that didn't get cared for this year, that somehow, on their watch, didn't happen. In those, we are going to take care of drought and a lot of other things that should have been done a long time ago. Sure, we have anxious farmers. They have every reason to be anxious. But now to blame us and bog up the works and put our Government in a stall at this moment, all in the name of agricultural politics, is, in itself, wrong. I have farmers who have suffered from drought. I want to help them, and we will help them. We

will help them in January. Why do we come to the Chamber today and play the politics of the game that will not happen? I think we all know. It makes for good rhetoric and probably a few headlines back home. But it will not accomplish the mission at hand, and the mission at hand is to solve our agricultural drought problems, and to do so in a responsible, meaningful way that actually produces policy so the farmer can go to the farm service office and say: I have a problem and here is my loss. And that farm service officer can say: And here is the program, and here is how we can help you.

That is not going to occur probably until we legislate it in January and it becomes law sometime in early February. Then, I say to my colleagues on the other side, pick up the phone and call your farmer and say: Go to the farm service office, take your records and your losses, and they will calculate what you deserve based on the program at hand. That is how one delivers a message home. That is how one solves a problem that exists.

What has happened in this Chamber is the last moments of the last hour of the last day of the 107th, is that somehow a great amount of politics got played out. Some of it worked and some of it did not work, and we just heard some of it that will not work.

We are about to vote, though, on homeland security, and in the end, over the course of the next 3 to 4 years, it will work because it must work. We must be able in a real way, in a material way, to say to our friends and neighbors and civilian populations at home that the world is a safer place, and we made it safer by the ability to craft a government a good deal more sensitive to the reality of our current circumstances, to change the culture of the CIA, the FBI, the Border Patrol, and the INS in a way that creates a level of communication that knows what the right hand and the left hand are doing in concert. Yes, allows us a level of training and expertise at the very local of levels so when that first responder goes out on the line, they have every bit the skill and the equipment necessary to determine if they and/or the population they serve are at risk because of a potential terrorist act.

That is our charge. We do not do it overnight. It should have been done 2 months ago. The politics of the day would not have allowed that, but November 5 changed that, and that is why we are here and why we will pass this bill today in its whole form, and it will go to the President's desk for his signature.

Then, frankly, the hard work begins. If I were the administrator selected to craft a homeland security agency out of the bureaucracies that will fight down to their very last bureaucratic breath to hang on to some authority, I would say it is a monstrous task. But we will be here helping that administrator along because we know it is so

necessary for our country to have an agency that can respond to a new threat to this Nation and to freedom-loving people all around the world.

I hope out of the frustration of the day and the rhetoric that has occurred that, in the end, we will pass legislation and get on with the business at hand, but I thought it was incumbent upon myself to come to the Chamber to talk briefly about the idea that a drought has occurred, not just on farmlands across this country, but in the reality of the politics right here. And that drought is, we only have so much we are going to get done, and we better return come January and finish the work that should have been done months ago. This side is up to it, and I trust my colleagues on the other side will join us in a fair and bipartisan way to make that happen.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. I yield myself 10 minutes.

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

Mr. CARPER. Madam President, I am pleased to see that the Senate is finally ready to pass legislation creating a Department of Homeland Security. My colleagues and I on the Governmental Affairs Committee, under Senator LIEBERMAN's leadership, began this process more than a year ago. When we first started out, I must admit that I had some reservations about making such dramatic changes to the way the Federal Government is organized. The hearings Senator LIEBERMAN chaired during the first half of this year, however, showed me how truly ill prepared we really are to face the threat of terrorism. That is why I supported the original version of Senator LIEBERMAN's homeland security bill when it came before the Governmental Affairs Committee on May 22, 2002, some time before President Bush released his proposed reorganization plan. I supported it again on July 24 after we incorporated a number of the President's recommendations into our original draft.

I believe we need to create a strong Department of Homeland Security that brings together under one roof the various Federal agencies charged with preventing and responding to terrorist attacks. I am a little disappointed, however, that we appear ready to do so in a way that disregards a good deal of the hard work that went into the bipartisan bill we reported out of Governmental Affairs.

Among other things, the bill before us today abandons a compromise arrived at in committee on information sharing and the Freedom of Information Act and includes INS restructuring language that is different from anything included in the President's proposal, the House-passed bill or anything that we have debated here in the Senate. It also includes some controversial provisions we have never

seen before that seemingly appeared overnight. In the 108th Congress, we can and should have a debate on tort reform. We can and should have a debate on the safety of childhood vaccines. What we should not have done is hastily slip brand new provisions into this critically important bill without debate at the behest of special interests. There are three changes, however, that are of the most concern to me.

First, there is the new personnel language. This bill gives the Secretary of Homeland Security and the Director of the Office of Personnel Management (OPM) almost total authority to rewrite Federal civil service laws for Department of Homeland Security employees related to hiring and firing, job classification, pay, rules for labor-management relations, performance appraisal and employee appeals to the Merit Systems Protection Board. Thinking that the Secretary and OPM could not possibly know what kind of personnel system was needed at the new Department before they were able to start putting it together, our committee maintained current law and asked the Secretary to report on his or her progress in setting the Department up at least every 6 months and to ask Congress for specific changes in civil service protections to meet specific Department needs.

As a former Governor who had to reorganize parts of his own State's government, I can appreciate President Bush's desire to have as much flexibility as possible when creating something as large, complex and important as a Department of Homeland Security. However, I do not believe it's necessary to give him or his new Secretary the power to unilaterally change or waive workplace rules over the objections of Department employees and Congress. That is why I supported the compromise put forward by Senators NELSON, BREAUX, and CHAFEE before we adjourned for the election. That language would have left the most important civil service protections related to union rights and employee appeals untouched and set up a system of binding arbitration so that the Secretary and OPM would have to work out any personnel system they draft with the employees who will be required to work under it. I wish that the personnel language in this bill was closer to that contained in Nelson-Breaux-Chafee bipartisan compromise.

The second issue that is of concern to me in this bill is the language on collective bargaining rights. It says that the President can only use the authority he currently has to remove employees' collective bargaining rights on employees transferred into the new Department if their agency's mission materially changes and their duties involve intelligence, counterintelligence, or investigative work directly related to a terrorism investigation. It gives him broad authority to waive this test, however, and to use his authority regardless of whether or not the mission

of the relevant agency has changed. Our committee-passed bill would have required the administration to go through the Federal Labor Relations Authority to remove employees' collective bargaining rights. I was comfortable with that provision, but even more so with the Nelson-Breaux-Chafee compromise on this issue, which includes the same restrictions on the President's authority included in this bill but which gives Department employees the assurances that their collective bargaining rights will not be taken away arbitrarily simply because they are working in something called the Department of Homeland Security. I wish this bill offered future employees of the Department of Homeland Security as much assurance that their rights would be protected.

My greatest disappointment with this bill is the glaring omission of any meaningful provisions to improve the security of our Nation's railroads. It is inexplicable that we stand ready to create a Department of Homeland Security that does nothing to protect the millions of Americans who travel by rail every day. After the tragedy of September 11, this Congress and the President moved quickly to stabilize and secure our aviation system and to create the Transportation Security Administration with the mission of protecting all transportation modes.

The Congress followed suit with the Maritime Transportation Security Act of 2002 to protect our ports and maritime industry, which successfully passed in the Senate last week. And now it seems that the Over-the-Road Bus Security legislation is poised to pass this body. Yet in all these efforts, we have done little to protect rail from terrorist attacks and security threats, creating an Achilles heel in our Nation's efforts to secure our transportation system. For all of our commendable focus and attention on preventing future attacks against the aviation industry, it is unconscionable that we would not work to ensure that the roughly 25 million intercity passengers and many millions more that commute aboard our trains are as safe as the ones in our skies.

How can we ignore the FBI warnings made a few weeks ago that al-Qaida is considering directly targeting U.S. passenger trains and that operatives may try to destroy key rail bridges and sections of track to cause derailments? How could the Senate have voted to appropriate \$2 million to remove jars of formaldehyde and alcohol from the Smithsonian's buildings here on the Mall because of their threat to the Capitol and yet leave the rail tunnel traveling under the Senate and House office buildings and the Supreme Court unprotected from terrorist attack? How can we end the 107th Congress having approved increased and strengthened security programs for every single transportation mode except rail, a mode we know that al-Qaida may currently be targeting?

In creating the Department of Homeland Security, we had the chance to address this omission. We could have included provisions to secure the nation's critical rail infrastructure and facilities and augment the mission of the Transportation Security Administration. Recognizing the obvious need for greater rail security early on, Senators HOLLINGS, MCCAIN and others worked within the Commerce Committee to produce a bipartisan rail security bill to protect Amtrak and our vital rail infrastructure from attack or sabotage. This bill, S. 1550, was supported by the Bush Administration and reported unanimously out of the committee.

They understood the important role that Amtrak played immediately following the tragic events of September 11, when, with the aviation system shut down and our highways clogged or closed, Amtrak kept people safely moving in the northeast and across the country. They know it is essential that we provide Amtrak with the means to harden their physical assets and protect the safety and security of the traveling public if we want to ensure that Amtrak can serve the nation in the future as it did after September 11. They realized that more people use Amtrak's Pennsylvania Station in one day than use all of New York's three airports combined. They recognized that, like our other modes, our rail network is essential to the mobility, defense, and economic vitality of our nation. Yet their efforts have been blocked in this body and our railroads remain largely unprotected.

Following the Commerce Committee's good work and seeing the logical role for rail security within the new Department, I offered, and the Committee voted to accept, a rail security amendment to Senator LIEBERMAN's homeland security bill during the our markup in July. My amendment authorized funds through the Secretary of Homeland Security for critical security and safety needs across Amtrak's national network. Totaling \$1.2 billion, my amendment authorized funds to assist the diligent efforts already being made by Amtrak's police force and other law enforcement agencies, giving them the tools to focus on real threats beyond the harmless rail fans police were chasing away as described in an article on the front page of the Washington Post last week. The amendment included: \$375 million to finance systemwide security and safety enhancements. These funds would have been used to immediately address serious security risks by protecting infrastructure, stations, and facilities across the entire Amtrak system. Amtrak's top priorities to be addressed with these funds include:

No. 1, securing tunnels, bridges, interlockings, towers, and yard and station facilities with surveillance equipment, perimeter fencing, security lighting, bomb detection equipment and bomb resistant trashcans for stations, vehicle barriers and other measures.

No. 2, investing in passenger information systems to allow the creation of watch lists and passenger manifests for tracking purposes and data sharing between Amtrak Police Department and the FBI. Currently, Amtrak does not have the realtime ability to track who is onboard its trains.

No. 3, communications and command/control upgrades to track and locate trains enroute, to ensure adequate radio coverage across the Amtrak system, and to provide automated data for incident response and crisis management;

\$778 million for life-safety and security improvements to the Amtrak tunnels in New York, Baltimore and Washington. The life-safety problems with the tunnels on the northeast corridor are well documented and require immediate action. The tunnels in New York, 1910, Baltimore, 1872, and Washington 1904 are nearing, or are over 100 year olds and constitute safety hazards due to problems with emergency exits and ventilation. Of specific concern, is a possible terrorist action involving these tunnels, which have limited evacuation capacity, antiquated stairwells, and poor lighting. The results could be catastrophic. The funds will enhance life safety features within the tunnels, including:

No. 1. Washington, \$40 million: upgraded emergency access and egress, improved ventilation and communications. This tunnel sees 50 Amtrak/VRE trains a day and 2 million passengers annually. Additionally, these tunnels pass directly under the Supreme Court and House and Senate Office Buildings.

No. 2, Baltimore, \$60 million: New fire standpipes; improved lighting and communications, egress improvements; and a preliminary design study of tunnel replacement options. This tunnel sees 125 Amtrak/MARC trains a day.

No. 3, New York, \$678 million, 6 tunnels: upgraded ventilation, access, and egress through new stairways and shafts; structural rehabilitation for tunnel access, and improved lighting and signage. The 6 New York Amtrak tunnels provide access to Penn station for Amtrak, New Jersey Transit and the Long Island Railroad. They are gateway to New York and the heart of the Northeast Corridor. Work on the tunnels has already begun with \$220 million from the Long Island Railroad and the FRA, through \$100 million from FY '02 DOD supplemental Appropriations Act. Funds authorized in this amendment would complete work on 3 of the 4 rebuilt ventilation and escapes shafts, dramatically improving the safety of passengers should an emergency occur in the tunnels;

\$55 million for wrecked equipment repair to ensure Amtrak adequate fleet capacity in the event of a national security emergency. At the time of my amendment, 96 damaged and wrecked cars and five locomotives, or nearly one out of every fifteen Amtrak cars, were sitting idle, out of service, and awaiting repair. Without these cars,

Amtrak is in serious danger of being able to provide adequate equipment to service its current routes, let alone offer additional service should there be another national emergency. With these funds, Amtrak could have repaired about half of these, and have some equipment up and running again within 90 days. In our effort to strength the security of the homeland, that we must provide Amtrak with the equipment it needs to serve the existing routes and to handle increased traffic should another security crisis occur.

After the Governmental Affairs markup and the inclusion of this amendment to the Lieberman substitute, I worked with Senators HOLLINGS and MCCAIN to create a bipartisan rail security package based on the previous Committee work and my amendment that would authorize needed resources while ensuring proper oversight and accountability. We agreed to work together to add this package to the homeland security legislation, in whatever form it took. I believe that Senator MCCAIN spoke briefly about his commitment to enhancing the security of our railroads on the floor last week, and I want to thank him for working with us to create a sound security proposal. I know that he and Senator HOLLINGS share my disappointment that we have not been able to get this package included in the current homeland security bill. Though we were unable to achieve success today, we are committed to doing so next year, and I urge my colleagues to join this effort. Until we have passed a rail security package, we cannot honestly say that we have secured our national transportation system.

In conclusion, today we missed a tremendous opportunity to truly secure our entire transportation network. Surely, we all agree that doing so is one of the Federal government's chief responsibilities. Debates about the future of Amtrak should not stand in the way of this effort. The fact is that, today, several thousands of riders are on Amtrak trains and hundreds of thousands more use Amtrak's tracks for their daily commute to work. Securing these facilities and these services is not an issue that can wait. As the intelligence community has already warned, the risks to America's railroads are real and exist as we speak. We have a responsibility to act to protect our people and our nation. We must pass rail security legislation as soon as possible.

Mr. KOHL. Madam President, I rise to discuss two provisions of the Homeland Security bill, those substantially transferring the Bureau of Alcohol, Tobacco and Firearms, "ATF," to the Department of Justice and modifying and improving our explosives laws.

A driving force behind the President's blueprint for the reorganized Government is the need for the various agencies and bureaus charged with enforcing Federal law to work more cooperatively and effectively in defending

the country against terrorism. The President's plan shifted several agencies charged with different aspects of Federal law enforcement to the proposed Department of Homeland Security, including the Secret Service and the Bureau of Customs, both formerly housed in the Department of the Treasury.

Unfortunately, this realignment of Treasury's law enforcement agencies left out one vitally important bureau, one that has as its primary mission the enforcement of the explosives and firearms laws. The ATF has been the cornerstone of the Federal law enforcement functions at Treasury for decades, but now under the President's plan, it would be left as the only major law enforcement presence in the entire Department.

The Department of the Treasury is entrusted with responsibilities primarily in the area of monetary policy such as budgets, taxes, and currency production and circulation. In contrast, the ATF's mission consists of enforcing the firearms, arson, and explosives laws as well as the criminal and regulatory functions of the alcohol and tobacco laws. Clearly, these two missions do not jibe.

ATF serves an important role not only in the enforcement of the criminal laws regarding firearms, explosives, alcohol and tobacco, but also in waging the war on terrorism. We only need to remember the litany of terrorist bombings from the first attack on the World Trade Centers to Beirut in 1982, the East Africa embassies, the U.S.S. *Cole*, Khobar Towers, and Oklahoma City, among others, to understand the importance of the ATF's expertise in explosives and firearms on the war on terrorism. Indeed, in the last 20 years, the vast majority of terrorist attacks with Americans as targets have used explosives or firearms. Any effort to strengthen our homeland security that does not take note of this fact is a half measure.

This bill understands ATF's importance in the war on terrorism by moving it to the Department of Justice where it can coordinate its efforts more easily with the FBI, DEA, and the other premier Federal law enforcement agencies. In addition, the bill authorizes the ATF for the first time as the Bureau of Alcohol, Tobacco, Firearms and Explosives, ATFE, and refocuses its mission. It will no longer be responsible for collecting alcohol and tobacco fees, but instead will focus entirely on the criminal enforcement of the explosives, firearms, arson, and tobacco and alcohol smuggling laws.

The amendment makes clear that along with the transfer of enforcement of the explosives, firearms, and arson laws, the new ATFE will have jurisdiction over the criminal statutes in title 18 of the United States Code as they relate to tobacco or alcohol laws. These few criminal statutes are the extent of ATFE's jurisdiction over alcohol and tobacco. All alcohol and tobacco rev-

enue collection and related regulatory functions performed by the current ATF will remain under the jurisdiction of the Tax and Trade Bureau of the Treasury Department.

The renaming of the Bureau is more than simply symbolic. The addition of the "E" to the name of the Bureau demonstrates the importance of explosives in their mission. To coordinate better law enforcement training in explosives, we created the Explosives Training and Research Facility at Fort AP Hill, VA, where Federal, State and local law enforcement agents from around the country will be trained to investigate bombings.

We trust that the Attorney General and the Department of Justice in conjunction with the Department of the Treasury will make ATFE's transition as efficient as possible. Moving a large law enforcement agency is not easily done. For that reason, the Homeland Security bill permits a sufficient time frame for the transitions to occur both to the new Department of Homeland Security as well as the ATFE's transition to the Department of Justice. It is our intent that the ATFE be permitted as much time to complete its transition as the other bureaus and agencies being shifted to the Department of Homeland Security.

At the Department of Justice, the ATFE will have primary responsibility for the enforcement of the firearm, arson and explosives laws as well as criminal alcohol and tobacco laws. In that role, the ATFE will be able to work cooperatively with the FBI and the DEA in enforcing the criminal law while at the same time taking the lead when the case under investigation is primarily within their jurisdiction. According to recent news reports, the FBI and the ATF do not always have the best of relations. In fact, despite a long-standing memorandum of understanding between the two agencies allocating responsibilities, there is still a fair amount of competition between the two when it comes to areas where their respective jurisdiction overlaps. Now, with the ATFE working under the same leadership as the FBI, the Attorney General will be able to sort out these differences and maximize the cooperation between the two agencies. More cooperation will lead to a better focus on the war on terrorism.

The establishment of the ATFE at the Department of Justice gives the Government a dynamic weapon in the war on terrorism and in the every day battle against violent crime involving explosives, firearms and arson. We look forward to the ATFE joining the Department of Justice and its other law enforcement agencies. We also look forward to the ATFE maximizing its capabilities in enforcing the explosives, firearms, and arson laws and fighting the war on terrorism.

In addition to transferring ATF to the Department of Justice, this measure contains a subtitle that modifies our explosives laws. This provision is

an amended version of S. 1956, the Safe Explosives Act, which was introduced earlier this year by Sen. ORRIN HATCH and me and H.R. 4864, the Anti-Terrorism Explosives Act, which was introduced earlier this year by Chairman SENSENBRENNER.

The Senate Judiciary Committee unanimously approved the measure this summer. I want to explain some of the provisions in this title of the bill and provide a more detailed section by section analysis of it.

Following the September 11 terrorist attacks on the World Trade Center and the Pentagon, we have had a growing sense that Congress needs to close numerous gaps in Federal law to help prevent future disasters. The current explosives laws are effective, but the Safe Explosives Act closes some loopholes and significantly improves its administration.

The Safe Explosives Act effects two major changes in our explosives laws: first, it creates a systematic method of enforcing our laws regarding who can and cannot purchase and possess explosives; and second, it makes some commonsense additions to the list of people who are barred from purchasing and possessing explosives.

Creating a systematic method for enforcing our laws makes sense in the current environment. Most Americans would be stunned to learn that in some States it is easier to get enough explosives to take down a house than it is to buy a gun, get a driver's license, or even obtain a fishing license. Currently, it is too easy for would-be terrorists and criminals to obtain explosive materials. Although permits are required for interstate purchases of explosives, there are no current uniform national limitations on the purchase of explosives within a single state by a resident of that State. As a result, a patchwork quilt of State regulations covers the intrastate purchase of explosive materials. In some States, anyone can walk into a hardware store and buy plastique explosives or a box of dynamite. No background check is conducted, and no effort is made to check whether the purchaser knows how to properly use this deadly material. In at least 16 States, there are little to no restrictions on the intrastate purchase of explosives.

By addressing the intrastate sale and possession of explosives, the Safe Explosives Act would help close one such loophole that allows potential terrorists and criminals easy access to explosive materials. Let me elaborate. As I said, under current law anyone who is involved in interstate shipment, purchase, or possession of explosives must have a Federal permit. This legislation creates the same requirement for intrastate purchases. It calls for two types of permits for these intrastate purchasers: user permits and limited user permits. The user permit lasts for 3 years and allows unlimited explosives purchases. The limited user permit also expires after 3 years, but only allows

six purchases per year. We created this two-tier system so that low-volume users would not be burdened by regulations. The limited permit, like the user permit, imposes commonsense rules such as a background check, monitoring of explosives purchases, secure storage, and report of sale or theft of explosives. However, the Safe Explosives Act does not subject the limited user to the record keeping requirements currently required for full permit holders.

In addition to closing the intrastate loophole, this measure expands slightly the class of people who are barred from purchasing or possessing explosives. Current federal law prohibits certain categories of people from purchasing and possessing explosives. However, some important categories, such as people in the United States on a tourist visa, are not included in current federal explosives law. The committee feels that in addition to being barred from obtaining a firearm, these people should also be prohibited from purchasing and possessing explosive materials.

Overall, this measure strikes a reasonable balance between stopping dangerous people from getting explosives and helping legitimate users obtain and possess explosives. Most large commercial users already have explosives permits because they engage in interstate explosives transport. These users would not be significantly affected by our legislation. The low-volume users will be able to quickly and cheaply get a limited permit. And high-volume intrastate purchasers who are running businesses that require explosives should easily be able to get an unlimited user permit. Also, the measure will not affect those who use black or smokeless powder for recreation, as the legislation does not change current regulations on those particular materials.

Our goal is simple. We must take all possible steps to keep deadly explosives out of the hands of dangerous individuals seeking to threaten our livelihood and security. The Safe Explosives Act is critical legislation, supported by the administration. It is designed solely to the interest of public safety. It will significantly enhance our efforts to limit the proliferation of explosives to would be terrorists and criminals. It will close a loophole that could potentially cause mass destruction of property and life.

Let me thank the many people who assisted us in drafting these provisions. Senators HATCH and LEAHY and Chairman SENSENBRENNER were vital, as were Senators BAUCUS and GRASSLEY. The staff and leadership of the Department of Treasury, the Department of Justice and the ATF were invaluable. We all worked together cooperatively and in close collaboration, and I believe that the finished product reflects the professionalism and dedication of the staff of those agencies. They are all to be congratulated.

I ask unanimous consent that a section-by-section analysis of the measure be printed in the RECORD.

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

SECTION-BY-SECTION ANALYSIS OF TITLE XI,
SUBTITLE C

Section 1121—Short title

The short title of this bill is the "Safe Explosives Act."

Section 1122—Permits for purchasers of explosives

First, the following terms referenced in the bill are defined: permittee, alien, and responsible person.

Second, this section would require all purchasers of explosives to obtain a permit from the Treasury's Bureau of Alcohol, Tobacco, and Firearms (ATF), a process that includes a background check, thereby reducing the availability of explosives to terrorists, felons, and others prohibited by law from possessing explosives. Although permits are now required for interstate purchases, there are no current Federal limitations on the purchase of explosives within a single state by a resident of that state.

The new permit requirement would significantly enhance the government's ability to prevent the misuse and unsafe storage of explosives. As part of the permit application and renewal process, ATF would conduct background checks on all individuals wishing to acquire or possess explosives materials. Applicants would also be required to submit photographs and fingerprints along with their applications, to ensure that a thorough background check can be completed. Fingerprints are not necessary to conduct a background check, however it significantly reduces the work and amount of time for the positive identification of applicants, and therefore will greatly reduce the application turnaround time and workload for ATF.

In the case of a corporation, partnership or association, the applicant would be required to submit fingerprints and photographs of responsible persons, meaning those individuals who possess the power to direct the management and policies of the corporation, partnership or association pertaining to explosive materials. Consistent with ATF's current policy, this section does not require corporate applicants for explosives licenses to list every single corporate director or officer as a "responsible person" on its application for a license or permit. Those officials within the corporation who have no power to direct the management and policies of the applicant with respect to explosive materials need not be listed on the application. For example, in a large corporation that uses explosives in just one of many business activities, there may be many corporate officials who have no responsibilities or authority in connection with the explosives aspects of the company's business. These officials would not be listed as "responsible persons" on the application, and would not need to submit fingerprints or photographs to ATF. Furthermore, if corporate bylaws provide that certain high-level corporate officials do not have the power or authority to direct the management and policies of the corporation with respect to explosive materials, then such officials will not be considered to be responsible persons.

We encourage the Secretary to strive for balanced enforcement. In so doing, the Secretary should avoid imposing unnecessary burdens on applicants for explosives licenses and permits. There is no reason to require background checks for corporate officials who have no responsibilities or authority in

connection with the explosives aspect of a company's business. By the same token, companies have an obligation to be forthright with the ATF, and we expect them to err on the side of overinclusiveness in deciding who may be a responsible person.

This section will also require applicants to list the names of all employees who will have possession of the explosive materials, so that the ATF can verify that these individuals are not prohibited from receiving or possessing explosives. In order to prevent an overload of employee background checks all at once for the ATF, current licenses and permits will remain valid until that license or permit is revoked, expires, or until a timely application for renewal is acted upon. Under current law, it is too easy for would-be terrorists and criminals to obtain access to explosive materials by obtaining jobs (such as driving trucks) with explosives licenses. These expanded requirements would also apply to entities seeking to obtain a license to sell explosives.

It is the Committee's intention that ATF should work closely with the regulated industry to develop guidance as to which employees are considered to be in "possession" of explosive materials in the course of their employment. Applicants for explosives licenses or permits are not required to list every single employee of the business. Instead they are only required to list employees who are expected to possess explosive materials as part of their duties.

In developing these standards, ATF should be guided by the case law interpreting the term "possession" under the Gun Control Act of 1968, GCA, as amended. It is well established that possession under the GCA may be demonstrated through either actual or constructive possession. Actual possession exists when a person is in immediate possession or control of an object, and includes instances where a person knowingly has direct physical control over the object at a given time. Thus, employees who physically handle explosive materials would clearly be in possession of those materials. This would include, among others, employees who handle explosive materials, as defined by the law as part of a production process; employees who handle explosive materials in order to ship, transport, or sell them; and employees who actually use the explosive materials. All of these employees, as well as any other employees who actually possess explosive materials as part of their duties, must be listed on the application for a license or permit.

Where direct physical contact is lacking, a person may nonetheless have constructive possession where he or she knowingly has the power and the intention at a given time to exercise dominion and control over the explosives, either directly or through others. Accordingly, this section would require applicants for licenses or permits to list all employees who will have constructive possession of explosive materials as part of their duties. For example, an employee who drives a truck with an explosives load is in constructive possession of the explosives even though he may not physically handle them. This individual has dominion and control over the explosives while he transports them; furthermore, he could easily divert them from their intended destination. Such an individual should be subject to the background check requirements of the amended law. Similarly, a supervisor at a construction site who keeps the keys for the building in which the explosives are stored, and directs the use of explosives by other employees, would be in constructive possession of those explosives.

Finally, this section recognizes the distinction between small individual users of explosives and large commercial users by creating

a new "limited permit" for those infrequent purchasers. The limited permit allows a purchaser to make no more than six purchases of explosives within a 12-month period, and the permit is only valid for purchases within the purchaser's state of residence. While limited permit holder must pass the background check like all other permit applicants, they are not subject to spot inspections imposed on full permit holders. To ensure that holders of limited permits are not violating law by acquiring explosive materials more than six times a year, this section requires anyone selling explosives to a limited permit holder to report the sale to the ATF. This allows the ATF to monitor misuse by limited permit holders, and investigate suspicious volume purchases by such individuals, while allowing infrequent users to access more than enough for their needs. Holders of limited permits would also be required to report their distribution of excess stocks of explosives to other permittees or licensees.

All permittees, limited or otherwise, are subject to inspection by the ATF to ensure that the explosives are being properly stored. In the interest of minimizing the turnaround time for approval of licenses and permits, and in order to avoid overburdening ATF with an onrush of inspections immediately after this act takes effect, the bill gives ATF the discretion to defer immediate inspection of license and permit applicants at the time of application. However, because of concern for public safety, a provision requires ATF to inspect both permittees and licensees within three years of issuing a license or permit. Specifically, ATF must inspect limited permittees prior to a third consecutive renewal, and licensees or user permittees prior to the first renewal. It also increases the amount of time ATF has to approve or deny an application to 90 days. This will allow ATF ample time to conduct thorough background checks, especially important immediately following enactment of the bill when there will likely be a surge in applications. These provisions were put in the bill at the request of the House.

This section also includes an important measure that ensures privacy for employees or potential employees of a company that applying for a user permit that are subject to a background check. The provision requires the Secretary of the Treasury to notify the employer as to whether or not an employee passes the background check. However, should an individual not pass the employer will not be told the reason why. Rather, the employee will be notified as to the reason(s) for not passing.

Section 1123—Persons prohibited from receiving or possessing explosive materials

This proposal expands the list of those people who are prohibited from purchasing or possessing explosives to include: mental incompetents, aliens other than lawful permanent resident aliens, people dishonorably discharged from the military, and Americans who have renounced their citizenship. The addition of such categories to the list of prohibited persons recognizes the potential for terrorists or other criminals to use explosives to carry out their attacks and brings the explosives law in line with most categories of prohibited people in the Gun Control Act.

Congress has already determined that the possession of firearms by the above categories of people is dangerous to society. In order to combat terrorism and other violent crime, it is essential that Federal law prohibit the receipt or possession of explosive materials by such individuals already deemed too dangerous to possess firearms. The language relating to non-immigrant aliens differs slightly from that in the Gun

Control Act, as technical changes have been made to improve the clarity of the provision.

Section 1124—Requirement to provide samples of explosive materials and ammonium nitrate

This section would enhance the ATF's ability to solve cases involving explosives by requiring Federally licensed explosives manufacturers and importers and persons who manufacture or import ammonium nitrate to provide to ATF, upon request, with samples of, or chemical information on, the products they manufacture or import. The ATF fulfills a critical investigative role in the solving of crimes or acts of terrorism committed by explosives. Such information is essential to ATF's ability to prevent and solve bombings and to trace explosive materials that are used in terrorist activities and other violent crimes by matching residue with the manufacturers' samples. Also, the ability to evaluate such samples as well as information on the chemical composition of these products will allow the ATF to familiarize themselves with products that may be diverted to criminal misuse.

Section 1125—Destruction of property of institutions receiving federal financial assistance

This section expands ATF's authority to investigate destruction of property by fire or explosion if the property receives federal assistance.

Section 1126—Relief from disabilities

This section allows for a person who is prohibited from the above mentioned explosive material possession, purchase, etc. to apply to the Attorney General for relief from disabilities. The Attorney General may grant that relief if the circumstances regarding the disability are such that the applicant is not likely to be dangerous to the public if allowed to work with the above mentioned explosive materials, and that it would not be contrary to the best interest of the public.

Section 1127—Theft reporting requirement

According to this section, all licensees and permittees are required to report the known theft of explosive materials from that user no later than 24 hours after the discovery of theft. Failure to do so can result in a fine not more than \$10,000, or imprisonment not more than 5 years, or both. It is essential that ATF investigate theft of explosives in order to prevent accidental or criminal misuse.

Sec. 1128—Authorization of appropriations

This section authorizes the appropriation to carry out the provisions of the bill.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. I yield myself 5 minutes from the time of Senator THOMPSON and 5 minutes from the time of the leader.

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

Ms. COLLINS. Madam President, this legislation to create a new Department of Homeland Security will result in the most significant transformation of the executive branch in over 50 years and is of fundamental importance to our national security. I believe that Congress has the responsibility to establish a new Department of Homeland Security this year, before we adjourn for we know that those wishing to do our nation harm will not wait for us to act.

The longer we delay, the longer we leave vulnerabilities in place, the longer we consciously rely upon a fragmented system to guard our homeland. While creating a new department in

and of itself will not be sufficient to safeguard our homeland, it will bring much needed focus and coordination to the task.

In the year since the terrorist attack, much has been done to make our nation more secure. Congress has approved billions of dollars to secure our borders, protect critical infrastructure, train and equip first responders, and better detect and respond to biological or chemical attacks. Our brave men and women in uniform have fought valiantly in the war against terrorism and have secured important victories in Afghanistan.

The creation of the Department of the Homeland Security is the next step in our efforts to secure our nation against another terrorist attack. The task before us is daunting. This sweeping reorganization dwarfs any corporate merger. It involves some 170,000 employees and a budget of nearly \$40 billion.

Despite the magnitude and challenge of the task, there should be no doubt about the need for this new cabinet department. Currently, as many as 100 Federal agencies are responsible for homeland security, but not one has homeland security as its primary mission. When that many entities are responsible, nobody is really accountable, and turf battles and bureaucratic disputes are inevitable.

If we are to overcome these problems and create a workable national security structure, then we must unite the current patchwork of governmental entities into a new Department of Homeland Security. The new agency will work to secure U.S. borders, ports, and critical infrastructure. It will synthesize and analyze intelligence from multiple sources, lessening the possibility of intelligence communication breakdowns. And it will coordinate security activities now undertaken separately by agencies like the Customs Service, the Federal Emergency Management Agency, and the Immigration and Naturalization Service so that the resulting effort will be greater than the sum of its parts. The new Department for Homeland Security will help to remedy many of the current organizational weaknesses and to protect us against future attacks.

As a member of the Senate Governmental Affairs Committee, which held extensive hearings on the reorganization, I had the opportunity to consider carefully myriad ideas and concepts about the creation of the Department. We heard testimony from Governor Ridge, from Director Mueller of the FBI, from Director Tenet of the CIA, and from numerous other experts. They all shed light on the problems that have impaired our ability to defend our homeland, and on the threats that we now face and that will inevitably challenge us in the future.

While strongly supporting the creation of the Department, I believe that we also must protect the traditional roles of institutions and agencies that

are important to America's economic and social fabric. In particular, the Coast Guard's traditional functions—such as search and rescue and marine resource protection—must be maintained.

Since the attacks of September 11, the Coast Guard's focus has shifted to homeland security. The Coast Guard plays an essential role in homeland security, and I believe that it should play a leading role in the new Department. If, however, the current resource allocation is maintained, and the Coast Guard continues to assume new responsibilities, its traditional missions may be jeopardized.

Prior to September 11, port security accounted for approximately 2 percent of the Coast Guard's resources. Immediately following the terrorist attacks, the Coast Guard deployed 59 percent of its resources to port safety and security missions. As a result, many of the aircraft and vessels used for search and rescue were far removed from their optimal locations for search and rescue. Even after the immediate impact of September 11 attacks subsided, its impact on the resources of the Coast Guard remained. Indeed, the Coast Guard continues to devote fewer hours to its traditional functions than it did before 9/11.

Because of the Coast Guard's importance to coastal areas throughout our Nation, any reduction in its traditional functions is of great concern. Last year alone, the Coast Guard performed over 39,000 search and rescue missions and saved more than 4,000 lives. On a typical day, the Coast Guard saves 10 lives, interdicts 14 illegal immigrants, inspects and repairs 135 buoys, and helps more than 2,500 commercial ships navigate into and out of U.S. ports. In short, the Coast Guard's traditional missions are of vital importance and must be preserved.

Let me take a minute to talk about the Coast Guard's importance in my home State of Maine. Each year, the Coast Guard performs about 300 search and rescue missions in my State. These missions are literally a matter of life and death. Just a few weeks ago, the Coast Guard saved two Maine fishermen from their burning boat off the coast of Massachusetts after a 12 hour search.

Since October 1999, fourteen fishermen have lost their lives off the coast of Maine. Commercial fishing is one of the most dangerous of occupations. How many more fisherman or recreational boaters would have died or been injured if the nearest Coast Guard cutter were not in port? How many more will lose their lives if the local Coast Guard stations must devote the majority of their time to homeland security alone? I agree that the Coast Guard must perform homeland security functions. But it is critically important that it not do so at the expense of its traditional missions.

Senator STEVENS and I addressed these concerns during the Govern-

mental Affairs Committee's mark-up of the original homeland security bill. We offered a successful amendment to preserve the traditional functions of the Coast Guard.

The compromise bill ensures that the Coast Guard's non-homeland security functions will be maintained after its transfer into the new Department, and also provides for flexibility to ensure our national security. As our amendment provided, the compromise homeland security bill has the Commandant of the Coast Guard report directly to the Secretary of Homeland Security, thus ensuring direct access for the Commandant's views. The protections for the Coast Guard will help safeguard our coastal communities' economies, way of life, and loved ones, while Americans, wherever they live, can rest assured that the Coast Guard will perform its necessary and vital homeland security functions.

Similarly, I am pleased that the compromise bill incorporates a provision that Senator LEVIN and I proposed to create a Special Assistant position in the Secretary's office to promote public/private partnerships and to ensure that the business community has a place to go to ask questions, voice concerns, and provide feedback. It is important to bear in mind that our homeland security and economic security are closely linked, and that the failure of one jeopardizes the other. Our economic vitality makes us strong and capable of defending our nation against external and internal threats.

The issue of personnel and management flexibility, unfortunately, became the most controversial issue in this homeland security debate. The creation of the new Department will transfer approximately 170,000 current Government employees who are covered by a large number of different work rules, personnel systems, and labor agreements from other departments and agencies. Given the pressing importance of the new Department, and the vital functions it will perform, we need to grant the new Secretary appropriate but not unlimited authority to create a flexible, unified new personnel system that meets the Department's unique demands.

This legislation strikes the right balance. Initially, the Administration sought power for the Secretary to unilaterally modify all of the civil service laws which I opposed. The administration compromised and will have flexibility in only those areas it deemed vital to the Department's efficient functioning.

Also, I would note that there are many safeguards to prevent abuse of this authority that we are granting the Department, including a requirement I authored requiring that any changes made to the appeals rights of the Department's employees be made only to "further the fair, efficient and expeditious resolution" of workers' appeals. Additionally, any changes made will now be subject to mediation, unlike

the Administration's initial proposal, which only called for notification.

As we create a new Department of Homeland Security, it is critically important that we remember those on the front lines of any emergency: our police, our firefighters, our EMS personnel. I am disappointed that the compromise bill fails to include important amendments that I offered with Senators FEINGOLD and CARPER, and that were adopted both in committee and on the Senate floor.

The compromise bill includes an Office for State and Local Government Coordination, but it lacks the provisions needed to ensure that the new Department coordinates and communicates adequately and efficiently with state and local first responders. Senators FEINGOLD, CARPER and I would have placed a Department liaison in each State, thereby enhancing the Department's ability to work effectively with first responders, who perform such a critical role in our homeland defense. In my role as chairman of the Governmental Affairs Committee, I plan next year to revisit this issue to ensure that the new Department and our first responders can work efficiently together not at cross purposes when emergencies arise.

The new Department of Homeland Security is an essential component of our response to current and future threats. As the brutal attacks of September 11th demonstrated, distance from our enemies and the barrier of oceans no longer suffice to protect our nation. The bill that we are considering today is an important step in making our homeland more secure.

I reserve any unused time for Senator THOMPSON.

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Connecticut.

Mr. DODD. I will yield myself 15 minutes off the majority side. I would like to be notified by the Chair when 5 minutes have expired. I would like to separate the remarks: 5 minutes spent on the homeland security issue, and then 10 minutes on terrorism insurance, of which I will be yielding some brief time to colleagues who want to be heard on that matter. Senator SARBANES, the chairman of the Banking Committee, will be coming to the floor at which time he will also have 15 minutes to talk about terrorism insurance or other matters he may want to raise, in which case we will try to have our remarks appear continuously, if we can, regarding terrorism insurance.

On the issue of homeland security, I am going to vote for this bill in the end when we are called upon, in several hours, to do so.

First of all, let me commend my colleague from Connecticut, who has been the manager of this bill along with Senator THOMPSON of Tennessee for the last number of weeks and months since this bill has been part of the debate in the Senate.

I want to commend JOE LIEBERMAN. My colleagues should know—and I am

sure they remember this—he introduced this legislation in October of last year. The committee marked up that bill, I think, with just Democratic votes out of the Government Affairs Committee to bring a homeland security bill to this Chamber.

I am delighted to hear that we now have strong bipartisan support for this effort. But let us be clear about the history. The history is that JOE LIEBERMAN offered this idea to this body. It was his committee under his leadership that marked up that bill and sent it to the floor on a partisan vote, unfortunately. We are now going to vote on it.

I will vote for passage of the bill before the Senate today, but I will do so with deep reservations. I believe that the bill before us does far too little to adequately protect average Americans from the dangers posed by terrorists. And regrettably, it does far too much to protect special interests favored by the majority party in the other body. That having been said, I believe that, on the whole, the bill will make America marginally more secure and I would rather err on the side of improving security than on the side of inaction. I will to look for every opportunity to make improvements in Department of Homeland Security in the months ahead.

This bill does take a step in the right direction by creating a unified department that can focus on security. Effectively reorganizing parts of the federal government can improve our security. The bill will allow the Department of Homeland Security to coordinate activities that have previously been conducted by two dozen separate agencies. This bill will allow the Administration to consolidate layers of government and if the Administration does this well, it should improve the way our government collects and shares information. By eliminating redundancy and conflicts within the government, the new department can make it easier to identify and respond quickly to threats as they emerge.

Further, if the Administration wisely uses the authority granted to it in this bill, it should be able to improve security at our borders. This bill authorizes the administration to completely revamp our immigration and naturalization services. If the Administration uses this authority to truly modernize immigration services, it will be able to avoid problems like those we have all read about cases where the immigration and naturalization services issued student visas improperly because of computer errors, poor record-keeping, and lax analysis of information.

Still, despite these and several other constructive provisions, this bill could have done more to strengthen homeland security. For example, it could have done more to foster better coordination and to better prepare local communities to respond to emergencies that may occur. I offered an amendment that would have authorized the Department of Homeland Security to establish a grant program to help local

fire departments address the chronic understaffing problems that plague so many local departments. The International Association of Firefighters and the International Associate Fire Chiefs have estimated that we need at least 75,000 additional firefighters in this country just to meet pre-9/11 staffing needs. Since 9/11, firefighter labor shortages have become even more of a problem across the country. Senator WARNER and I recognized the full extent of the problem of firefighter understaffing shortly after September 11, 2001, and we wrote legislation to help solve the problem. The amendment I offered was based on the bill that Senator WARNER and I wrote. The amendment also built on the FIRE Act, which Senator DEWINE and I authored in 2000. The FIRE Act, which became law thanks in large part to the effort of Senators WARNER and LEVIN, has provided more than \$400 million to train and equip tens of thousands of firefighters around the country. Understaffing has become such a problem, that according to the International Association of Firefighters, nearly ⅓ of all fire departments cannot meet minimum safety standards.

I also attempted to offer a second amendment to provide equitable pay for federal law enforcement officers. This amendment would have ensured that the federal government could retain highly-qualified and experienced law-enforcement professionals. All over the country, federal law enforcement officers are retiring from the federal service because they can make more money working in the private sector or for state and local governments. In New York, San Francisco, and Los Angeles, where living expenses are high, the FBI reported that 65% of its agents have been on the job for less than 5 years. This statistic reflects the fact that experienced officers would rather leave the Federal service than accept transfers to these expensive cities where they cannot provide adequately for their families.

Don't get me wrong, all of the men and women who serve as Federal law enforcement officers do an outstanding job. But I also believe that experience is an invaluable asset and I think we need to make sure that the talent that comes with experience is available to the Federal government. Our Federal law enforcement services should be more than just a training ground—our law enforcement officers should be among the most experienced and highly skilled in the world so that they can provide the high degree of protection that the American people so rightly deserve.

The bill before us would have been far better if it had more fully addressed the critically important needs of firefighters and federal law-enforcement officers. Sadly, however, their needs are all but ignored in this legislation. I intend to seek any and every opportunity in future to remedy this shortcoming. A homeland security bill that largely ignores the needs of these dedicated civil servants can only be considered a partial success.

Instead of focusing on the interests of the American people and those of firefighters and law officers, the bill before us contains numerous special interest provisions that help large corporations and do nothing to ensure the safety of the American public. In fact, I believe that some of the provisions in this bill could potentially cause harm to the public.

One provision of particular concern will bar parents from seeking legal redress from pharmaceutical companies whose drugs may have caused autism in their children. Parents would be barred from pursuing complaints through the courts and instead would be forced into the Federal Vaccine Injury Compensation Program, which limits damages to \$250,000. I have supported reasonable tort reform in the past, but this provision changes the rules in the middle of the game for people who are already before the courts. Under this provision, pending lawsuits that have absolutely nothing to do with homeland security will likely be dismissed and parents who claim their children have become autistic due to corporate malfeasance will be denied their day in court.

The homeland security bill before us also guts an amendment offered by Senator Wellstone, which would have prohibited the government from contracting with companies that have moved their headquarters overseas to avoid taxes in the United States. Under the current bill, the Secretary of Homeland Security has broad authority to contract with these corporate expatriates. This provision is a welcome relief to those companies that would dodge their patriotic duty at a time of war by relocating to foreign shores.

I am concerned about another provision in the bill that exempts the new Department's advisory committees from the open meetings requirements of the Federal Advisory Committee Act (FACA). Agencies throughout government use advisory committees that function under open meetings rules and the open meetings law is careful to protect discussions and documents that involve sensitive information. The law currently applies to the Department of Defense, the Department of Justice, the State Department, the National Security Agency, and others. In my view, the administration has failed to make the case for exempting the Homeland Security Department from the requirement that records for committee meetings should make available to the public.

Another blatantly unnecessary and misguided element of the bill would create a very narrow university-based homeland security research center program. Based on the criteria outlined in the bill, the research center that would be created is described so narrowly that it appears that only a handful of universities—including Texas A&M University—might qualify to host the center. This provision amounts to Congress intervening to pick winners and

losers in the field of science. The Democratic amendment would have eliminated the list of highly specific criteria that appears to direct the science center program to particular universities. This bill would have been better if that amendment had succeeded.

I invite anyone who may be interested to call up the Web site at the White House to get an idea about what the homeland security bill looks like. This is what it looks like. It is 35 pages long. This is the bill the White House submitted as the homeland security bill. That is what you will get if you call up the Web site. What we are actually going to vote on is this. The bill I just showed you is 35 pages long. The bill we are going to vote on is 484 pages long. Once the House leadership got their hands on this bill, it grew by 450 pages. Most of the extraneous material has nothing to do with homeland security. It has a lot to do with special interests, but not homeland security. When you call up that White House Web site and you ask for the bill, you are going to get the short version, but we are going to vote on this monstrosity of 484 pages.

I am told that the White House and others are going to clean this up in the coming Congress. They have a major job to do.

There are provisions in this bill that have no bearing and no relationship whatsoever to homeland security that were stuck in here in an act of arrogance by the leadership in the other body. They assumed they could put anything they wanted in here and then send it over and we would have to support it. Most of us know that these matters have no business being in this bill.

There are a number of provisions, of course, in the bill that Senator LIEBERMAN authored that are included here and therefore deserving of support.

That is the quandary in which we find ourselves. There are good pieces here that truly deal with the necessity of bringing agencies of Government together so we can respond more effectively and efficiently to terrorists—a matter we have to confront. But it is a tragedy they have taken language and then added to it all of these other provisions in these 484 pages.

There are some things that are left out as well. I want to commend my colleague from Maine, Senator COLLINS, as did our colleague from New York, Senator CLINTON, for talking about the absence of dealing with first responders. It seems unfair, to put it mildly, that we are not dealing here with the police, firefighter, and emergency medical services personnel. We're not giving them the kind of support and backing that will be necessary if we are struck with another terrorist attack.

I am hopeful as we reconvene the 108th Congress in January that we will be getting on with the business of doing what we can to see to it that

those provisions to help first responders are going to become the law of the land.

There have been provisions passed already that deal with homeland security, but, unfortunately, the President decided to sequester those funds.

For those who may not understand what sequester is, that is tantamount to a veto—about \$150 million—sitting down there just waiting for the President's signature which would become available to deal with homeland security.

But again, there are good provisions in the original Lieberman proposal and many of those provisions remain intact. For those reasons, despite the fact that the bill includes a lot of things that do not deserve to be in here, and on the commitments we have received from the Republican leadership as well as the White House to scrub this legislation and get rid of a lot of these things that have been added on here, I will support this bill.

But when you call up that Web site, you might ask them where the other 450 pages are which you won't get.

In closing, I would have preferred to lend my support to a more focused, more effective, homeland security bill. I tried to improve this bill, but at the end of the day this is the best we could do given the opposition we faced. I presume that this is not the last opportunity Congress will have to address homeland security. In the months ahead, I will continue to fight for improvements to the department we are creating. I will continue to fight for cops, not corporations; firefighters, not firms. America's security from terrorism depends on the men and women who wake up every morning, put on uniforms from state and local agencies across the country, and place themselves at risk for our nation. We owe them—and the Americans they are sworn to protect—more than this bill provides. But to do nothing would be to provide even less, and that is not wise under the present circumstances. This bill is a start toward a more rational and effective approach to strengthening security for all Americans here at home. For that reason I will support this homeland security bill.

THE TERRORISM RISK INSURANCE ACT

Madam President, I rise today in support of the conference report on the Terrorism Risk Insurance Act of 2002. This conference report represents a truly bipartisan, bicameral compromise. The Senate overwhelmingly supported the underlying legislation, which I introduced, along with Senators SARBANES, REID, and SCHUMER, in June of this year by a vote of 84-14.

This conference report closely mirrors the Senate-passed bill, and in many regards has been improved by negotiations with the House.

Late last week, the House passed this conference report by voice vote. It is my fervent hope that the Senate will move shortly to support it as well.

In the 14 months since September 11, 2001, Congress has taken many impor-

tant steps to protect our Nation from the new threat of terrorism. Most of these measures have focused on protecting our Nation's physical security—such as our new anti-terrorism laws, airport security legislation, and other initiatives to shore up our "homeland defense."

But we cannot, and must not, fail to respond to the effects that the new threat of terrorism are having on our Nation's economic security.

The goal of the September 11 terrorists was not simply to cause an enormous loss of life—it was also to derail America's economy; to undermine the consumer and investor confidence that serves as the cornerstone of our free enterprise system.

It is, therefore, by no means an overstatement to say that a robust American economy, and continued American prosperity, are as vital to defeating the aims of terrorists as is protecting American lives.

As a result of the September 11 attacks, during the past year, several critical sectors of the economy—real estate, commercial lending, aviation, construction, and others—have experienced significant disruptions because of the difficulty in finding terrorism insurance. By some estimates, this has cost American workers thousands of jobs and cost our economy tens of billions of dollars in economic growth activities—at a time our economy can surely use responsible economic stimulus.

The bottom line is that the insurance which protects America's buildings, businesses, homes, and workers from terrorist acts is no longer readily available or affordable. The impact on our economy of the shortage and expense of terrorism insurance has been detrimental.

According to the Real Estate Roundtable, over \$15 billion worth of new real estate projects across the country have been stalled or canceled because of a continuing scarcity of terrorism insurance during the past year.

The Risk Insurance Management Society, RIMS, recently released a survey which revealed that 71 percent of its membership found it very difficult or impossible to obtain adequate terrorism insurance. Also, 84 percent felt that their companies were inadequately covered against a future terrorist attack, while nearly 70 percent had no terrorism coverage whatsoever.

Rating agencies like Moody's have downgraded the credit ratings of nearly \$5 billion in commercial mortgage backed securities because terrorism insurance could not be obtained on the underlying properties.

It has estimated that the lack of terrorism insurance has caused construction workers to potentially lose up to 300,000 jobs because projects couldn't get financing without such insurance. According to Edward Sullivan, President of the Building and Construction Trades, AFL-CIO, "The unavailability of terrorism risk insurance is hurting

the construction industry by making the cost and risk of undertaking new building projects prohibitive. Building projects are being delayed or canceled for fear that they may be future terrorist targets. Lenders are refusing to go forward with previously planned projects where terrorism insurance coverage is no longer available. As a result, construction workers are losing job opportunities."

Just last week, a survey conducted by the New York City Comptroller cited the "dramatic" increases in commercial insurance premiums coupled with a "significant decline" in the availability of insurance since the September 11 attacks. The comptroller has urged the passage of federal legislation—such as that contained in this conference report.

Without Federal action, the General Accounting Office has warned that another terrorist attack would seriously impact America's economy by exposing businesses and property owners to potentially enormous losses—losses that could wipe out those businesses as well as the businesses that insure them.

No one wants to think about another terrorist attack. However, our free market system, in order to function efficiently, has to factor the risk of such an attack into its economic thinking.

The fact is, experts are estimating that, should another attack comparable to the September 11 attacks take place, only about 20 percent of the losses would be covered. This exposes our economy—and our entire country to a significant—and in the opinion of many, an unacceptable level of vulnerability.

We are here today to address this vulnerability. The passage of this conference report will go a long way toward calming our nervous insurance marketplace, and allow American businesses to continue to invest, and expand—in short, to continue business as usual.

This conference report makes sense because it calls upon the Federal Government to act only as an insurer of last resort. The private insurance industry will maintain front-line responsibility to do what it does best: calculate risk, assess premiums, and pay claims to policyholders.

The insurance industry is paying off the losses from the September 11 attacks, estimated to be roughly \$30 billion—\$40 billion. And the industry has made clear that despite this unprecedented loss, it remains strong and solvent.

Insurance isn't something we think about every day, yet it is vital to the overall health of our economy. By protecting people and property, goods and services in every sector of America's \$10 trillion economy, insurance provides the stability and certainty required to keep our economic engine humming. Every prospective homeowner needs insurance to obtain a mortgage from a bank. Similarly, industries as diverse as commercial real

estate, shipping, construction, manufacturing, and even "mom and pop" retailers require insurance to obtain credit, loans, and investments necessary for their normal business operations.

So although insurance isn't something we can touch and feel, its availability is as vital to rebuilding our economy in the aftermath of September 11 as bricks and beams will be to rebuilding lower Manhattan.

But the private insurance market cannot at this time bear the full risks of future attacks. As part of our defense against terrorism, and specifically to maintain the strength of America's economy, our government must share, at least temporarily, some of the risk associated with damage from terrorist acts.

And that's what the Terrorism Risk Insurance Act of 2002 does—by establishing a temporary Federal program under which the government would share the risk of future terrorist attacks with the insurance industry for up to three years.

In order to protect the American taxpayer, federal cost-sharing would become available only if total losses from terrorist attacks exceed \$10 billion in the first year of the program. Insurers and policyholders would retain responsibility for the initial \$10 billion in losses. This industry retention increases gradually throughout the life of the program.

For losses between \$10 billion and \$100 billion, the government would assume responsibility for 90 percent of the costs. Should losses top \$100 billion, Congress would determine the appropriate mechanism for ensuring payment.

For payments made by the federal government for insured losses during the course of a year, the Treasury Secretary will recoup the difference between total industry costs and \$10 billion. The recoupment will be accomplished through a surcharge on policyholders.

In order to insure that insurance consumers are both adequately informed and able to take full advantage of this program, several key consumer protections are included. Insurance companies are prohibited from discriminating amongst consumers in their offering of terrorism coverage. This conference report, like the Senate-passed bill, requires that insurers offer terrorism coverage in all of their property and casualty policies during the first 2 years of the program.

Additionally, at the time that policies are offered, purchased, or renewed, insurers must provide a clear and conspicuous disclosure of the premiums charged for terrorism insurance. Insurance consumers may not be charged for coverage that is not explicitly disclosed.

Lastly, nothing in this legislation prohibits state insurance regulators from retaining full authority to disapprove any rates or forms that violate state laws.

Simply put, our bill would ensure that the federal government would provide a temporary backstop to bring stability to a part of the economy that was seriously destabilized on September 11, 2001 against future terrorist attacks. This is the only way to bring full confidence back into the insurance markets that are so vital to our Nation's overall economic health.

This conference agreement is based on three important principles. First, it makes the American taxpayer the insurer of last resort. The insurance industry maintains front-line responsibility to do what it does best: calculate risk, assess premiums, and pay claims to policyholders.

Second, it promotes competition in the current insurance marketplace. Competition is the best way to ensure that the private market assumes the entire responsibility for insuring against the risk of terrorism, without any direct government role, as soon as possible.

Third, it ensures that all consumers and businesses can continue to purchase affordable coverage for terrorist acts.

Some say such a plan would be an unwarranted "bailout" of the insurance industry. Far from it. Not only will this measure be temporary, but any money the Federal Government spends through the program will go to victims of terrorism, not insurance companies. This conference report is needed to protect insurance consumers—consumers who need and deserve the stability promoted by this conference report.

America will win this war on terrorism. But to do so, our economic front must remain strong. Preserving the availability of terrorism insurance will act as "homeland defense" for our economy.

We must remember, on September 11 the terrorists did not target just the World Trade Center and Pentagon—they targeted our entire Nation. And we must have a national response. This conference report is part of that response.

Madam President, I would like to particularly thank, of course, the chairman of the Banking Committee, Senator SARBANES, for his leadership and support.

I would also like to thank the President of the United States. We would not be passing terrorism insurance were it not for the efforts of the White House that weighed very significantly in trying to bring this bill to closure and fruition.

This bill has been around for a long time—since October of last year. We have dealt at a number of levels with the physical security of our Nation since 9/11. But our Nation's security is complete without dealing with our economic security, and this terrorism insurance conference report is designed to do just that.

As a result of the efforts of Senator SARBANES, of Senator CORZINE, and of my colleague, Senator SCHUMER from

New York, Senator JACK REED of Rhode Island as well as others who have worked on this legislation.

Additionally, I would like to thank Congressman MIKE OXLEY of Ohio, chairman of the House Financial Services Committee, and JOHN LAFALCE, the ranking member for their efforts on this front as well.

I thank the Members who worked so diligently on this legislation. We spent a great deal of time on liability issues. In the end, we were able to strike a fair compromise. It is truly a bipartisan bill. It is bicameral in that both Chambers have been involved in the structure of this language. At lot of hours were spent—until the wee hours of the morning on one particular night until 5 a.m. working with the House and Senate staff to work out the differences and come to a final agreement on a conference report.

I know there are those in the other Chamber and some here who would have liked this bill to become the vehicle for tort reform. But the reality is we needed to deal with terrorism insurance and this legislation does just that.

Again, I thank the President of the United States. I have been critical of the President on numerous occasions. He deserves commendation here. But for his efforts and his staff to pull this together, we would not be talking about a final product. I am very grateful to him and to my colleagues and staff for their work.

I would like to particularly thank Alex Sternhell of my staff who worked tirelessly on this product for the past year to try to get us to a point where we can pass terrorism insurance.

Again, I thank those who have contributed so much to this conference report.

Senator SARBANES, Chairman of the Banking Committee, has played an invaluable role. Other conferees, Senators SCHUMER and JACK REED, were critical to reaching consensus on this important legislation. Senators CORZINE, CLINTON, and BEN NELSON also make important contributions.

I would also like to acknowledge the hard work of Senators DASCHLE and REID, who tirelessly shepherded this bill through the legislative process. I would like to thank my colleagues in the House, MIKE OXLEY and JOHN LAFALCE.

Also, Treasury Secretary Paul O'Neill and Undersecretary Peter Fisher and other members of the Treasury Department—Pat Cave, Laura Cox, Ed DeMarco, Mario Ugoletti—who put in long hours in order to ensure that the mechanics of the Federal backstop created in this conference report are sound.

And lastly, I would like to thank the staffs of the Senate and House who played a critical role in this conference report.

Sarah Kline, Aaron Klein, Didem Nasanci, Polly Trottenberg of the Senate Banking Committee.

Terry Hains, Robert Gordon, Charles Symington, Michael Paese, and

Lawranne Stewart of The House Financial Services Committee.

I would also like to recognize two members of the Legislative Counsel's office Laura Ayoud and Paul Callen, who have performed their duties so capably and in a nonpartisan fashion that is so important to the legislative process.

This conference report is about economic security. As important as our physical security is, our economic security is critically important. This conference report is an important piece of ensuring our nation's economic security. I look forward to the coming hours and days when the President will sign this bill into law.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I understand I have 15 minutes on this bill.

The PRESIDING OFFICER. The Senator is correct.

Mr. SARBANES. Does the Senator also seek to speak on this bill?

Mr. SPECTER. Madam President, if I may respond, I will seek recognition. I will be glad to wait until the Senator from Maryland concludes. I do intend to seek recognition to speak on the homeland security bill.

Mr. SARBANES. Will the Senator allow us to use up the time that we have on this bill—I have 15 minutes and Senator DODD has 5 left—so we can complete the consideration of that?

Mr. SPECTER. I would be agreeable to that. If I might propound a unanimous consent that, at the conclusion of the 20 minutes referred to by the Senator from Maryland, I be recognized for 20 minutes which I have on homeland security.

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

Mr. SPECTER. I thank the Chair. And I thank my colleague from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, let me try to parcel out the time here.

The Senator needs 3 minutes, as I understand it.

Mr. SCHUMER. Yes.

Mr. SARBANES. And the Senator from New Jersey needs 3 minutes. And the Senator from Rhode Island?

Mr. REED. Three minutes.

Mr. SARBANES. That is 9 minutes. And the Senator from Nebraska, 3 minutes?

Mr. NELSON of Nebraska. Yes.

Mr. SARBANES. Madam President, I yield 3 minutes each to Senators SCHUMER, CORZINE, REED, and NELSON of Nebraska, and reserve the other 3 minutes for myself. And then Senator DODD, I think, still has just under 5 minutes.

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

Mr. SARBANES. I will use my time at the end.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Thank you, Madam President.

I thank my chairman of the Banking Committee for yielding. I want to make a few brief points both on terrorism insurance and on homeland security.

HOMELAND SECURITY

First, on homeland security, briefly, I will vote for the bill. I think it is a far-from-perfect measure. In fact, reorganizing the Government does not really do most of the job we need to do. It will not make the computers at the INS put those on a terrorist watch list on that list. It will not make the Coast Guard patrol out to 200 miles.

We are going to have to spend some dollars. And we are going to have to do some work within the agencies after we reorganize them.

So it is a first step. It is better than nothing, but I hope and pray that this Nation will understand that if we just do this on homeland security, and nothing else, we are woefully unprepared. When we come back in January, it ought to be our highest priority.

TERRORISM INSURANCE

Madam President, on terrorism insurance, I, first, thank my colleagues from Maryland, Connecticut, New Jersey, Rhode Island, Nebraska, and everyone else who worked so long and hard on this legislation. This is vital to our cities and our country.

Right now, there are hundreds of thousands of construction jobs not filled because there is no terrorism insurance. There are billions of dollars worth of construction projects not being undertaken because we do not have terrorism insurance. And there are higher costs for even those who can get terrorism insurance, putting a large crimp in the economy.

Right now, when our economy is swishy soft, this insurance bill is the shot in the arm the economy needs. Thankfully, at this last hour, after the perils-of-Pauline voyage that took over a year, this bill is about to pass this Chamber, be put on the President's desk, and be signed into law.

It comes none too soon because we desperately need it. We need to allow our companies to know that if, God forbid, there is a second terrorist incident—we hope and pray there isn't—the Government will be there as a backup.

To some of the ideologues who have opposed this bill, I would suggest to them that the Government has always been behind insurance in times of war. We have always had that. And this new terrorism is a time of war.

To those who say, well, let the market take over, we never did that under huge and new circumstances out of the control of individuals, without any predictive ability. So insurance companies have no knowledge of what they face.

We are going to have to do more. We are going to have to deal with life insurance. We are going to have to deal with workers' compensation insurance. All of these things, in this brave, new

post-9/11 world, need some Government help and Government involvement or the economy will come to a standstill.

So I want to say, thank God we passed this bill. My city and State, many of the larger cities and States throughout the country, desperately need it. We hope it will move to the President's desk quickly and be signed into law and remove a major roadblock on the path to recovery that this country needs.

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

Mr. SCHUMER. Thank you, Madam President. Again, I thank the Senator from Maryland for his generous yielding of time.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Madam President, I thank Chairman SARBANES for yielding me time. But also I thank and commend my colleagues who worked so diligently on this important legislation: Senators Schumer, Corzine, and Nelson of Nebraska, and particularly Senator DODD. Senator DODD really led the charge on this important effort, and together with his electoral reform legislation, he has made major contributions in this session. I commend him and thank him for his leadership.

This is a vitally important issue. After September 11, the reaction of the insurance industry to the potential of terrorist attack was contraction coverage. Premiums went up, coverage has shrunk, and many organizations, particularly many properties, could not secure insurance. That inhibited economic growth, and that inhibition continues to weigh on our economy.

This legislation, we hope, and I hope, will go a long way to start reviving activity and real estate activity. But the effects of this legislation go beyond simply the property market and the real estate market.

One of the interesting aspects of the 9/11 attacks was the fact that workers' compensation insurance was put at risk because, as you realize, workers' compensation, under law, must cover practically all injuries to workers. And if there is a terrorist event in a particular locale, it is likely that hundreds, perhaps even thousands, of workers could be injured. Those liabilities fall on very few companies. Without reinsurance, those companies cannot operate.

In my home State of Rhode Island, there is one workers' compensation insurance company which is actually a quasi-governmental entity. It is supported by the State. If that company failed, literally the State of Rhode Island would be on the hook to provide the resources to pay workers' compensation claims. It would be a great blow to my State.

This legislation also provides help and reinsurance for workers' compensation claims. So it is legislation whose effect, and beneficial effect, will go throughout our entire economy. It

will help, I hope, to stimulate economic activity. And it certainly will give, I hope, business men and women the confidence to, once again, undertake real estate projects, undertake economic activity, and do those things which are so essential for our continued economic prosperity.

Once again, this has been a long and arduous process. It has taken months. It has been the result of great effort and great diligence and great patience by my colleagues, again, particularly by Senator DODD.

I am pleased we are passing it this evening. I hope the President will sign it quickly. I hope we can get on to other legislation that will assist our economy in a material way, in a positive way.

I thank the Senators, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

HOMELAND SECURITY

Mr. CORZINE. Madam President, I, too, want to speak to the terrorism insurance legislation, but I also would like to make a brief comment with regard to homeland security.

I will be voting to support the creation of the Department of Homeland Security. Like many of my colleagues, this was a close call. Unfortunately, there were far too many adds to what was presented to us in this 484-page document, things that were really special interests, not the people's interests. They have been enumerated with regard to pharmaceuticals, colleges and universities, et cetera. It is unfortunate. And there are many details that are left out with regard to chemical plant security, nuclear powerplants, railroads, other issues that I think are vital.

Finally, we really have not dealt with the appropriations process to make sure that our first responders, the people who really are fighting the war on terrorism day to day have the resources to do their job. It is not even dealt with in this 484-page effort, and it is a serious shortcoming. It will move the ball down the field, but we are not where we should be. We have a lot of work to do. It is unfortunate that we have done it, in my view, in a half-hearted way here.

TERRORISM INSURANCE

Madam President, with regard to terrorism insurance, this is about the economy. It really is quite simple. This was never about the insurance industry. This was about making sure that investments would go forward in the construction, commercial real estate field. It was about making sure there was not a tax on the consumer, on everything from whether you went to a football game, or any kind of process you needed to have terrorism insurance to make sure that our economy is working efficiently. This was missing since September 11. And it is absolutely essential that we got to this compromise.

I cannot tell you, cannot tell my colleagues, how proud I am to have seen

the tremendous work that both Senators SARBANES and DODD performed to try to get a compromise.

The holdup on this was never about the need to push forward to protect our economy, to support our industry. This was about tort reform, issues that really were relevant to protecting the economic security of the American people. Their tenacity, their effectiveness in negotiating compromise has led to a great result. I can only say congratulations to them, to the others who helped bring it about. The President was certainly at the forefront.

I hope my colleagues will support the terrorism insurance legislation. I am very appreciative of the help of my senior colleagues.

The PRESIDING OFFICER. The Senator from Nebraska.

TERRORISM INSURANCE

Mr. NELSON of Nebraska. I thank my esteemed colleague from Maryland for the opportunity to rise today in strong support of the conference report to S. 2600. I commend Senator DODD and all those who have worked to bring this together after having passed it earlier. It is now a great opportunity for us to come back and pass it in its final form.

It is about the economy; it is not simply about insurance. The economic impact of the events of September 11 have had a continuing devastating impact on our commercial real estate market, mortgage lenders, the construction industry, the investment community, and other segments of our economy. Many of these areas have yet to recover and do not look for recovery for a long time.

Fundamentally, this is a jobs bill. It is just one small step Congress can take to help stimulate our weak economy by providing this Federal backstop—not a bailout—for catastrophic losses resulting from acts of terrorism in the future.

It is estimated that the property damage alone from the attack on the World Trade Center is about \$50 billion. While the carriers involved in this loss have indicated they could cover these losses while maintaining their solvency, we can only speculate as to where and when the next attack might come and the nature and extent of the damages. Without this backup, all insurers providing this coverage, if they do provide it, will only risk not being able to respond to the next loss.

The underlying premise of insurance is the ability of the insurer to assess the nature and the extent of the loss, applying actuarial principles, the historical approach to determine the likelihood of loss, and then calculating the premiums necessary to build reserves sufficient to cover that loss. Clearly, under these circumstances, without a historical perspective, there is no way for insurers to realistically underwrite for the risk of terrorist attack.

Who among us knows where or when the next event might occur, what the nature of the attack might be, and

what type and extent of loss might be sustained? Will it be primarily property damage? Will it be massive loss of life in a concentrated area such as we had with the World Trade Center? Will it be a chemical or biological agent released or will it be a dirty bomb? These are the questions to which we don't know the answers.

The fact is, we cannot make those decisions without knowing what the opportunity will be for the next terrorist attack. We all hope there won't be one, but insurance is against that kind of loss that you don't necessarily expect but you anticipate could in fact happen. The long-term effect on our industry would be devastating.

I hope we will all rise today in support of this important legislation. I thank the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I am pleased that we will shortly, I assume, be passing this legislation, although I understand we have to go through a cloture vote prior to reaching the legislation itself. I wanted to underscore that this represents an extraordinary effort on the part of many people. I particularly recognize the leadership my able colleague from Connecticut, Senator DODD, provided on this issue. We have been working at this now for about a year. So it has been a long time coming. It is fair to say that we would never have reached this point without Senator DODD's commitment to this issue and his tireless efforts with respect to this legislation.

I also thank the majority leader, Senator DASCHLE, who was consistently trying to get terrorism insurance legislation, despite efforts by many to turn it into something over and above that.

Senators SCHUMER and REED, our colleagues on the conference committee, made significant efforts to move the bill forward. And also Senator CORZINE, although he wasn't on the conference committee, was very closely involved in developing this legislation. Of course, Chairman OXLEY and Congressman LAFALCE, our colleagues in the House, were obviously instrumental in moving the legislation through the other body.

I also want to take a moment to underscore the outstanding work done by staff on this legislation. We come to the floor and, of course, Members are deeply involved. And I particularly underscore Senator DODD's efforts in this regard. But there are staff who back us all up.

I particularly want to recognize from the Banking Committee staff Sarah Kline, Aaron Klein, and Alex Sternhell, who worked literally day and night on this matter. Also Steve Harris, Marty Gruenberg and Steve Kroll, and the staff of our conferees: Didem Nisanci from Senator REED's office, and Polly Trottenberg from Senator SCHUMER's office; and while he was not a conferee,

Senator CORZINE's staffer, Roger Hollingsworth, also participated throughout.

I also want to recognize the hard work and the professionalism that our legislative counsels brought to this process: Laura Ayoud from the Senate legislative counsel's office, who is just an outstanding professional and renders great service to this body, and Paul Callen from the House legislative counsel's office. Laura Ayoud stayed up all night working on this legislation. I simply want to underscore that.

We have had strong support for this legislation from the administration. The President has indicated that he will sign it. The administration was instrumental in dealing with some of the objections that were actually raised more with respect to items that are not in the legislation rather than items that are in it. In the course of this, we have developed a piece of legislation which I believe will address the challenge that confronts us.

We have had troubling reports about the availability of terrorism insurance, and the impact of that upon the economy.

Since the tragic attacks of September 11th, many property and casualty insurers are excluding coverage of losses from acts of terrorism from the policies they write. In those cases where terrorism insurance is available, it is often unaffordable, and very limited in the scope and amount of coverage. The Banking Committee explored this issue in two days of hearings shortly after the attacks, in which we heard from Treasury Secretary O'Neill, CEA Chairman R. Glenn Hubbard, insurance regulators, business and insurance leaders, and outside experts. The testimony of these witnesses helped to define the scope of the problem in the insurance marketplace and to shape our thinking on the appropriate solution.

The fact that so many properties are uninsured or underinsured against the risk of terrorism could have a negative effect on our economy and our recovery if there were to be another terrorist attack. In the event of another attack, many properties would have to absorb any losses themselves, without the support of insurance. As a result, the GOA has observed, "another terrorist attack similar to that experienced on September 11th could have significant economic effects on the marketplace and the public at large."

But even in the absence of another attack, the lack of insurance can hinder economic activity. The GAO has found example of "large projects canceling or experiencing delays . . . with a lack of terrorism coverage being cited as a principal contributing factor."

Most industry observers are of the opinion that, given time, the insurance industry will develop the capacity and the experience that will allow them to underwrite the terrorist risk. However, those conditions do not appear to exist

today. In the interim experts believe that a Federal reinsurance backstop of limited duration would give the insurance markets the necessary time to stabilize.

The conference report before us establishes a temporary, three-year backstop under which the Federal Government will share the risk of loss from future terrorist attacks with the insurance industry. The program is triggered when the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General, certifies that an event meets the definition of an act of terrorism provided in the legislation.

The Terrorism Insurance Program requires that insurers pay a share of losses before Federal assistance becomes available. Each insure that suffers losses in a terrorist attack will be responsible for paying out a certain amount in claims—an insurer deductible—based on a percentage of that insurer's direct earned premiums from the previous calendar year. Beyond their deductibles, insurance companies will continue to have 'skin in the game,' as they will be liable for a co-payment for additional losses. For losses above an insurer's deductible, the Federal government will cover 90 percent while the insurer will pay 10 percent.

These provisions are intended to create partnership between insurers and the Federal Government in the event that losses occur. By requiring companies both to cover initial losses and to continue to share in additional losses, this program provides the coverage and the certainty of the Federal backstop while also providing incentives to promote a healthy private market. And while no system is perfect, the legislation grants the Treasury Secretary certain powers, such as the ability to audit and inspect claims, that are necessary to protect the government against unscrupulous behavior. It is our intent that insurers do not alter their behavior in an attempt to procure more value from this program than they would otherwise receive from the course of their natural business practices.

In addition to limiting the exposure of individual insurance companies, the legislation also includes certain mechanisms to limit the exposure of the Federal Government, first by requiring the insurance marketplace as a whole to absorb a prescribed amount of any terrorism losses—\$10 billion for year 1; \$12.5 billion for year 2; and \$15 billion for year 3—and second, by capping total losses covered by the program at \$100 billion per year. Any Federal payments made before the prescribed insurance marketplace retention is reached must be recouped by the Secretary of the Treasury through a policyholder surcharge.

One of the guiding principles of this bill is that, to the extent possible, state insurance law should not be overridden. To that end, the bill respects

the role of the state insurance commissioners as the appropriate regulators of policy terms and rates. Each state commissioner currently has the responsibility to ensure that insurance rates are not inadequate, unfairly discriminatory, or excessive, and this legislation does not change that responsibility.

At the same time, in order to ensure that the Federal program will work as intended, certain Federal requirements are needed to ensure that consumers of terrorism insurance will benefit from this program.

For example, insurance companies will be prohibited from discriminating amongst their policyholders by picking and choosing which ones to cover for terrorism. The bill requires that insurance companies must offer terrorism coverage in all of their property and casualty policies during the first two years of the program. The Secretary has discretion to extend their important requirement to the third year of the program.

In addition, insurers must provide policyholders with clear and conspicuous disclosure of the premium charged for terrorism coverage and the existence of a sizeable Federal backstop. This disclosure is intended to enhance the competitiveness of the marketplace by allowing consumers to comparison-shop for the best rate on terrorism insurance. In addition, the disclosure is intended to make policyholders aware that the Federal Government will be sharing the costs of terrorism losses with their insurers, to help the policyholders assess the appropriateness of the premium being offered.

Moreover, the bill ensures that the State regulators and the Federal Government will have access to the information needed to assess the impact of this program on insurance consumers. The Secretary is required to compile annually information on the terrorism risk premiums being charged by insurers.

This is a limited bill in duration. Of course, the objective is that by the end of that time, the insurance market will have come fully back into play and that these matters can be dealt with in a more traditional way.

But as the Senator from Connecticut has pointed out frequently, as we have addressed the issue over the course of this last year, we face extraordinary circumstances created by the risk of terrorism. This legislation represents a reasonable and rational response to this challenge.

I urge my colleagues to support this legislation.

The PRESIDING OFFICER. The Senator has used 2 minutes.

The Senator from Connecticut.

Mr. DODD. I have 2 minutes remaining?

The PRESIDING OFFICER. Two and a half minutes remaining.

Mr. DODD. Madam President, let me again thank my colleagues for their

work. I mentioned MIKE OXLEY of Ohio, chairman of the House Banking Committee, and JOHN LAFALCE. JOHN LAFALCE and I were elected to Congress together back in the 1970s. He has made a decision to retire from his service in the Congress. I thank him for a remarkable record of public service over the more than 2½ decades.

I also thank some of the White House staff in addition to our own staff here. I include all the names in the remarks I have already submitted. I want to thank Nick Calio and Matt Kirk of the White House legislative operations. I commend them for their efforts.

They helped to broker this final agreement. You need to have people at the executive branch who are willing to try to put pieces together. They are two very professional staff people. The President is fortunate to have them working with him. I know that in the process of doing so, they disappointed some. I know how they strongly agreed with some of the people they disappointed on substantive matters but believe they are serving their President and the country well in coming to a final conclusion that is fair to all. I thank them for their professionalism and straightforwardness in dealing with these difficult matters.

I thank Senator DASCHLE and Senator LOTT for their leadership as well. Both leaders have done a very fine job.

Mark Childress of Senator DASCHLE's staff was tremendously helpful on this legislation. Senator SARBANES is absolutely correct that we don't often give those staff members who put in countless hours on matters like this the credit they deserve. But were it not for Mark and Senator DASCHLE's other staff members working with Alex Sternhell of my office, and Senator SARBANES' staff, we would not have been able to achieve this result.

This conference report is about economic security. As important as our physical security is, our economic security is critically important. This conference report is an important piece of ensuring our nation's economic security. I look forward to the coming hours and days when the President will sign this bill into law.

I yield the floor.

Mr. SPECTER. Madam President, I have sought recognition to comment about the legislation on homeland security, which I believe the Senate is about to pass. It has been accurately characterized as historic legislation. It reorganizes the Government of the United States of America to meet the threat of terrorism.

On September 11, 2001, this country sustained a devastating loss, a loss deeply emblazoned on the minds of all Americans. With the attacks on the World Trade Center, the attack on the Pentagon, and the plane that went down in Somerset County, PA, it was obvious that we faced a very extraordinary threat.

We should have taken action against al-Qaida long before September 11.

There were many warning signals available. Osama bin Laden was well known for his jihad against the West, against our values, against our civilization. Osama bin Laden was indicted for killing Americans in Mogadishu in 1993. Osama bin Laden was indicted for blowing up the U.S. embassies in Africa in 1998. He was known to have been involved with al-Qaida and the terrorism against the destroyer Cole, and he had made his announcement of his worldwide jihad.

But the United States has historically been reluctant to take preemptive action. We did little in responding to the attacks on the embassies of August 20, 1998. When we sent a missile to Afghanistan, it went to an empty factory. When we put a missile in a factory in the Sudan, it may or may not have been a factory with chemical weapons. But then, with the events of 9/11, it became apparent that we had to respond, and we had to respond very dramatically and emphatically.

Senator LIEBERMAN and I introduced legislation on October 11, 2001—exactly 1 month after the 9/11 attack. It was apparent to many of us at that time that we needed to have an office of homeland defense and a Secretary with power to deal with the many agencies that would be involved. First and foremost among those agencies, in my view, was the coordination of activities among our intelligence agencies.

When I was chairman of the Intelligence Committee in the 104th Congress, I introduced legislation in 1996 to bring all of the intelligence agencies under one umbrella, under the Director of Central Intelligence. That had been the spot that was supposed to coordinate all of the intelligence activities.

But the fact of the matter was that the Director of the CIA did not have that authority because there were too many independent agencies—the Defense Intelligence Agency, the National Security Agency, the counterintelligence of the FBI, intelligence units in the State Department, and intelligence units spread throughout the Government—and there were fierce battles on turf, and the coordination was not undertaken.

As a result of not having all of the intelligence agencies under one umbrella, the United States paid a very heavy price. It is my view that had all of the dots been on the board, had there been coordination at all of these intelligence agencies under one umbrella, we might well have prevented September 11.

After the fact, we learned that in July there was a very important FBI report coming out of Phoenix, AZ, about a suspicious man taking flight training, and he had a big picture of Osama bin Laden in his living quarters. That memorandum was buried somewhere in the FBI headquarters. We found out after the fact that the CIA had information on two al-Qaida agents at Kuala Lumpur. The CIA did not tell the FBI or the Immigration

and Naturalization Service that those agents came into the United States, and they were two of the suicide bombers on 9/11.

There was information about a man named Zacarias Moussaoui. The FBI field office in Minneapolis made an effort to get a warrant under the Foreign Intelligence Surveillance Act. They never got the warrant. They were using the wrong standard. They were using a standard of probable cause of 51 percent. The FBI agent testified that the U.S. attorney in Minneapolis thought he had to have a 75- to 80-percent probability.

The fact is that, under the law, *Gates v. Illinois*, an opinion by Justice Rehnquist—now the Chief Justice, then an Associate Justice on the Court—says that probable cause is judged by the totality of the circumstances and suspicion, and had the warrant been obtained under the Foreign Intelligence Surveillance Act, the computer of Zacarias Moussaoui was a virtual treasure trove of information.

Then a man named Murad, a Pakistani, a member of al-Qaida, gave a statement in 1995 that al-Qaida had plans in 1995 to load explosives on an airplane and fly them into the White House or into the CIA. Then you had the experience with the trade towers themselves, attacked in 1993 by al-Qaida's agents. They had made an effort to blow up one of the towers to try to topple into the other tower to destroy them both. It was known that they were very unhappy about their failure.

So the risks were present, but there was not coordination. We didn't bring all of those dots onto one screen. When FBI Director Mueller testified before the Judiciary Committee in early June, I asked him about all of these facts and concluded that there was a veritable blueprint had all of these dots been put together. That is what we have an opportunity to do now with homeland security, under the direction of the Secretary of Homeland Security.

I had submitted an amendment, which would have given the Secretary greater authority than is present in the existing bill. The Secretary of Homeland Defense, under the existing legislation, may request that the agencies coordinate, but the Secretary does not have the authority to direct, and I believe that is a significant failing in this bill.

When the House of Representatives passed a homeland security bill last Wednesday and, in effect, left town, sending a bill to the Senate, it was pretty much a matter of take it or leave it. If I had pressed my amendment to do what I thought was a very important improvement, to give the Secretary authority to direct all of these agencies, the bill would have had to go back to conference, and the Members of the House of Representatives had dispersed. They are present only in pro forma session. They can take some technical amendments without recon-

vening, but to press a substantive amendment would have sent the matter back for a conference, and it would have delayed the matter perhaps as long as April of next year.

I had a long discussion on this matter with homeland security adviser, former Governor Tom Ridge, and pressed the point. Then I discussed the matter with Vice President CHENEY and sought some sort of a commitment that the administration would look favorably upon this kind of an amendment when we reconvened. The Vice President said he could not speak for the President. I talked to President Bush, who urged me not to press the amendment, and I told him I would not because I did not want to tie up the bill. I did not want to put on a substantive amendment that would have required a conference.

Early in the 108th Congress, I will refile that amendment to give the Secretary of Homeland Security the authority to direct these agencies because I am still concerned about their turf battles. Turf battles in Washington, DC are endemic and epidemic. It is too serious a matter to engage in turf battles any longer. Now is the time where we have to use all of our resources to prevent another attack.

We have made very significant advances on a number of lines—on the Border Patrol, the Immigration and Naturalization Service. We put up \$3 billion last year on serums to deal with smallpox and anthrax, such as Cipro. That came through the Subcommittee on Labor, Health, Human Services, and Education. Senator HARKIN, then the chairman, and I, ranking member, took the lead in putting up that money. All of these precautions in building up the hospital infrastructure and giving assistance to the fire departments is vital. Having coordination with Federal, State, and local authorities is vital, but if we have to respond to an attack, if we do not prevent an attack, then we will be in very bad shape. That is why I do believe our efforts have to be directed to preventing another attack.

I discussed also with the administration, with Governor Ridge, Vice President CHENEY, and President Bush the labor-management relations issue. I believe we could have worked out an accommodation which would have been satisfactory to all parties.

When we had the amendment offered by the Senator from Nebraska, Mr. NELSON, cosponsored by Senator CHAFEE and Senator BREAUX, there was initial confusion as to whether the two paragraphs of the Breaux amendment, which incorporated the so-called Morella amendment from the House bill, was in place of, substituted for, or in addition to.

In a colloquy with the distinguished Senator from Connecticut, we established the amendment was in addition to and did not remove the President's national security authority to take steps if national security was endan-

gered. That model could have been applied to the other five chapters on flexibility.

The Subcommittee on Labor, Health, Human Services, and Education will schedule hearings promptly when we reconvene the 108th Congress to go into these issues, to have a thorough airing, have people from the Office of Personnel Management come in and explain what they need; to have labor representatives come in and explain what they have in mind, in order to work out an accommodation which is satisfactory for all parties to maintain a high level of morale.

We also have to be concerned about provisions in this bill which could have the effect of trampling on civil liberties and constitutional rights. There is no doubt about the danger posed by al-Qaida, but there is similarly no doubt that we cannot give up our civil liberties and our constitutional rights in our efforts to combat al-Qaida. If we do that, if we give up our civil liberties, al-Qaida would have, in effect, won.

There is an ongoing responsibility for oversight, and that responsibility will fall on the shoulders of the Governmental Affairs Committee and the Judiciary Committee to see to it that the detention of aliens is based upon some reason; to see to it that if American citizens are tried in a military court that there is an observance of constitutional rights. There is grave concern in America that we be protected from another terrorist attack, but there is also grave concern that we be careful in the preservation of our civil liberties.

Madam President, how much of my 20 minutes remains?

The PRESIDING OFFICER. Six minutes and 26 seconds.

Mr. SPECTER. Madam President, I notice the Senator from Connecticut has come to the Chamber. In his absence, I had commented that the Senator from Connecticut, Senator LIEBERMAN, and I, had introduced homeland security back on October 11, 2001.

There was resistance in many quarters to having a Department of Homeland Security. Governor Ridge, at that time, and I had discussed the matter. I have worked very closely with Tom Ridge for many years—12 years in the Congress and two terms as Pennsylvania's distinguished Governor. Governor Ridge said he was sure the people would not say no to the President; he could walk down the hall, and he could solve the problems.

I had a view, having been chairman of the Intelligence Committee and knowing what goes on in the CIA, that it was not going to be that easy; that the man in charge of homeland security really needed some muscle.

Having worked on the Judiciary Committee chairing the oversight committee on the FBI, I knew the problems there. I knew the turf battles, and I thought the adviser in charge of homeland security needed some muscle.

Senator LIEBERMAN and I constructed that bill, when we had hearings. We re-introduced an updated version last May, and it has had a number of developments. I do believe it is going to be necessary to revisit some provisions. I mentioned two—the authority of the Secretary to direct the intelligence agencies to consolidate under one umbrella, and a refinement of some of the provisions on labor-management relations.

Then the House of Representatives passed a bill on Wednesday and sent it to the Senate on Thursday. Senator LIEBERMAN offered an amendment to strike which was voted upon earlier today.

I agreed with a great deal of what Senator LIEBERMAN had to say. I felt it necessary to vote against Senator LIEBERMAN's amendment because that would have called for a conference, the

appointment of conferees, and great delay. It could have been delayed until April.

We have been asked a lot of questions about this. Yesterday in Pennsylvania in a number of meetings, a number of people asked me about it. I told them about the old statement: You never want to see legislation or sausage made. If you saw what the House of Representatives did, the bill they sent over here and some of its provisions gave sausage a bad name. But we are going to work through it. We are going to pass the bill.

It is not unusual for the Congress, for the Senate to be confronted with a bill which has a lot of clunkers, which has a lot of problems, a lot of major disadvantages. Then we have to make a public policy determination as to whether the advantages outweigh the disadvantages.

In my judgment, it is not even a close call at this point. We have to have a Department of Homeland Security to protect America.

Again, I compliment my colleague from Connecticut. I compliment the Senator from Tennessee, Mr. THOMPSON, for the tremendous job he has done on the bill, and the Senator from Texas, Mr. GRAMM, and his swan song. It is a tough legislative battle, but before the stroke of midnight, I believe we will have moved ahead. I am told by the White House that the President intends to sign this bill early next week. He is not going to let any grass grow under anybody's feet. We are going to do our best to protect America and try to prevent another terrorist attack.

I yield the floor.

NOTICE

Incomplete record of Senate proceedings.

Today's Senate proceedings will be continued in the next issue of the Record.