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Senate

The Senate met at 11 a.m. and was called to order by the Honorable BENJAMIN E. NELSON, a Senator from the State of Nebraska.

The PRESIDING OFFICER. Today's prayer will be offered by our guest Chaplain, RADM Barry C. Black, Chief of Chaplains, U.S. Navy.

PRAYER

The guest Chaplain, RADM Barry C. Black, offered the following prayer:

Let us pray.

Almighty and most merciful God, who commanded us to love one another, give us also Your grace to obey this mandate. Lord, shape our lives with forbearance. Direct our paths so that we may find courageous options at complex crossroads.

Lord, from dullness of conscience, from feeble sense of duty, from thoughtless disregard of others, from a low ideal of the obligations of our position, and from all half-heartedness in our work, save us we pray.

Guide us, teach us, and strengthen us for the challenges ahead. Shower us with Your wisdom and do for us more than we can ask or imagine, according to Your glorious power. Amen.

PLEDGE OF ALLEGIANCE

The Honorable BENJAMIN E. NELSON 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:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, October 17, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BENJAMIN E. NELSON, a Senator from the State of Nebraska, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. NELSON of Nebraska thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

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

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, it is my understanding Senator GRASSLEY is on

his way to use some of the time that is designated for the minority from now until noon. From noon to 1 o'clock is under the control of Senator DASCHLE or his designee. We will have some speakers during that period of time.

During the rest of the day, we are going to see what we can do. There may be some conference reports we can approve. There may be other business that can be conducted; that is, as we wind down in anticipation of a lame-duck session, about which everybody is excited.

The majority leader asked me to announce there will be no rollcall votes today.

Senator GRASSLEY has arrived, as I announced he would. I yield the floor.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, with Senators permitted to speak therein for up to 10 minutes each.

Under the previous order, the time until 12 noon shall be under the control of the Republican leader or his designee.

The Senator from Iowa.

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

NOTICE

Effective January 1, 2003, the subscription price of the Congressional Record will be \$434 per year or \$217 for six months. Individual issues may be purchased for \$6.00 per copy. Subscriptions in microfiche format will be \$141 per year with single copies priced at \$1.50. This price increase is necessary based upon the cost of printing and distribution.

Michael F. DiMario, Public Printer

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



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

**FINISHING THE PEOPLE'S
BUSINESS: COMPLETION OF
BIPARTISAN TAX RELIEF**

Mr. GRASSLEY. Mr. President, I wish to brief my colleagues on Democratic gridlock in the Senate, and the only reason I feel comfortable using that word is that in 1993, I remember the headlines in the papers referred to "Republican gridlock" in the Senate when certain provisions and portions of President Clinton's program were not being acted upon, at least the way the newspapers believed they should be, in the Senate. It seems to me we have a similar situation now, but I do not see the newspapers writing about Democratic gridlock in the Senate.

I wish to address my colleagues on a few provisions on the Senate calendar that are not being enacted, and these are the ones which I feel some expertise in talking about because they come from the Senate Finance Committee and deal with the legislative tax agenda.

I am ranking Republican on the Finance Committee, and I am pleased to report that the committee has completed action on a number of bipartisan tax relief measures. The items I am going to discuss happen to have cleared the committee unanimously, which ought to say something about why they should be acted upon on the floor of the Senate, and I raise the question then: Why are they being held up?

I will refer to two of many pieces of legislation about which I could talk.

The first is a charitable tax reform bill known by the acronym CARE. By the way, this bill was introduced as a bipartisan bill. Senator LIEBERMAN on the Democratic side and Senator SANTORUM on the Republican side worked closely with the White House because it is very high on the President's agenda.

The second item I am going to refer to is one that is Enron related.

Starting about a year ago, until about 3 months ago, Enron was voiced by everybody in the Senate as reason for doing certain actions—corporate governance, pension reform, 401(k) reform, et cetera. For some reason, we do not hear anything about it now, particularly from the other side of the aisle, because there is some legislation on the agenda that is Enron related that reforms the pension statute that would help protect future Enron employees from losing their retirement nest egg.

Again, both of these items—the charitable tax reform bill and the pension reform bill—were passed out of our committee unanimously. That is quite a reputation for a bill to have, considering how difficult it is to get even a majority view sometimes on the Senate Finance Committee.

I wish to briefly describe the merits of this legislation. The charitable tax

reform act is part of the President's compassionate, conservative initiative. The CARE Act has been carried forward on a bipartisan basis under the very energetic leadership of Democratic Senator LIEBERMAN and Republican Senator SANTORUM. Others, including our own leaders of the Democratic and Republican Parties, Senator DASCHLE and Senator LOTT, have pledged their efforts to pass this bill. The House passed this bill over a year ago, and did it on a bipartisan vote. Several months ago, the Senate Finance Committee reported this bill to the full Senate.

Most of the focus on the bill has been on provisions that reduce taxes. For instance, those who take the standard deduction—and that is about 70 percent of our taxpayers—will for the first time under this legislation be encouraged to contribute more to charities, and the incentive for doing that is the deductibility of these small contributions from their income taxes regardless of the fact that they take the standard deduction.

As we know, people who tend to take the standard deduction are in the middle or lower income tax brackets. So the key provision of this bill provides a broad-based tax benefit to lower income taxpayers.

This provision and others are obviously meant to, and will, enhance resources for charities to do their good work. This empowers people who are taxpayers to help charities, to empower the private sector of our economy to do more in humanitarian ways, and to have the resources to do what these organizations are already inclined to do.

Even though this is a tax reduction measure, because obviously there is some lost revenue when these deductions are taken, we have offsets in this bill so there is not a net reduction in revenue to the Federal Treasury. The Finance Committee, on a bipartisan basis as well, decided this should be done so that it was not subject to a point of order requiring 60 votes, or that we would be fiscally irresponsible in putting this tax benefit for charities into the individual tax law.

I say to my fellow Senators, unlike a lot of spending legislation, the appropriations bills that have come before this body recently, this proposal does not add to the deficit. The Finance Committee found two important tax policy initiatives to offset this bill. All of these are related to corporate or individuals doing things to avoid taxes that may, in fact, be legal but are not necessarily moral or ethical. So we use these income-raising measures to offset the revenue loss in the Charitable Contribution Act.

The first offset shuts down what are called corporate expatriations, also known as inversions. Let me explain to my colleagues that what we are talking about is corporations that over a long period of time have paid their taxes into the Federal Treasury ex-

actly the way they were intended to be paid but there has been a recent trend of some corporations setting up a shell corporation in a place such as Bermuda for the sole purpose of avoiding taxes.

We do not have any problems with people using our tax laws the way they were intended to meet international competition, but we are very chagrined at the act of people setting up a shell corporation for the sole purpose of avoiding taxes.

On the one hand, we have corporations that have traditionally abided by the laws and not tried to finesse those laws to their own benefit. They basically stayed here and they paid. Then on the other hand, there is the whole trend of corporate tax filings to avoid paying taxes. They basically have dashed from the country, and they have stashed the cash somewhere else to avoid taxation. That is what is called an inversion.

Passing the CARE Act will use the inversions as an offset so the money that would not be paid by corporations because they dashed and stashed the cash will still come to the Federal Treasury and will, in fact, offset revenue loss through the Charitable Tax Reform Act.

I started talking about these inversions in January. I made my intention very clear then, and ever since, to shut down shell corporations being set up in Bermuda for the sole purpose of avoiding legitimate taxation. For me, it is critical that we act on inversions before we shut down this place this fall. Now is our chance on the CARE Act.

We have people holding up this bill. They have to understand that they are responsible for holding up action on inversions. There are no two ways about it. They are not willing to shut down the immoral and unethical trend of corporate accounting by setting up shell corporations, going overseas to avoid taxation.

We have another important offset in this CARE Act. It is also an important bipartisan Finance Committee initiative. It deals with tax shelters. This bipartisan proposal—and it was drafted in concert with the Treasury Department—is a result of over 3 years of work. It is a result of careful consultation with key professional organizations such as the American Bar Association, the New York State Bar Association, the American Institute of Certified Public Accountants, and the Tax Executive Institute. This proposal was developed methodically and puts a premium on enhanced disclosures of tax shelter transactions. It also imposes tough penalties on those who undertake abusive tax shelter transactions.

So as in the case of inversions, those who are right now blocking the Senate, under this Democrat gridlock, from considering the CARE Act are also blocking action to shut down tax shelters.

I am pleased my colleagues on the Republican side are ready to proceed. Unfortunately, it is being blocked from

the other side of the aisle. I am hopeful we will see cooperation from the Democratic side and get a chance to debate this bill, but time is running out. If we do not act on the Charitable Reform Act, called the CARE Act, including shelters being shut down and including expatriations from being stopped, it will be clear where responsibility lies. It lies with those who are blocking the bill now.

A second piece of tax legislation that is caught in this Democratic gridlock is the pension reform bill. The pension reform bill is because of Enron-like corporate mismanagement, corporate greed, corporate fraud, corporate felons doing what they should not be doing, and that is mismanaging the money entrusted to them by stockholders and bondholders.

What happens when there is this sort of corporate mismanagement? Thousands of Enron employees see their 401(k)s decimated. I know Enron is basically a Texas corporation, but there were 150 Enron employees in my State of Iowa who found that to have happened to their 401(k)s. How did it happen under their 401(k)s? Because under corporate laws there are corporate rules that do not allow a 401(k) holder to actually control their own account; for instance, having to be 55 years of age before someone can get rid of their stock or control their stock. Through this legislation, we want to protect people from Enron-like occurrences in the future. We do that through the legislation we call the pension reform bill, with the acronym NESTEG. That was considered by the Finance Committee over the spring and the summer subject to hundreds of hours of bipartisan staff discussion.

That is how we get bills out of the Senate Finance Committee, through consensus. Every Member of the committee and even Members not on the committee with interests in this issue had input. It took several weeks. The discussions bore fruit. The chairman's markup with some amendments passed out of committee without opposition. This was all as a result of Members of this body saying Enron problems had to be solved. A lot of the people on the other side of the aisle were trying to fault President Bush's administration. They have not succeeded in doing that.

That is intellectual dishonesty. If you look at a lot of the corporate mismanagement problems and follow the calendar back to when the first decisions were being made to do some of these things, they go well back into the Clinton administration.

Our constituents, my 150 Enron employees, do not care who is to blame—Clinton, Bush, or whether nobody is to blame—except the corporate mismanager. The point is, they expect us to do something about it. A lot of this discussion was started on the other side of the aisle that brought us where we are now. There does not seem to be any interest on the part of the Democrat majority moving the pension

reform and 401(k) bills that are so necessary to make sure future Enron-decimated 401(k)'s do not occur.

I described how this bill was voted out of the Senate Finance Committee. There was another committee, the Health, Education, Labor and Pensions Committee, known as the HELP Committee, chaired ably by Senator KENNEDY, also working on some legislation in this direction. Chairman KENNEDY took a little different route. He decided, for whatever reason, to refuse to engage Republicans on his committee, and the result was a raucous markup and a party-line vote. As I have said so many times, contrasting the work of the Senate Finance Committee, which was very bipartisan, from the work of the HELP Committee, which was more partisan, we cannot get anything done in a Senate that is divided 50 Democrats, 49 Republicans, and 1 independent on a partisan plan. If you try to do that, the whole product is doomed. That was and is the fate of the HELP Committee bill on pension reform that came out of committee on a partisan vote.

I digress for a minute. We are all legislators. Our job is to legislate. It is our responsibility, especially in these times, to use our legislative resources to actually accomplish something for the American people. However, I am the ranking minority Member on the Senate Finance Committee. Republicans are in a minority in this bed. The Democratic leadership runs the Senate. Like a point guard in basketball or a quarterback in football, the Democratic leadership has the ball. They call the plays. Unfortunately, serious legislating is not a game. When the Democratic leadership puts legislating the people's business ahead of partisan interests, they will get a product out.

By the way, to be fair, that applies to Republican leadership, as well.

Two examples come to mind. One is the bipartisan tax relief legislation of last year. The Republican leadership cleared the way for the bipartisan Finance Committee package, cleared the floor, became law June 7, 2001.

Another example is the Sarbanes-Oxley corporation accountability bill. The Democratic leadership let Senators SARBANES and ENZI craft a bipartisan compromise that cleared the Senate floor and became law.

On the other hand, if the Democratic leadership wants to score political points and send a bill into the Senate ditch, that is their choice. Do not work with the other side, do not recognize that 49 of 100 Members of the Senate; somehow they do not exist. Do not respect 100 Senators. Do not respect Republican input on issues at hand. Just try to program your caucus poll-driven agenda down the throats of 100 Members.

In the words of the distinguished majority leader, politicize it. The path is clear on pensions. The Democratic leadership is facing a fork in the road.

The left fork is to play the partisan card. Pursuing that path means bringing up a bill that is designed to be controversial. It means bringing up a bill like the bill that came out of the Health, Education, Labor and Pensions Committee on a partisan vote. Then there is the right fork, bring up the Finance Committee bill, perhaps even with some bipartisan measures from the Health, Education, Labor, and Pensions Committee. Frankly, Senators BAUCUS, GREGG, KENNEDY, and myself made good progress. There is a bipartisan basis for proceeding. If the Democratic leadership follows this fork in the road, we can get a bill through the Senate, the very sort of thing people on the other side of the aisle have been clamoring for since last fall and for sure since January.

Where are we? The Enron bankruptcy occurred about a year ago. Enron employees' retirement accounts have been devastated. People across the country rightly demand action. Shortly after the new year, the President proposed a multipoint plan to reform retirement plans. I don't know how many times I have heard since the President made that statement last spring from the other side of the aisle that the White House needs to be engaged. The White House engaged the Congress is the way I look at it. I did not hear much talk about doing anything about pension retirement plans until after the President said we ought to be working on it. The House acted very quickly in April on pension reform. But the full Senate has not acted. We cannot send the President a bill until the Senate acts. Choosing a partisan course means the Senate has default. That is very regrettable.

Let me be clear. Republicans stand ready to work on this priority, and as we have already done, as indicated by the bill coming out of our committee on a unanimous vote, in a bipartisan manner, and even doing that in conjunction with committees that have tried to do the same thing in a partisan way.

I ask unanimous consent to have printed in the RECORD a copy of a letter dated August 30 this year from the Finance Committee Republicans to Senator DASCHLE, on pension reform.

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

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC, August 30, 2002.

Hon. TOM DASCHLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR MR. LEADER: We understand that you intend to bring pension protection legislation to the floor soon after the Senate reconvenes in September. As you know, both the Finance Committee and the HELP Committee have produced differing versions of pension protection legislation. Although both committees have acted, only one committee has acted in a bipartisan fashion and produced a bipartisan product: the Finance Committee. The Finance Committee's bill, S. 1971, was reported out unanimously. By

contrast, the HELP Committee reported a partisan product, S. 1992 on a party-line vote of 11–10.

We do not believe that a partisan approach is the way to proceed on such important legislation that will affect the retirement savings of tens of millions of Americans.

In the spirit of bipartisanship, therefore, we respectfully request that you call up the Finance Committee bill to serve as the underlying bill for the Senate's debate on American's retirement security. This good-faith gesture would expedite the Senate's action. Furthermore it would solve concerns due to the limited scope of S. 1992, which was due to HELP Committee's restricted jurisdiction in the retirement security area.

Using the Finance reported bill would facilitate, not preclude, the full Senate's involvement in the retirement security debate. It would send an important signal of bipartisanship to American workers and retirees who will be keenly watching this debate and would reassure them that we are working together in their best interests. And, as you said in your press conference with Senator Kennedy, "this isn't about political points." We agree with you, Senator Daschle. This shouldn't be about political points. It should be about good public policy and good pension policy for all Americans.

Sincerely,

Chuck Grassley, Don Nickles, Craig Thomas, Orrin Hatch, Jon Kyl, Fred Thompson, Frank H. Murkowski, Phil Gramm, Olympia Snowe.

Mr. GRASSLEY. I implore the Democratic leadership to get in gear. The American people deserve action on this charitable tax reform action called the CARE Act. We should not forbear on curtailing tax shelters and corporate expatriations, which all may be legal, but in a time during the war on terrorism for a corporation to flee the country to Bermuda and not do anything more than set up a shell corporation is unethical and immoral—tax shelters, where the people who write the tax shelters sell them on the basis of how much money you will save the corporation in taxes, and where the people who write them do not even have to defend them. That seems to me to be professionally unethical as well. In other words, sell your product to a corporation and then let them hold the bag.

We are losing a lot of revenue that can be used for charitable purposes under the CARE Act. Workers rightly expect a debate and action on a bipartisan retirement security package. Let's do the right thing. Let's do the people's business. Let's undo the gridlock on these important bills. Let's bring up the CARE Act. Let's bring up the NESTEG Act.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I came to talk about another subject, but I think what my distinguished neighbor and colleague, the ranking member of the Finance Committee, said is very important and bears repeating.

Yesterday we passed, 92 to 2, an election reform bill. I think that bill proves what Senator GRASSLEY just said. That was a bipartisan bill.

Senator DODD, the chairman of the committee, worked very closely with

Senator MCCONNELL, the ranking member, and with me. We worked for about 18 months. It was not easy. But it was always done in a bipartisan fashion and we got the bill done.

The distinguished ranking member of the Finance Committee has pointed out other measures in the Finance Committee where they could work together. Sometimes they do—and then sometimes they bring legislation to the floor, report it out on a bipartisan basis, that the majority leader will not bring up.

If we had really wanted a prescription drug Medicare reform bill, we could have relied on the work of the bipartisan group on the Finance Committee. If we had wanted an energy bill, we should have relied on the bipartisan Energy Committee, with interest and expertise in the area, to report out a bill. It was taken away, for political purposes, from the Energy Committee by the majority leader. As a result, we got nowhere.

As I understand it, the Banking Committee reported out a good, strong, bipartisan terrorism risk reinsurance bill to provide terrorism insurance, a backup by the Federal Government so buildings and construction could get the insurance they needed to obtain financing to carry forward with some \$16 billion of construction in this country. That bipartisan bill was not the one that was brought to the floor. That is the reason we have gridlock.

When those people tried to bring up measures purely for partisan advantage, they did not get very far. That is why this Senate is known by everybody who watches it as the most dysfunctional Senate that anybody has seen in recent history. We have not even brought up a budget. I have labored long and hard on the Budget Committee, and we felt the product that came out on a party line, which proposed cutting defense spending and raising taxes in a time where we are at war and coming out of a recession, was not a good thing to do. It has not even been brought up. We could have come to a bipartisan agreement on a Budget Act that would have allowed us to move forward on appropriations.

We have inflicted ourselves with the wound of not being effective because, unfortunately, the majority leader has chosen to go with more political and nonbipartisan measures coming to the floor.

NURSING HOMES

Mr. BOND. Mr. President, I rise today to comment on a series of articles running this week in the St. Louis Post-Dispatch. The series began last Sunday with the headline "Nation's Nursing Homes are Quietly Killing Thousands" and anyone with a conscience should pause to consider its opening sentences:

Thousands of America's elderly mothers, fathers and grandparents are being killed each year in the nation's homes—frail vic-

tims of premature and preventable deaths. This quiet pandemic is rarely detected by government inspectors, investigated by law enforcement, appraised by medical examiners or prosecuted by anyone. These deaths are not at the hands of crazed "angels of death." Most are caused by fatal neglect traced to caregivers upon whom residents depend for food and liquid and for turning them in their beds to prevent the formation of life-threatening sores. . . .

In short, elderly nursing home residents are dying in our country today due to failures to provide the most basic and fundamental elements of care. The Post-Dispatch reports statistics from the National Center on Health Statistics, which show that starvation, dehydration or bedsores were the cause of death for 4,138 nursing home residents in 1999, including 138 such deaths in Missouri.

However, these appalling statistics may only be the tip of the iceberg. The Post-Dispatch reported that investigators and researchers, who have taken the time to take a closer look and compare patient medical records with their death certificates, conclude that the number of preventable deaths due to malnutrition, dehydration and bedsores is most likely considerably higher. Our colleague, Senator BREAU, believes that the number of avoidable deaths could number in the tens of thousands and research shows that anywhere between 500,000 to 5 million cases of abuse and neglect of our elders occur each year.

Personally, I know that Missouri has a terrible problem with some bad apple nursing homes. I know this because plenty of good folks back home have told me about their own horrific experiences with abuse and neglect of their loved ones. Furthermore, the General Accounting Office in recent years has amply documented decades of death and neglect due to the poor quality of care in too many of our Nation's nursing homes. In 1999, the GAO estimated that residents of one in four nursing homes in Missouri suffered actual harm from the care they received. Hearing these staggering stories and statistical figures was a wake-up call. I submit to my colleagues that no one here today can say "not in my backyard"—abuse, neglect and homicide in nursing homes in truly a national problem.

In my opinion, neglecting an elderly, fragile individual is no different than neglecting a child. Both are defenseless, both lack a vibrant voice, both are vulnerable and both suffer at the hands of those who are nothing more than cowards and criminals. Abuse of the elderly should be treated no differently than abuse of children.

Many of us on the floor today have taken strong stances with regard to corporate accountability. However, sending corporate titans up the river for cooking the books while excusing nursing home operators and others with fines and a slap on the wrist just doesn't square with me. Surely the lives of innocent folks who are not just suffering, but dying due to neglect

should be just as precious under the law as anybody's pension fund. We need to send a crystal clear message that these individuals are criminals who should be wearing orange jump-suits instead of pin-stripes. A criminal is a criminal and, unfortunately, the "criminal" actions of some nursing home operators have tarnished the reputations of nursing homes generally and unfairly.

There is much that we need to accomplish to improve the plight of those elderly men and women who reside in nursing homes. The unnecessary human toll directly related to the failures in the nursing home industry is nothing short of shameful. There will be no miracle fix to this problem and there is no one obstacle to overcome that will improve the situation. First and foremost, we need to recognize that a revolution is really the only alternative. The powers that be in this area, namely the Department of Health and Human Services and the Centers for Medicare and Medicaid, as well as the corporate honchos in the nursing home industry need to recognize and acknowledge the need for revolutionary change. We as legislators need to summon the will and courage to spur that revolution.

Last month, I became an original cosponsor of the Elder Justice Act of 2002. This bill is the first comprehensive federal effort to address the issue of elder abuse. It is an attempt to combine law enforcement and public health to study, detect, treat, prosecute and prevent elder abuse, neglect and exploitation. It is a successful approach that has been applied to combat child abuse and violence against women. This bill creates Federal leadership and resources to assist families, communities and states in the fight against elder abuse; coordinates Federal, State and local elder abuse prevention efforts; establishes new programs to assist victims; provides grants for education and training of law enforcement; and facilitates criminal background checks for elder care employees.

The tragic toll of nursing home deaths in Missouri is so compelling, that I have also sought new ways to approach this seemingly intractable problem. I met with HHS Secretary Tommy Thompson this past summer and discussed with him new bedside technology that can easily and accurately record individual information about nursing home residents and the care they receive. We discussed the success of a program in Missouri called QIPMO—Quality Improvement Program for Missouri, a patient care monitoring system that provides reports on the quality of care delivered by all Missouri nursing homes. This award-winning program is a cooperative project between the Sinclair School of Nursing and the Missouri Department of Health and Senior Services. I urged Secretary Thompson to consider adapting QIPMO's free on-site clinical consultation and technical assistance as an in-

tegral piece of a new federal technology demonstration and evaluation program. If enhanced with cutting-edge technology, I believe QIPMO may be a viable platform to help HHS lead nursing homes and state regulators to greatly improve on-site monitoring and clinical care. We urgently need a technological revolution in nursing home care that can save lives and spare our elders of unnecessary suffering. A groundbreaking technology demonstration and evaluation program has the potential to erect an early warning system to alert care-givers to life-threatening problems before they become widespread or have tragic consequences. I thank Secretary Thompson for working with me and for offering his enthusiastic support and commitment to ensure that the demonstration and evaluation program happens.

I think all of us realize that at some point in our lives we may have to take a parent, grandparent, or elderly relative, or even a good friend to a nursing home. Some of us may wind up there ourselves. We know from experience that there are a lot of good nursing homes and there are a lot of homes in Missouri where we are very proud of the care the people receive. On the other hand, there are a few tragically bad apples that need to be picked out so when you take a family member, a loved one to a nursing home, you don't have to be worried that person will die of starvation or dehydration or bed sores. What a horrible way to go.

The article points out the need for additional staffing. Many nursing homes are short staffed. That is a problem that needs to be confronted. In some instances, when they have the Medicaid reimbursements, they are not adequate. If the money is not getting there—if it is going to care but there is not enough of it, that is one thing. There are other abuses that have been pointed out in these articles, where too much money that should go to care of patients is being siphoned off to family members who run other businesses on the side.

This is an area where continued vigilance, first from State enforcement agencies, and then the Department of Health and Human Services, is warranted. When one reads the stories and the record of the tragedy that has occurred, and it has been documented in this series, I believe all my colleagues are going to want to do something to assure that we separate the good nursing homes from the bad; and properly punish and chastise and charge those who are bad apples.

I ask unanimous consent additional material to which I referred be printed in the RECORD.

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

[From the St. Louis Post-Dispatch, Oct. 17, 2002]

**SPECIAL REPORT: NEGLECTED TO DEATH—
PREVENTABLE DEATHS IN NURSING HOMES**

Nursing home patients are dying from causes like malnutrition, dehydration and

bedsores—causes that could be prevented with proper care. But such cases are rarely investigated or prosecuted, and advocates say the suffering won't end without an outcry for reform.

**CONGRESS RENEWS AN OLD BATTLE FOR
NURSING HOME REFORM**

The senior member of Congress wrapped his gnarled hands around the microphone sitting on the green felt-covered witness table and asked his distinguished colleagues: "What have the elderly in this country done to make their government and their neighbors so willing to have them starved, neglected and uncared for?"

Day 1—Nursing homes are killing thousands

Nation's Nursing Home Are Quietly Killing Thousands (10/12/2002)—Patients are dying of causes that are preventable with proper care—and such cases are rarely investigated or prosecuted. Advocates say the suffering won't end without an outcry for reform.

Survivors of Lost Loved Ones Tell Stories of Broken Trust (10/12/2002)—They are victims of poor care in nursing homes, a cross section cut from the fabric of America—mothers and fathers, war heroes and homemakers, black and white.

Day 2—Inadequate staffing results in patient neglect

Woefully Inadequate Staffing Is at the Root of Patient Neglect. (10/14/2002)—Nursing homes don't have enough people to provide even basic care, and the job often falls to low-paid, low-skilled workers. And when quality employees do come along, they often don't stick around.

Inadequate Medicaid Payments Squeeze Homes' Level of Care (10/14/2002)—Some tie low staffing to drive for profits; reimbursements fall short, industry counters.

Operator Has Toiled To Rescue Troubled Home in University City (10/14/2002)—The State called on Sharo Shirshekan to save the newly named U-City Forest Manor. His orders were to bring the homes' budget under control and correct chronic care problems. At one point facing closure, he persuaded the state to give him a chance—and now he has given the home just that.

Day 3—Neglect can continue even after death

Many Nursing Home Patients Are Neglected Even After Death (10/14/2002)—Police and prosecutors are reluctant to pursue criminal cases, partly because they are difficult to prove. And with little involvement from medical examiners, most misdeeds are buried with the dead.

Fraud Units Employ the Element of Surprise in Protecting Elderly (10/14/2002)—Throughout the country, small groups of federal and state investigators are protecting the vulnerable elderly from wrongful deaths in nursing homes by using midnight raids and a Civil War-era law.

Army of Advocates Keeps Up the Pressure for Reform (10/14/2002)—Violette King is buzzing around her home office in Godfrey searching through photos and cluttered files detailing nursing home abuse when a ringing telephone interrupts.

Day 4—Regulators are losing the fight against neglect

Ombudsmen often feel powerless in efforts to blow the whistle (10/15/2002)—In 1972, Congress passed a law that legislators believed would help end deadly care in America's nursing homes. It mandated that each state set up an ombudsman program to identify and investigate complaints in hopes of preventing the neglect and abuse that were harming the elderly in the facilities paid to care for them.

Regulators Are Losing War Against Neglect, If They're fighting at All (10/15/2002)—

Missouri officials acknowledge failings in their ability to protect residents. Their counterparts in Illinois see no significant problems despite complaints from inspectors.

Day 5—Legislative efforts try to make things better

Inadequate Laws Are Blamed for Lack of Prosecution in 4 Heat-Related Deaths (10/16/2002)—When four elderly women baked to death from soaring temperatures in a University City Nursing home in April last year, public officials expressed outrage and vowed to take swift action against those responsible.

Nursing Home Industry Wields Clout in State Capitals (10/16/2002)—More than 40 percent of the nearly \$2.6 million the nursing home industry contributed nationwide in state elections in 2000 flowed into Missouri and Illinois.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded and that I be allowed to speak for as much time as I may consume.

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

THE CYBER SECURITY RESEARCH AND DEVELOPMENT ACT

Mr. ALLEN. Mr. President, I rise today to thank my colleagues for their unanimous support for S. 2182, the Cyber Security Research and Development Act. I share the concerns and worries of Senator BOND and Senator GRASSLEY on many pieces of legislation and important matters that have not been passed due to various obstructions and problems. However, I am here to say we actually have done something very constructive which will soon be helping our country, and that is the passage of the Cyber Security Research and Development Act.

An extraordinary amount of hard work that went into this legislation. I thank my colleague from Oregon, Senator WYDEN, for his leadership and continued work in pushing this important measure through the legislative process.

Our bill, S. 2182, addresses the important issue of cyber and computer security. It is a truly historic piece of legislation because, for the first time, it assures and solidifies the Federal Government's commitment to basic, fundamental, long-term research in computer security as well as much needed graduate and postgraduate doctoral fellowships in computer security.

America must act now to protect our security on many fronts. As our reliance on technology and the Internet has grown over the past decade, our vulnerability to attacks on the Nation's critical infrastructure and network systems has also grown exponentially. The high degree of interdependence between information systems ex-

poses America's network infrastructure to both benign and destructive disruptions.

Such cyber-attacks can take several forms, including the defacement of Web sites, denial of service, virus infection throughout the computer network, and the unauthorized intrusions and sabotage of systems and networks resulting in critical infrastructure outages and corruption of vital data. These are just some examples of the problems that could arise and have previously arisen.

In fact, we have seen past attacks, such as the Code Red virus, that show the types of dangers and potential disruption cyber-attacks can have on our Nation's infrastructure. The cyber-threats before this country are significant and are, unfortunately, only getting more complicated and sophisticated as time goes on.

A survey last year by the Computer Security Institute and the FBI found that 85 percent of 538 respondents experienced computer intrusions. Carnegie Mellon University's Computer Emergency Response Team (CERT) Coordination Center, which serves as a reporting center for Internet security problems, received 2,437 vulnerability reports in calendar year 2001, almost six times the number that were reported in 1999, just 2 years previously. Similarly, the number of specific incidents reported to CERT exploded from 9,589 in 1999 to 52,658 in 2001. Again, in 1999, about 9,500, to 52,000-plus incidents reported just 2 years later.

What is alarming is that CERT estimates that these statistics may represent only 20 percent of the incidents that have actually occurred.

A recent public opinion survey indicates that over 70 percent of Americans are concerned about computer security and 74 percent are concerned about terrorists using the Internet to launch a cyber-attack against our country's infrastructure. One survey shows that half—half—of all information technology professionals believe a major attack will be launched against the Federal Government in the next 12 months. Indeed, cyber-security is essential to both homeland security and national security. The Internet's security and reliability support commerce and information transfer of vital data in our economy, they support our critical infrastructures and, obviously, systems that protect our national defense. At a time when uncertainty threatens the confidence of our Nation's preparedness, the Federal Government needs to make the information and cyber-security issue a top priority.

Currently, federally funded research on cyber-security is less than \$60 million a year. Experts believe that fewer than 100 U.S. researchers have the experience and expertise to conduct cutting-edge research in cyber-security. In this past academic year, there were fewer than 30 U.S. citizens enrolled in Ph.D. cyber-security programs. Our legislation will encourage the kind of

research and programs that will motivate students to pursue Ph.D. degrees in cyber-security because students will have the opportunity to receive research grants with the National Science Foundation.

The Cyber Security Research and Development Act will play a major role in fostering greater research in methods to prevent future cyber-attacks and design more secure networks. Our legislation will harness and link the intellectual power of the National Science Foundation, the National Institute of Science and Technology, our Nation's universities, and the most creative minds in the private sector to develop new and improved computer cryptography and authentication, firewalls, computer forensics, intrusion detection, wireless security, and systems management.

In addition, our bill is designed to draw more college undergraduate and graduate students into the field of cyber-security research.

It establishes programs to use internships, research opportunities, and better equipment to engage students in this field. America is a leader in the computer hardware and software development fields. To preserve America's technological edge, we must continue to have new students involved in computer science study and research.

S. 2182 highlights the role the Federal Government will play in helping prepare and prevent against cyber-attacks, but only if we can ensure the cutting edge research and technology funded in this legislation is made commercially available. Clearly, there is an urgent need for the private sector, academic, and individual users, as well as the Federal and State governments, to deploy innovative security measures.

I am confident the Federal investment for long-term projects outlined in this legislation will yield significant results to enhance the security and reliability of cyberspace.

I am glad to see the Senate, in a rare moment in these last few weeks and months, has come together and passed this important legislation. Again, I thank my colleague from Oregon, Senator WYDEN, for his leadership. I have enjoyed working with him on successful passage of this positive and constructive legislation that will improve the security of Americans.

I am also grateful to the ranking member of the Judiciary Committee, Senator ORRIN HATCH of Utah, who thoughtfully suggested we add an assurance that the grants provided in this legislation will go to individuals who are in full compliance with all immigration laws.

I thank all my colleagues. It was a good team effort. In the future, our Internet and our cyber-security will be stronger for it.

I ask unanimous consent to print the following letter in the RECORD.

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

BUSINESS SOFTWARE ALLIANCE

October 17, 2002.

Sen. RON WYDEN,
Chairman,
Sen. GEORGE ALLEN,
Ranking Member,
Subcommittee on Science, Technology & Space,
Committee on Commerce, U.S. Senate,
Washington, DC.

DEAR CHAIRMAN WYDEN AND RANKING MEMBER ALLEN: We are writing to express our support of the Business Software Alliance (BSA) and the Information Technology Association of America (ITAA) for S. 2182, the Cyber Security Research and Development Act, and to urge quick Senate passage of the bill.

Our associations represent the world's leading research-based software and hardware developers and manufacturers. As builders of many of the products, networks and systems that power the world's information infrastructures, and of the leading security tools used to protect them, our members are extremely committed to cyber security.

S. 2182 authorizes federal expenditures on fundamental basic, long-term research into computer security, as well as much-needed graduate and post-doctoral fellowships in computer security. The bill complements the hundreds of millions of dollars spent each year by the information technology industry on cyber security R&D. Government-funded research, undertaken in close partnership with industry, is a critical component of an effective government strategy to advance cyber security, and we commend your efforts to further the Federal Government's work in this area.

We also appreciate the efforts you and your staffs have undertaken to address concerns that were raised by industry earlier in this process with regard to provisions of the legislation pertaining to Federal computer systems. Your receptivity to these concerns has resulted, in our view, in a stronger bill, and we commend you for your efforts in this regard.

We are pleased to offer you our support of this legislation and to encourage its swift passage by the full Senate.

Sincerely,

ROBERT W. HOLLEYMAN II,
President and CEO,
Business Software Alliance (BSA).

HARRIS N. MILLER,
President,
Information Technology Association of America (ITAA).

The PRESIDING OFFICER (Mr. CORZINE). Who yields time?
The Senator from Hawaii.

THE ECONOMY

Mr. AKAKA. Mr. President, I rise today to express my concern over the current state of the economy. Too many working Americans are confronted with difficult financial situations due to the slowdown in the economy. I continue to believe in economic education and financial literacy as a major part of the solution for people to improve their unique situations. However, such efforts cannot truly succeed without sound fiscal policies to keep our economy strong. Many American families are having difficulties making ends meet. Over two million jobs have been lost since January 2001. The unemployment rate for September was 5.6 percent, an increase from the 3.9 per-

cent unemployment rate in September and October of 2000. Home foreclosures are occurring at the fastest rate in thirty years and others are falling behind on their payments. Health care costs have increased rapidly. As a result, many are paying substantially more for their insurance coverage. Rising prescription drug costs have made it costly to obtain necessary medication, particularly for seniors.

I agree with the Majority Leader in his prescription for the sick economy. Unemployment insurance must be extended to help those who are still struggling to find work in these tough economic times. An estimated 1.5 million people exhausted their Federal extended unemployment benefits by the end of September. The total for the end of the year is expected to rise to 2.2 million individuals.

The minimum wage needs to be increased. Since establishing the minimum wage requirement in 1938, we have had only 19 increases in the minimum wage. The latest occurred in September 1997. The earnings of average Americans have grown little, and the overall distribution of income has become increasingly unequal. The real value of the minimum wage has fallen by 11 percent since the last increase. Currently, a minimum wage employee working full time earns about \$4,000 below the poverty line for a family of three. We need to increase the minimum wage to help those millions of Americans earning the minimum wage who are rapidly becoming a permanent underclass in our society.

The savings of Americans have been ravaged in the last few years. The reduction in the value of retirement accounts is particularly troubling because Americans will have a harder time achieving the goal of a comfortable retirement. Over \$210 billion in 401(k) and other defined contribution plans was lost in 2001. Individual Retirement Accounts lost over \$230 billion in 2001.

Enron, WorldCom, Tyco, and other criminally managed companies have shaken the markets after the accounting scandals and disclosure of corporate misdeeds. We need the Securities and Exchange Commission to be aggressive in its pursuit of fraud and corporate malfeasance.

Without trust, our markets and economy cannot effectively function. The Sarbanes corporate accountability legislation that passed this summer will help provide additional safeguards for investors. With the recent addition of the new Securities and Exchange Commissioners, I look forward to the development of the Public Company Accounting Oversight Board. It is my hope that the organization will become a friend and advocate for the investor—not the accounting industry. The corporate accountability bill must be strongly enforced. In addition, pension protection legislation needs to be enacted to empower workers to make it easier for them to sell company stock

and to make their investments more secure.

It is troubling that revenues have declined when there are so many domestic and defense needs. The 10-year, \$1.35 trillion tax cut, which was enacted in June 2001, has contributed to a rapid surge in the size of the Federal budget deficit. The FY 2002 budget deficit is now estimated to be \$157 billion, according to the Congressional Budget Office's monthly budget review. Gone are the years of budget surpluses. Although some of this can be attributed to necessary spending for national security in the wake of September 11, 2001, we cannot ignore the overall impact of last year's tax cut package. We must reexamine the tax cuts that have yet to take effect. The tax cuts were enacted at a time when the economy appeared stronger, there was a Federal budget surplus, and the tragic events of September 11 had not yet occurred. Now, fiscal responsibility requires all options to be on the table, such as postponing or canceling specific upper income tax cuts. I know that some of my colleagues share my concerns, and I look forward to working with them on this issue.

The American people will pay a large price for the tax cuts that generally are for the wealthiest Americans. When fully implemented, the tax cuts will give more tax breaks to the top one percent of taxpayers than to the combined total of the bottom 80 percent. It will be extremely difficult to pay down the public debt, which at the end of FY 2002 was estimated to be \$3.6 trillion. It also will be difficult to provide a meaningful Medicare prescription drug benefit for seniors, and to adequately fund education and other vital programs and services.

Unfortunately, there are those who want to further compound our fiscal crisis by making the tax cuts permanent. Responsible fiscal policy is needed, or possible adverse effects, such as increasing interest rates, may further weaken the economy. Prior to the enactment of the tax cuts, the public debt was expected to be eliminated by 2009. This is no longer true. Future generations of taxpayers will be stuck paying the bill for these current tax cuts, and the picture would look even worse if the cuts are made permanent.

As a former classroom teacher and principal, I would like to say another word about education, which is one of the most important responsibilities we have regarding our children and our nation's future. The No Child Left Behind Act became law in January of this year. This sweeping reform of the Elementary and Secondary Education Act places before our schools dramatic mandates that they improve student performance or face tough consequences. The FY 2003 budget request, rather than including the funding needed to properly implement changes in the Act, requested the smallest increase in education spending in seven years. Furthermore, the budget request

included education cuts of \$1.76 billion, which would eliminate 40 programs and cut an additional 16. I am thankful to my colleagues on the Senate Appropriations Committee for restoring much of this funding. Going forward, we must continue to use fiscal restraint, but we must balance this with the need to invest in critical priorities.

I look forward to working with my colleagues on initiatives to encourage job growth, provide assistance for workers who have lost their jobs, and help alleviate the economic strain that has impacted most Americans. I urge all of my colleagues to add their energies to these efforts.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, my understanding is that the Senator from Nevada is going to propound a unanimous consent request. I will yield to him for that purpose and ask unanimous consent that I be recognized immediately thereafter.

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

The Senator from Nevada is recognized.

UNANIMOUS CONSENT REQUEST— S. 2538

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 385, S. 2538, a bill to provide for an increase in the Federal minimum wage; that the bill be read the third time and passed, and that the motion to reconsider be laid upon the table.

Mr. GREGG. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I do this following the statement of the Senator from Hawaii, who has certainly laid out a timetable and a reason for doing the minimum wage bill. Senator KENNEDY was on the floor yesterday and did a magnificent job in explaining the need for it. I am sorry that my friends objected.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, are we in morning business at the present time?

The PRESIDING OFFICER. Yes.

Mr. DORGAN. I ask unanimous consent to speak for as much time as I may consume.

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

UNFINISHED BUSINESS

Mr. DORGAN. Mr. President, I mentioned yesterday that the two most powerful words in the Senate are "I object." They have been used repeatedly in recent months, and especially in recent days, as we have tried toward the end of this Senate session to pass legislation that really does need doing. We

are discovering that we have a number of people in the Senate who just don't want to move forward on some of these issues.

I think the American people wonder, from time to time, whether this Government is very relevant in their lives. I think prior to September 11, 2001, people wondered. Then, when the terrorist attacks occurred, I think people understood that on homeland security and a range of other issues, they do rely on the Government to do certain things to protect them.

We have come to a point now where there is so much unfinished business, so much left undone, as we near the end of this session of the Congress. I think the American people have a right to ask some pretty tough questions about who is doing what and who is objecting to what. Most families sit around the supper table—or the dinner table in some parts of the country—and talk about their lives. What they talk about are not statistics or abstractions; they talk about the things that are important in the lives of their families. They wonder, do we have good jobs? Do our jobs have good security? Are we paid a fair wage? Do grandpa and grandma have access to good health care? Do our kids go to good schools? Do we live in a safe neighborhood?

These are the issues that people care about in our country, and families want something done about them. One of these critical issues is health care. We tried to pass a Patients' Bill of Rights in this Congress and could not get it done. The Patients' Bill of Rights is pretty simple, actually. It is, with the growth of the managed care industry, trying to give a voice to consumers so they have a say in their own health care.

For example, a woman falls off a cliff in the Shenandoah Mountains and is taken into a hospital on a gurney, in a coma. She is very seriously injured, with broken bones and internal injuries. She ultimately recovers after a long convalescence. She is told by her managed care organization that they will not cover her emergency room treatment because she did not have prior approval to access the emergency room. Now, this woman was carried into the hospital on a gurney while in a coma, yet the managed care organization said she should have gotten prior approval for emergency room treatment.

So we tried to pass a piece of legislation that gives patients a voice in their own care, legislation that says patients have a right to know all of their medical options for treatment, not just the cheapest; patients have a right to emergency care when they have an emergency; patients have a right to see the doctor they need for the medical help they require. Pretty straightforward. We could not get it through. We could not get it through a conference committee and to the President for signature. Why? Because too

many people in the Congress said: Let us stand with the insurance companies and the managed care organizations on this subject.

We also face urgent issues dealing with Medicare and Medicaid. Yesterday, we were on the floor of the Senate talking about that. Everybody in this Chamber knows we have to do something to provide fair Medicare reimbursement for physicians, hospitals, nursing homes, and other providers.

We now come to the end of this legislative session, and we know the Medicaid reimbursement for our nursing homes on October 1 was cut. That cut is going to be accentuated with an even deeper cut in 2004, beyond the fiscal year 2003. We know we have to do something to deal with that situation. We know it has to be done, and yet some act as if there is no urgency at all, this will be just fine.

It is not just fine to have a cut in the quality of care of nursing homes in this country. That is exactly what is going to happen. And it is not just fine if the Medicare reimbursement is not adequate to keep rural hospitals open and keep some of the hospitals in inner cities—that are stretched so thin and whose reimbursement was cut so deeply during the Balanced Budget Act—open. It is not just fine to say: Let that go.

We are talking about the quality of health care delivered in hospitals through Medicare, delivered in nursing homes through Medicaid. It is not fine with me when we try to fix this at the end of the session, not having received the cooperation to get it done during the session, and people stand up and say: I object.

What is their plan? What do they propose? Just diminished health care, diminished quality of care in our hospitals and nursing homes? Is that something the American people believe they want? Is that something families say: We aspire to nursing homes that provide diminished care because we would not meet our obligation under Medicaid? We aspire to have hospitals close their doors because we will not own up to our requirements under Medicare? I do not think that is what the American people want or expect of this Congress.

Senators BAUCUS and GRASSLEY have introduced legislation, S. 3018. It is bipartisan. It addresses these issues—Medicaid, Medicare, hospitals, nursing homes, physician reimbursements.

The provider reimbursement we know we have to do, and what happens? The two most powerful words in the Chamber once again: "I object," they say. "I object."

It is the easiest act in the world to do, but we are faced with very significant challenges in health care, Medicaid, and Medicare, and everyone in this Chamber knows we have to fix it.

Here we are on a Thursday at a time when the Congress should have been adjourned, trying to finish some of these last items, and we have people on

the floor of the Senate singing the third verse of the same old tired tune: I object; I object.

I have told my colleagues often about Mark Twain who, when asked if he would engage in a debate, very quickly said yes.

"But we have not told you the subject."

He said: "It doesn't matter, as long as I can take the negative side. The negative side will require no preparation."

He is right. The question is: What are we building here? What are we doing here? What do we aspire for the American people to create here? A better country, a stronger country.

We have spent a great deal of time talking about national security in this Chamber. That is deadly serious business. I would never suggest that ought to be a subject on which we should not spend a great deal of time. It is deadly serious business to talk about our Nation's national security.

It is also important, in my judgment, to spend some time talking about this country's economic security because our capability to defend ourselves, our capability to spend the money to deal with national security challenges and issues relates directly to this country's economy, our ability to create an economic engine that produces growth and opportunity, that provides improvement for the lives of the American people, produces the tax revenues that allow us to have a standing army and have a military capability of dealing with national security issues.

Yet we are in a situation these days where it is as if nobody wants to talk much about economic security. We cannot find the administration's team. We had an economic forum last Friday. We invited the Administration to participate. We said: Won't you come and sit with us and talk about the economy? Let's talk about what kind of challenges exist.

There is no Republican or Democratic way to go broke. There is no Republican or Democratic way to lose a job. It is not partisan when one comes home and says: Honey, I have worked for this company for 18 years, but they told me today my job is over; it wasn't my fault; the company is cutting back because the economy is not good. There is no Republican or Democratic way to filter that through to your family for a man or a woman who has been in the workforce.

There is no Republican or Democratic way for us to fix this either. We have to fix it by trying to get the best ideas of what both parties have to offer and by sitting down and talking about the issues. We have a fiscal policy which we put in place 18 months ago, before the recession, before the war on terror, before September 11, before the corporate scandals. That fiscal policy is not working.

Huge projected budget surpluses have turned to very large projected budget deficits. More people are out of work.

Confidence is down. People are worried about the future. Yet the economic team at the White House does not want to show up and talk about the economy. They will not come to an economic forum to talk about what is working and what is not, what is wrong and what is not, about how we fix this economy. They want to have nothing to do with that.

I do not think we ought to be ignoring economic security issues. That is at the heart of what we ought to be talking about these days.

We are trying very hard to say to our colleagues in the Senate on the Republican side: Join us; join us; forget the "I object" language; let's join together.

How about saying: Include me. We would say: Absolutely. Yes, let's include everybody here. Let's get the best of what both have to offer this country.

It appears to me the refrain now for the rest of the session is: I object. I object.

I come from farm country, and our farmers have suffered a disastrous drought, not just in the southern part of my State but in a very wide region of this country.

One of my colleagues made a point that I think is interesting: We ought to give droughts a name. We do not ever call them anything. At least with hurricanes we name them. Then pretty soon, Hurricane Andrew starts moving around and people talk about Hurricane Andrew. We need to start naming droughts as well. It is a natural disaster. It is something farmers cannot help. They did not create it. They cannot control it. Yet they plant the seeds in the spring and come out to harvest it, and it is a moonscape. There is nothing there. Nothing grew, and they lost everything they had because they put it all in the ground in the spring hoping they would harvest a crop in the fall, and there is no crop. That is a disaster.

We passed a disaster bill with 79 votes in the Senate—79 votes, Republicans and Democrats.

It is October 17 and no disaster bill. Why? The White House does not want one. The House of Representatives will not do one.

According to today's news clips, a House Republican source said that Republican members seeking more money for drought relief, or for any number of projects, were simply told no and encouraged to be good Republicans and to wait until next year. They are taking the circus tent down.

I do not know, if after 79 Senators have voted for drought relief, recognizing there is a very big problem, if somehow there is a curtain that prevents information from coming into the other body to tell the Speaker of the House we have a big problem in this country, if he somehow missed the evening news week after week, somehow missed the story that there was a protracted, devastating drought in this country—I do not know how we would

tell him on October 17 if there is a problem.

You had better believe there is a problem. Why no disaster relief after the Senate passed it on a bipartisan basis, 79 votes in favor of it? Why? Why no disaster relief? Because "I object," they say; "I object." They object at the White House; they object in the U.S. House; they object.

There are so many issues that it is almost hard to know where to start. I want to describe one other issue, if I may. There is a young man named Jonathan Adelstein. Jonathan Adelstein is a nominee to the Federal Communications Commission. The FCC has a number of Republican seats and a number of Democratic seats. That is the way the seats are apportioned. This is a Democratic seat. It was vacated a year ago last month. For 13 months, this seat at the Federal Communications Commission has been open.

Senator DASCHLE went to the White House, described the nominee. The White House announced its intent to nominate him on February 8. They sent it to the Senate in July. On July 16, the Commerce Committee held a hearing, reported out of the Commerce Committee in July. Now the FCC is poised to make very serious and difficult decisions on a wide range of issues that will have a profound impact on this country's telecommunications policies, especially on rural States.

This seat is vacant. Know why? Because we have people that are singing the same song: I object. I object to bringing his nomination to the floor of the Senate, they say. There is a hold on this nomination, and that seat on the Federal Communications Commission that is so critical to the interests of rural States in this country is now vacant.

If this Senate does not confirm this nomination before we adjourn sine die, then there is something fundamentally wrong with the way this body works. This is not a normal case of, for example, a judgeship that may or may not be controversial.

The Federal Communications Commission has Republican seats and Democratic seats. The nominees on each side, if they are qualified—and Mr. Adelstein is eminently qualified—ought to be confirmed by the Senate. It is nonsense to hold up this nominee.

The chairman of the FCC, Mr. Powell, and others are poised to make very big decisions. I worry very much there is no one inside that circle who has rural America, smaller States, rural States, family farms, and small towns as their interest. These decisions will have a profound impact on the future of my State and others, and yet this nomination is awaiting action by the Senate, held up by some unnamed Senator who says, in effect, in a cloakroom, behind the cloak of secrecy, "I object."

So much for the Federal Communications Commission nomination. This is another issue that Congress is being blocked from taking care of.

A couple of days ago, my colleague from Nevada brought our attention to legislation the Senate has already passed and which is now in conference. He brought to the attention of the Senators the importance of something called concurrent receipt.

Concurrent receipt sounds like a two-dollar word and probably does not affect anybody in this Chamber. It may not affect anybody listening to me at the moment. I do not know. But it is important because there is an obscure Federal law that says the following: If you served this country in the Armed Forces and retired, and you spent 20 years, for example, in uniform serving this country of ours and you earned a retirement, and along the way you may have fought in a battle somewhere and been severely wounded and are entitled to disability payments, this obscure Federal law says, oh, by the way, you cannot have both the retirement you earned and the disability payments you deserve as a result of your disability. You cannot have concurrent receipt of those two payments. One will offset the other and you will lose your retirement or you will lose your disability payment.

I put a statement in the RECORD the other day about some North Dakota National Guardsmen. These are the kind of people who are being affected by this foolish provision in Federal law that we need to change, and which the Senate is on record of wanting to change.

Sixty years ago, on October 10, 1942, two thousand men from North Dakota embarked for war. They were from the 164th Infantry Regiment of the National Guard. They were people from small towns and family farms. They came from almost every city, village, and county in our State. They were ordered to the West Coast the day after Pearl Harbor, and arrived in the South Pacific in the spring of 1942.

On the island of Guadalcanal, these North Dakota National Guardsmen were called to action. The United States Marines had begun the first offensive action against Japan on Guadalcanal, and by autumn of that year it was a precarious deadlock. At that point, these National Guardsmen arrived October 13. By noon, they had their first casualty from a bombing run by Japanese planes. As Japanese ground patrols tested the U.S. positions, the 164th Infantry advanced. They were the first unit of the U.S. Army to go on the offensive against the Japanese in World War II.

On October 24 and 25, there was an intense Japanese attack, the largest battle fought on Guadalcanal. The "Citizen Soldiers," as they were called, were called forward to reinforce the Marines. Despite the blackness of night, these National Guardsmen traveled with their heavy packs, in the rain, over narrow trails slippery with mud, following their Marine escorts to the front line, holding on to the backpacks of the man in front of them to avoid being lost.

Fighting side by side with the Marines, the 164th Infantry poured relentless fire through the night into continuous waves of oncoming Japanese. At dusk of the next day, the Japanese attacked again. The situation was so precarious, they said, that cooks, messengers, and clerks manned positions and waited for the worst. Even the musicians from the band were pressed into service as litter bearers. Every member of the 164th had a role in the fiercest battle of that campaign.

At the end of that night, by dawn, it was clear the enemy had suffered a disastrous defeat. In front of the 164th Infantry were 1,700 dead Japanese. The North Dakota unit, meanwhile, suffered 26 killed and 52 wounded. The commanding officer of the Marines sent them a special message for coming to the aid of the United States Marines. LTC Robert Hall received the Navy Cross for his leadership of the battalion in this action.

The men of that regiment won a Navy Cross, 5 Distinguished Service Crosses, 40 Silver Stars, more than 300 Purple Hearts, and many Soldier's Medals and Legions of Merit. Its boast was it would leave no one behind, and indeed it had no men missing in action, although they had lost many.

These survivors are now old men in North Dakota, living again in our villages, small towns, and family farms. Some of them are being told that, if they were wounded in this battle of Guadalcanal and they continued their service in the United States military and have a retirement and a disability coming, they cannot receive both. They might have earned their retirement and they might have taken a devastating wound in their body that took years of convalescence, but they cannot receive disability and retirement. That is terribly unfair, in my judgment.

The Senate is already on record trying to correct this, and we are now hearing once again that the refrain of "I object" exists in the conference on the Defense Authorization Bill that can fix the problem.

I hope that the conference will overcome those objections and do the right thing.

Finally, the issue of corporate responsibility. I began talking about the economy and economic security. Let me talk for a moment about corporate responsibility. We have a great deal of unfinished business with this issue. We passed a corporate responsibility bill in the Senate, and it is a good bill. It falls a little short of what is needed, but it is a good bill and a step in the right direction.

It was fascinating to me to see what happened. We pushed the bill under the leadership of Senator SARBANES. The Republicans pushed back and said: We do not want a bill. We do not want your bill. We do not want to do it your way.

Finally, the President agreed, the Republicans agreed, and we passed the legislation. For 3 days before we passed

that bill in the Senate, I was trying to offer an amendment and it was blocked by the Republicans. My amendment was very simple. It said if someone is running an American corporation and they are running that company into bankruptcy and are getting bonus payments and incentive pay as they run that company into the ground, we ought to be able to recapture that and require disgorgement of that money.

A study was done and it shows of the 25 largest corporations that went into bankruptcy in the last several years, 208 executives took \$3.3 billion out of those corporations as they went into bankruptcy. Let me say that again. Of the 25 largest bankruptcies, 208 executives took \$3.3 billion in compensation as those companies were run into the ground.

I don't need five reasons. There is not even one good reason we ought to allow one to keep bonus and incentive pay as they take a public corporation into the ground. There is no incentive for bonus that is justifiable for someone presiding over bankruptcy. We should have passed that amendment. We will someday. I will continue to offer it as part of our unfinished business.

Another area of unfinished business is that we have a Securities and Exchange Commission without a leader who will lead. Mr. Pitt is the wrong man in the wrong place at the wrong time. Senator MCCAIN was the first to call for his resignation this summer. Larry Cudlow, Republican television personality on the Cudlow Kramer show, has called for his resignation, others have followed. The fact is, at this point we don't need a kinder and gentler SEC. We don't need a Securities and Exchange Commission that will bend in the wind of the political system to determine who should head an accounting reform board the American people could look up to and trust. What we need is a Securities and Exchange Commission chairman who does not care about the politics, who only cares about being a fair, tough, aggressive regulator. We need a chairman who will make sure we do not have additional Enrons and Tycos, who ensures that we do not have additional circumstances where the people at the bottom lose their shirts, the employees lose their jobs, and the people at the top walk off with pockets of gold to live in gated communities and count their money while everyone else is left in the wreckage.

We need a head of the SEC who can inspire confidence in the American people that effective regulation will prevent accounting firms, law firms, or corporations from cooking the books and enriching the people at the top at the same time they are costing the people at the bottom their jobs and costing investors their life savings.

I chaired hearings on the Enron issue in the Senate. One of my constituents in North Dakota is far removed from Houston, TX, but he worked for Enron, for a pipeline company. He wrote a letter and said: Mr. Senator, I had my life

savings in my 401(k) plan invested in Enron. I am the first to admit it was pretty dumb to do it, but I did it because I worked for this company for many years and believed in the company. Mr. Lay and other executives told us employees that if we invested in their company, our futures would be better and brighter. They told us that it was a future of growth.

And I did. I put my 401(k) into Enron stocks. It was my life savings for me and my family. I had \$330,000 in my 401(k). It is now worth \$1,700. His question for me was: What do I do to provide for my family's security and retirement?

Mr. REID. What were those numbers?

Mr. DORGAN. This man put \$330,000 into a 401(k) account and invested in Enron stock, a move that he felt would give he and his family security in retirement. He wrote a letter saying that 401(k) account is not worth \$330,000 anymore; it is \$1,700.

It breaks your heart.

Mr. NELSON of Florida. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. NELSON of Florida. You will recall during the Enron hearings that the Senator from North Dakota chaired, one of the witnesses, a former Enron employee from the Orlando, FL, area, where Enron has one of its subsidiaries, the Florida Gas Company. We remember the very sad story of that lady. Her life savings was in the pension plan of the company, \$750,000, and because they would not let her get into that retirement account to sell it—while, by the way, the corporate executives were selling their stock—the value of that retirement fund for that Enron employee from Florida plummeted to \$20,000. She lost her entire life savings.

Mr. DORGAN. I say to the Senator from Florida, that Enron employee was locked out, as were the other employees. They could not sell, could not get rid of it even as the stock value was plunging. They lost their fortunes, and the folks at the top had all the flexibility in the world to sell their own stock.

The board of directors called what they found inside this corporation “appalling”. More than anything, I am angry, really angry at the way the big shots treated themselves, like hogs at the trough, and the way they let everybody else dangle in the wind. The people at the bottom lost everything they had, including their jobs, in most cases, with the big shots never expressing remorse or regret.

There is something fundamentally wrong about what has happened. Part of this we fixed in the corporate responsibility bill. However, there is, as of yet, much unfinished business to address.

Mr. REID. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. REID. A constituent of yours from North Dakota started out with \$330,000 in his retirement account and wound up with \$1,700. The Senator

spoke on the floor before about Ken Lay at Enron and others. How much money did they take, separate and apart from whatever they made by selling their stock, just a reward for their malfeasance in running the corporation, does the Senator know?

Mr. DORGAN. Mr. Lay left with somewhere close to \$300 million. All the folks at the top were very generous to themselves.

Mr. REID. Did he get a pension of half a million a year for life, that is \$450,000 a year, for life?

Mr. DORGAN. It is pretty clear that at these corporations, Tyco or others, the folks at the top took very good care of themselves. As the folks at the bottom were losing their investments or jobs, the folks at the top were counting their money. That is what makes me so angry about all of this.

Let me come back to where I started. I started talking about our agenda at the end of this session, and what we ought to have completed but is not yet done. When families began talking about their lot in life, they talk about simple things important to the lives of their families. Do I have good health care? Do grandpa and grandma have access to a good doctor? Do I live in a safe neighborhood? Do I have a decent job? Does my job pay well? Does it have security? Those are the things important in people's lives.

I talked about what we have tried to do in this session of Congress, only to confront a mountain of objection from those who don't want to get it done. To so many things, “I object,” they say. These are people who never want to do anything the first time. I talked about the Patients' Bill of Rights which we never got done this Congress. We had a big debate and got it through the Senate and yet it is still not done. Why? Because “I object,” they say. Those who stand on behalf of the insurance industry and the managed care organizations are saying, “I object.”

I held a hearing in the State of Nevada with Senator REID. I will never, ever, forget that hearing, and nor will he, I expect. This is about managed care and why it is desperately necessary to get a Patients' Bill of Rights done. A woman stood at this hearing and she had brought to the hearing a color picture of her son that she had turned into a very large poster. Her son's name was Chris. He was 16 years old. As she began to speak at this hearing, she held that picture of Chris above her head.

She said: My son was 16 years old when he was diagnosed with cancer. She said: My son was denied the treatment he needed when he needed it to give him a shot at winning this battle with cancer. She said: Before my son died, he looked up at me from his bed and said, “Mom, how can they do this to me? How can they do this to a kid?” She was crying and crying as she spoke about her son.

Her point was very simple. No 16-year-old boy in this country, ever,

under any circumstances, ought to have to fight cancer and their managed care organization at the same time. That, by God, is an unfair fight. Everybody in this country knows it. We ought to do something about it.

Do you think this is something that happens in just one circumstance? It is not. I have had hearings in New York, in Nevada, in Minnesota, in Chicago, and at every hearing we hear exactly the same thing. Men, women, and children are told: You go ahead and fight your disease. But then they must fight the managed care organization to get payment for the treatment. Or maybe they must fight to get the treatment that they won't get unless they win a fight with the managed care organization, a fight that too many people, too often, lose.

It is not a fair fight. It is why we have decided to simply say that there are basic rights people ought to have when they deal with their managed care organizations. Every patient has a right to know all of their options for medical treatment—not just the cheapest. It is very simple.

My point is that we have a lot of unfinished business. The Patients' Bill of Rights is just one thing we haven't gotten done. I have described four or five more things today.

I regret that we are here at the end of this session, talking about the unfinished business. But the fact is, we have people in this Chamber who have become professional objectors. I object, I object, they say. It doesn't matter what the subject is—I object.

This country has a very serious problem with its economy. As I said earlier, it is appropriate for us to have been talking about national security because that is a deadly serious issue. But it is also imperative we talk about economic security because that is an issue that is important in the life of every family and every American person as well.

I would say to the President: You have had substantial cooperation from those of us in this caucus, here in this Chamber, on national security issues. Give us a little cooperation as well on economic security issues. Bring Air Force One back here to Washington, DC. Don't spend the next 3 weeks out on the road campaigning. Spend a little time here with us, talking about economic security, and fixing what is wrong with this economy.

Eighteen months ago when the President proposed his fiscal policy, we were told that we were going to have budget surpluses as far as the eye could see. No problem, they said, we are going to have budget surpluses forever.

Some of us felt that maybe it was our role to be a bit conservative then, and ask: What if something happens? Can you really see 6 months out, or 12 months or 2 years or 3 years out? Can you really see that far ahead and anticipate what might be? What if something happens? We think it is pretty unwise to commit ourselves to a fiscal

policy that says let's have a \$1.7 trillion tax cut over 10 years, anticipating everything is going to be really strong and positive for our economy.

What happened is 5 months later we discovered we were in a recession. We discovered that terrorists hit New York City and the Pentagon, hijacking four airplanes. We discovered we are at war against terrorism. We discovered the most outrageous set of corporate scandals in this country's history. All these things converged at the same intersection, at the same time, all undermining the confidence of the American people in the future of this economy.

You can say what you want about this economy. It is not an economy where there are dials and gauges and levers in the engine room of this ship of state, where all we have to do is walk down there and adjust them to make the ship move right along without a problem. That is not the way the economy works.

I know there are people in the Fed, in monetary policy, and people in fiscal policy, who really have an inflated sense of self-importance about their role in the economy. This economy is only about and all about people's confidence. People are either confident about the future or they are not. If they are confident about the future, our economy expands because they do the things that manifest that confidence: They buy cars, houses, take trips, they do the things that expand the economy. If they lack confidence, they do exactly the opposite and that causes contraction.

The American people are very concerned about this economy. It would serve this country well, in my judgment, if the President would join us, all of us, and sit down and talk seriously about what we need to do to put this economy back on track, make this economy strong again, make this economy grow again and produce jobs and expand once again, and turn these budget deficits into budget surpluses and invest in the things that provide better lives for the American people: Health care, education—the things we know work to improve life for the American people. That is what we ask of this President.

Let me conclude by saying there is not a Republican or Democratic way to fix all of this. There is only the opportunity for people to sit down and reason together and compromise and find the best of a series of good ideas. But you cannot do that when there is a one-lyric song or one-chorus song here in this Chamber that says to everything, every proposal, every suggestion: I object, I object, I object. That does not serve this country's interest at this point in time.

This October 17, this country faces real challenges. It is time for all of us to take a deep breath, to ask the President to take a little time off the campaign trail to join us, and to work together to see if there is not a better

way to deal with national security, improving the economy, and addressing the concerns of people across the country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I compliment the Senator from North Dakota for his brilliant statement. I also say not only should the President stop his campaign travels—or, if he wants to do them, they should be paid for by political parties and not by taxpayers. That is the concern I have with these travels.

Mr. President, I ask unanimous consent the Senator from Florida be recognized for up to 20 minutes. I know Senator GRAMM wishes to speak. His staff would now have an idea, as to when the Senator from Florida will be finished.

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

The Senator from Florida.

NASA

Mr. NELSON of Florida. Mr. President, I am going to speak about the management of one of the most exciting little agencies in the Federal Government, NASA, the National Aeronautics and Space Administration.

The Senator from North Dakota has just put his finger on a number of problems with regard to our national economy, a subject that I addressed yesterday. I compliment him for his comments, his insight into the multiplicity of problems that are facing our country at this time. There is much to be done.

I would like to focus today on a particular part of the Federal Government, of which I have some credentials to offer some suggestions. If we don't pay attention to the direction the National Aeronautics and Space Administration is headed, we are going to get off on a wrong track and there are going to be some mistakes made. They can be mistakes everyone in this country would regret.

I shared with the administrator of NASA my hope for his success. He came through our Commerce Committee. We had both private and public meetings. We had a lengthy hearing for his confirmation. We will continue to have hearings.

I have suggested to the administrator that it appears the White House and the Office of Management and Budget are going to be unwilling to offer to NASA a budget that would increase its buying power. Its basically \$15 billion budget in current-year spending is basically the same as it was 10 years ago. This is a little agency that has achieved so much and its achievements are the embodiment of the hopes and dreams of Americans as we fulfill our role as adventurers and explorers—a characteristic of the American people that we never want to give up. If we do, we will be a second-rate nation.

This country was founded by explorers. This country was expanded by ex-

plorers and adventurers. Then the frontier was westward. Now the frontier is upward. And here on Earth the frontier is inward.

We never want to give up that adventure because we will not fulfill the destiny that is resident in the hearts of all Americans, that we want to be adventurers and explorers.

But, in this Senator's opinion, NASA is not going to be able to fulfill that role and achieve that destiny if we keep starving NASA. NASA cannot do that in the year 2003 on a budget that was the same budget in fiscal year 1991—12 years ago. So if the White House and the Office of Management and Budget continue to starve NASA of its funds, there has to be some kind of relief.

I have suggested to the administrator a \$5 billion item in the national budget over the next 5 years that is for the development of technologies of a follow-on to the space shuttle.

The space shuttle originally was going to be extending its lifetime to about the year 2007. Then it was extended to 2012. Now the word out of NASA is that the present fleet of four orbiters is going to continue so that we will have assured access to space for humankind through the year 2020.

It is a reliable vehicle. We have the best space team in the world. We have the finest launch team in the world at the Kennedy Space Center. But we can't continue to operate safely with the continued starving of NASA funds by the administration.

I have suggested to the Administrator that one aspect he should look at as a program is development of new technologies for a new kind of vehicle, a reusable vehicle, that would be scheduled to go after the year 2020.

That is also an item that is of considerable interest to the Department of Defense. The DOD, being flush with money, could fund that, with NASA having the management of that research, which it does so well and, therefore, give some relief in the NASA budget so that what was left over could be applied to what was necessary; that is, safety upgrades on the space shuttle.

So there is no question that we are doing everything possible to have that space transportation system be as safe as possible even though we know it is risky business. When you defy the laws of gravity, when you go at mach 25, when you circle the globe in 90 minutes, when you come through 3,000 degrees Fahrenheit of searing heat on reentry, it is risky business. So we cannot afford to do anything less than upgrade all of the things that we have in the pipeline for the shuttle safety upgrades.

At the same time, our Nation is in the midst of building the largest engineering accomplishment of all time. We are building a space station. It is a multinational effort. By the time it is completed, it will weigh 1 million pounds, it will have an acre of solar

panels, it will measure the length of a football field, it will have a pressurized volume equal to two jumbo jets, and it will orbit at 220 nautical miles above the Earth.

We already have an international space station in orbit. What is up there already is an extraordinary accomplishment. It is the largest cooperative scientific program in history. It is drawing on the resources and the scientific expertise of our own Nation along with the expertise of 15 other countries.

This project is an exciting gateway to the new frontiers in human space exploration—meeting the deep-seated need of humans throughout history to explore the unknown, to understand their world and their universe, and to apply that knowledge to the benefit of all here on Earth. The International Space Station will sustain U.S. leadership in exploration in and the use of outer space which has inspired a generation of Americans and people throughout the world.

I suddenly had a flashback. I was a lieutenant in the Army. I was on leave at the time we were launching to go to the Moon. I was in Eastern Europe approaching Belgrade, Yugoslavia. I went to the U.S. Embassy right at the time of launch, and I asked them if they had for this Army lieutenant the opportunity to watch it on television. They did not. I said: What would you recommend? They said: It will be carried live by the BBC on radio. Go outside of Belgrade to that series of hills and stick up the antenna of your shortwave radio and tune into the BBC.

My fellow companions—those two young Americans with me, my best friends today—and I went out there. And the BBC cut into NASA Control at the time of launch of Apollo 11. There were three Americans in Yugoslavia out there cheering as that rocket rose into the heavens.

That is the kind of excitement that has been generated across the Earth by the stunning accomplishments of America's space program. Now we are on the cusp of having another stunning accomplishment of breakthroughs in scientific exploration on the International Space Station. That station will provide a stunning opportunity to enhance U.S. economic competitiveness by creating new commercial enterprises while serving as a virtual classroom in space to advance scientific education for teachers and students alike.

Most importantly, the station will be a unique world-class laboratory by providing an international platform for advances in science and technology. In this laboratory of the heavens, we will conduct research in tissue growth, looking at the causes of cancers and potential medical treatments. Our Nation's biochemists will investigate new drugs and develop a whole new understanding of the building blocks of life.

Using the microgravity environment of space—that is near zero G—our in-

dustries will be able to develop new advanced materials that may lead to stronger, lighter metals and more powerful computer chips.

The station will also house experiments in combustion science that could lead to reduced emissions from powerplants and automobiles, saving consumers billions of dollars. But that is only if we complete the space station.

Last year, we found that the international program had real cost overruns and management problems. There is no question that we absolutely have to complete the project because it is an investment in our future and the legacy we will leave to our children's children. Why else are we building it, other than to make a difference in their lives?

Yet this administration chose to fund some of the station's cost overruns without adding more money to NASA's budget, and requiring cuts to many other critical programs, including the delay of the safety upgrades on the space shuttle which gives us the access to and from the International Space Station.

Instead of funding the space station sufficiently to fulfill its potential, this administration proposed curtailing the space station program to a skeletal configuration called "Core Complete." Instead of maintaining a full-time crew of six or seven astronauts to be on board the station at all times, Core Complete, the skeletal completion would provide for only three crew members.

You cannot do science on the space station with just three crew members because it takes more than two crew members to tend to the care and the feeding of the station, and that leaves less than one person to conduct the research on board.

So I have been quite afraid that these cuts would endanger the future of the International Space Station. Apparently, there are other people who feel that way, too, because there is a report just released and it concludes this is exactly what has happened: The future of the station itself is now in jeopardy. That is according to that report. In March, the administration charged an independent task force, made up of Nobel laureates and world-class scientists and engineers, to review, assess, and help define NASA's biological and physical research priorities.

Just over a month ago, this group, known as the Research Maximization and Prioritization Task Force, or ReMaP, completed their review of the space station's science programs. The results were not good.

This distinguished group concluded that the Core Complete configuration and the shuttle flight rate mandated by this administration would severely restrict the station's research productivity—a finding confirmed by NASA's own analyses.

A year and a half has now passed since this administration destroyed the

space station's research budget, by cutting the crew size on the International Space Station from seven to three, and eliminating the U.S. crew rescue vehicle and the crew's living space known as the "habitation module."

In addition, the study, the ReMaP study, concluded that if enhancements beyond the Core Complete are not anticipated, then NASA should "cease to characterize the Space Station as a science-driven program." Listen to this conclusion: We should "cease to characterize the Space Station as a science-driven program."

What happened to the world-class laboratory? Where is our international science and technology platform? What about tissue growth research, and curing cancer, and all the other innovative medical treatments?

What about the new drugs and the building blocks of life? How are we going to develop advanced materials and more powerful computer chips? What happened to environmental research in combustion science and reducing our emissions and energy use?

With only a skeletal space station, gone are these and many other potential discoveries that we have been awaiting.

NASA has a proven track record in supporting scientific research that makes a difference here on Earth. Let me give you a couple examples.

I want to give some other examples of where NASA has such a proven track record in supporting scientific research.

For example: a laminar air flow technique. It is used in NASA clean rooms for contamination-free assembly of space equipment. It is now being used—get this—at tollbooths on bridges and turnpikes to decrease the toll collector's inhalation of exhaust fumes. Straight out of NASA.

I will give you another example: an advanced ultrasound skin damage assessment instrument. Using NASA ultrasound technology, it enables immediate assessment of burn damage depth, improving patient treatment, and it may save many lives in serious burn cases.

I will give you another example: a remotely operated, emergency response robot. It was first developed by NASA. It reduces human injury levels by performing hazardous tasks that would otherwise be handled by humans.

Another example: a custom-made suit, derived from space suits. It circulates coolant through tubes to lower a patient's body temperature, producing dramatic improvement of symptoms of multiple sclerosis, cerebral palsy, spina bifida, and other conditions.

Here is another: a self-righting life raft, originally developed for the Apollo program, which was to the moon, where we landed the astronauts back in the water. It fully inflates in 12 seconds, and it protects lives during extremely adverse weather conditions with self-righting and gravity compensation features.

How about this one? A new digital imaging breast biopsy system images breast tissue more clearly and more efficiently. This nonsurgical system—using technology originally developed by NASA for the Hubble Space Telescope—is less traumatic and greatly reduces the pain, scarring, radiation exposure, time, and money associated with surgical biopsies.

And finally, a flywheel energy storage system. It is derived from two NASA-sponsored energy storage studies. It is a chemical-free, mechanical battery that harnesses the energy of a rapidly spinning wheel, and it stores it as electricity with 50 times the capacity of a lead-acid battery. This system is especially useful in electric vehicles, something that we are trying to perfect to help us wean ourselves from our dependence on foreign oil.

And these are just a few examples.

But I say again about this administration's plan for the space station: The Core Complete or the skeletal structure—not fleshed out—simply taunts the research community, telling them that an orbiting laboratory is there but fails to provide them with real and significant opportunity to use it.

The tag line NASA uses for the International Space Station program says: "It's about life on Earth." That is the tag line. But is there going to be life in space?

This Core Complete concept of the NASA administration falls so short of expectations that our Nation's leading scientists refuse to call it a science program.

And under the administration's plan, our ever-shrinking space station will waste both time and money over the long run while failing to realize the unique potential of this international research facility.

This administration—I am talking about OMB; I am talking about the White House, and I am talking about the administration in NASA—needs to stop pretending that Core Complete is a viable or a desirable goal for our country or our space-faring international partners.

It is neither. Core Complete is the minimum configuration needed for the U.S. to say it has completed a space station, but that is just it—it is the minimum. We can fix this by returning to the original plan. Let's go back to building a fully capable research laboratory. Let's go back to a crew size capable of maintaining the station and conducting a robust research agenda. Let's realize the full potential of this laboratory of the heavens. We must realize the station's full potential. Let's expand the crew size and broaden our research capabilities on board.

Let's develop a crew rescue vehicle so that we don't have to rely on the Soviet vehicle that can only take three, so that we can get seven astronauts on board to do the research, so in the case of a catastrophic failure that we have a rescue vehicle, a lifeboat that can

evacuate the seven crew members. And let's recommit to furthering humankind's understanding of the building blocks of life, recommit to developing advanced materials, reducing fuel emissions, and finding a cure for cancer.

To this administration, I respectfully say, but I very strongly say, we best recommit this Nation to building a fully capable International Space Station. We have delayed long enough. The Nation awaits. There is not an American, there is not a school child whose eyes do not light up when told of the adventures and the successes of America's space program. We need to continue with a great vision.

Right now, we can continue by building out the space station so it can fulfill its scientific research mission.

I see my colleague from Montana. I had the privilege of going in the summer to Montana, and lo and behold, Tribal Industries in his State of Montana, built and conducted by the tribes on tribal lands, were doing great things that are direct spinoffs from America's space program. They had some interest in having me out there to talk to them about some of the successes of the space program. It is just another example of how all of these space accomplishments have spun off into businesses, this Senator, who has had such a great privilege of being a part of the space program, found when I went to the northern part of Montana, near Flat Iron Lake, near Big Fork.

I yield the floor.

THE PRESIDING OFFICER (Mr. EDWARDS)

Mr. BAUCUS. Mr. President, I thank my good friend from Florida. The tribe he is referring to is the Salish Kootenai Tribe in northwestern Montana. That tribe, along with a couple others in Montana, is proudly doing great work with defense contracts and NASA contracts. The Senator is exactly right. This is a program that is almost all-encompassing for almost the entire country. There are so many different States. We are particularly proud in Montana because of the Native Americans who work at it. It is good work. It is top quality work. I appreciate the Senator coming to Montana, visiting the Salish Kootenai, seeing their good work. I am sure it adds more meaning and context to the Senator's experience in the space program and even new meaning to the Senator's experience of the space program. We are happy to be able to help in that regard.

DROUGHT

Mr. BAUCUS. Mr. President, I rise to address a natural disaster that is occurring in America. That is the unrelenting drought.

For my State of Montana and many States this year, particularly in Colorado and other Western States, it has brought economic hardship to our agricultural producers and to our rural communities.

In 1996, before the drought began, Montana wheat producers made \$847 million from their wheat sales, close to \$1 billion. In 2001, 4 years into the drought, Montana producers made just \$317 million from wheat sales. That is a 62-percent decline.

Let me add a new context to that figure. Agriculture is more than 50 percent of my State's economy. It is truly the backbone of our State. I ask those who oppose natural disaster assistance one question: How is a State like Montana supposed to survive a loss of that magnitude, 62 percent, without assistance, when half the economy is agriculture? The most efficient, the most effective, the most successful businesses in the world could not absorb that kind of a loss.

That 62-percent decline in sales for Montana wheat farmers—and I might add, the same devastating effect is felt by livestock producers because of lack of pasture and feed—is through absolutely no fault of those producers. These farmers haven't been cooking the books. They haven't been taking exorbitant bonuses at the expense of shareholders. No, our Nation's farmers and ranchers are hard working, dedicated, good, honest people, trying to make a living, trying to make ends meet. They need our help.

The drought is no longer touching only the pockets of our country. The drought has become an epidemic. It has affected a majority of our Nation. According to the United States Department of Agriculture, 1,470 counties in 45 States have been designated drought disaster regions in 2002.

As you can tell from this map, dated October 1 of this year, there isn't one State west of the Mississippi that has been receiving the rain they need. Just look west of the Mississippi, and clearly, by the dark brown and the reds, you can see the center of America is experiencing deep drought.

Drought is affecting States up and down the east coast as well, as we can see from this map. That is just part of it. That is just this year. In most regions of the country, certainly in the West, we are now in our fourth or fifth year. It is cumulative. It adds up. This map alone doesn't tell the whole story.

On October 3 of this year, President Bush provided FEMA Federal disaster funds and resources for people victimized by Hurricane Lili. Those people, those small businesses, those rural communities have been devastated by an unpredictable and uncontrollable natural phenomenon—a hurricane. They deserve our assistance, and we, very generously and proudly, support that assistance the President provided for those parts of the country devastated by hurricanes.

But where is the assistance for people suffering from drought?

In reality, the only real difference between a hurricane and a drought is that a majority of people don't understand the impact of 4 consecutive years of drought the same way they understand the impact of a hurricane.

Drought is a silent killer. It is not on TV. It is not headlined in the news. It is a silent killer that slowly builds up and accumulates. The pictures of drought on CNN are not as immediate and terrifying as are the photographs of hurricanes. But the effects can be just as serious for the people in both events. They can both lose their homes and livelihoods.

Our agricultural producers are holding their breath. They are waiting for natural disaster assistance because if they don't receive our help, many will not make it. In Montana, and in other States across the country, small businesses are closing their doors and families are losing their futures because of the drought. It is happening. School districts no longer have enough children to conduct classes, so they have to consolidate schools, forcing kids to travel hours by bus. Why are they losing children? Because of the effect of the drought. Parts of my State are just drying up.

Those people, small businesses, and rural communities have been devastated by unpredictable and uncontrollable natural phenomenon. On September 3 of this year, the Wall Street Journal printed this:

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

Think of that, Mr. President. A quote by the Wall Street Journal that the U.S. may be looking at the most expensive drought in our Nation's history, inflicting economic damage far beyond the farm belt.

I will share a few stories that have been shared with me over the last couple of weeks. In north-central Montana, the bread basket of my State, a producer and his family have been living off of their farm for several generations. After 4 years of valiant fighting against the drought, they have been forced to give up. The question is, What do they do now?

Because of the drought, they have no crop and cannot pay off their outstanding operating loans. Don't forget, that is how farmers do business. They get operating loans before they get their crop. If they get no crop, they cannot pay off the loans. More than 3 months ago, this family put their farm, their machinery, everything they have dedicated a lifetime to, up for sale. They have yet to receive a single offer in more than 90 days.

A producer in the same region had five hired hands just 5 years ago. Now he has none. Due to the cost of feed and the condition of his pastures, he has had to cut down his herd to one-fourth of what he used to own. Over the last 3 years, he has lost several hundred thousand dollars because the drought has killed his crops and he cannot afford cattle feed.

He and his family rely on the income from his wife. But to make a bad situation worse, his wife's job is now in jeopardy because of the negative impact of the drought on her employer. She is not sure she can keep her job.

Dale Schuler, past president of Montana Grain Growers Association, and a farmer in Choteau County, had this to say, and I know Dale. He is a rock-solid man. He has been farming for years:

Nearly 2,000 square miles of crop in my area of central Montana went unharvested in 2001. That is an area equal to the size of the State of Rhode Island. Farmers and our families haven't had the means to repay our operating loans, let alone buy inputs to plant the crop for the coming year.

Don't forget, agriculture is 50 percent of the economy in Montana. There is a decline in income over several years of 62 percent. Continuing his quote:

Choteau County is the largest farming county in Montana, and yet our last farm equipment dealer had no choice but to close his doors, our local co-op closed its tire shop, one farm fuel supplier quit, and the fertilizer dealers and grain elevators are laying off workers. I believe that we are about to see a mass exodus from Montana that has not been seen since the Great Depression of the 1930s.

That is no small statement, Mr. President.

Another farmer from Choteau County, Darin Arganbright, pointed out that enrollment in local schools has decreased by 50 percent in the past few years. Young families are not able to stay in the area because of the lack of work and the lack of opportunity.

It is not only agriculture that is gone; businesses in the community are being devastated.

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

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

That is the fourth year of drought. That is not 1 year; that is 4. I remind colleagues that Federal crop insurance is perverse because, with each year the coverage decreases while premiums increase compared to the prior year. It is a negative vicious cycle.

Don Wilhite, director of the National Drought Mitigation Center, describes drought in the following manner:

Drought is the Rodney Dangerfield of natural disasters. In most cases, it causes the most significant losses, but it is harder to convince policymakers and others to deal with it.

That is what is happening, Mr. President. The White House is turning a deaf ear to this. They put their blinders on. The majority party in the other body is doing the same thing, putting blinders on, closing their ears, not paying attention.

Producers pray every day that they can hang on until the U.S. Congress—all of us elected to represent the people—works together to pass agricultural disaster assistance. Our producers are praying that we act now so their children have the opportunity to continue what they and generations before them have fought so hard to sustain.

We cannot and must not continue to ignore the impact of drought and the effect it has on our agricultural pro-

ducers and our rural communities. Agricultural producers are every bit as deserving of assistance for their suffering from the drought as a small business owner from Louisiana suffering from the hurricane.

In a speech to the Cattle Industry Annual Convention and Trade Show in Denver in February, President Bush emphasized the need for a strong rural economy:

Our farm economy, our ranchers and farmers provide an incredible part of the Nation's economic vitality.

That is what he said in February. The President continued by saying if the agricultural economy is not vital, the Nation's economy will suffer. Those are the President's own words.

I could not agree more with the President. The Nation's economy is directly tied to our agricultural economy. Unless we take action, the drought will have a permanent impact on our agricultural producers, on our small rural towns, and on our national economy.

I urge my colleagues in the House and the Senate, and the President, to work together to pass natural disaster assistance before it is too late—and in many cases, for thousands of families who have pulled up stakes, it is already too late. I ask the President to live up to the words he spoke in February. If the agricultural economy is vital to the national economy—and it is—then it is vital that we pass agricultural disaster assistance immediately.

Our agricultural producers have never let us down—never. They do not let us down. They continue to fill our tables with safe and abundant supplies of food. Now it is time for us to work together to provide them with immediate assistance so they can continue to fill their own tables.

Mr. President, I thank my colleagues, and I urge my colleagues to pay close attention to my remarks because we have a problem. We have to work this out together. I thank my colleague from Pennsylvania. I thank the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

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

The Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the submission of S. Res. 347 are printed in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I understand we are in morning business. I ask unanimous consent to proceed for 15 minutes.

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

MINIMUM WAGE

Mr. KENNEDY. Mr. President, earlier today my friend and colleague, the Senator from Nevada, our deputy leader, made a unanimous consent request that we consider legislation to provide a three-step process to increase in the minimum wage by \$1.50. The reason this request has been made is because over the period of these last 2 years, those of us on this side have made an extraordinary attempt to try and follow the regular order, the regular process, and have this legislation considered in the Senate. Effectively, we have been blocked all the way.

In the final hours of this session, it appears we probably will be back for a lame duck session, but we want to make sure those who are affected by this legislation and, importantly, those who are not but those who are strong supporters of fairness and decency when it comes to the minimum wage, understand what is happening in the Senate. The bottom line is, the Republican leadership is blocking an increase in the minimum wage.

I want to take a few moments this afternoon to review once again why this request was so urgent, why it was basically an emergency request and what the results would be with the objection that has been made by the leaders of the Republican Party.

First of all, if we look over the period of the years going back to 1968, and we look at what the real value of the minimum wage would be, this is the real value. This is comparing oranges and oranges in this case. The real value today would be \$8.14. That is what it was in 1968. Today it is \$5.15. By the end of this year, using constant figures, it will effectively be \$4.70—\$8.14 in 1968; \$4.70 now in terms of real purchasing power.

We have seen how over the period of these years there has been a gradual decline, but it really was not until 1980 that we had an administration that refused to consider what other administrations, Republicans and Democrats alike, considered, and that is a fair increase in the minimum wage.

Then we had the battles. We had two different times we had small increases. In order to even get it considered, we had to reduce the increase and cut out a third year for the increase in the minimum wage. The last time we had to add close to \$30 billion in tax breaks in order to effectively have an increase in the minimum wage.

The minimum wage has been increased some 9 times. Eight times it was increased without a tax reduction, but not the last times. That was the condition by which our Republican friends would agree to even consider an extension. Now, without any kind of extension, we are falling back to \$4.70.

The petition that was presented by Senator REID would have provided, over a 3-year period, an increase of \$1.50. The objection today is unacceptable.

Let us look at how the minimum wage is related to the issue of poverty

in America. Going back again to the period of 1968 and during the several years during that period, the minimum wage was the poverty wage. What we have seen in recent years is how the minimum wage now has fallen so far below the poverty wage, it would have to be increased by about \$3.50 an hour to even get up to the poverty line, which is the basic line that has been defined as the income which is necessary to provide the basics of surviving in the United States of America. Yet, we are expecting men and women to take these jobs, which they do, and pay them these totally inadequate wages.

Mr. REID. Will the Senator yield for a question?

Mr. KENNEDY. I will be glad to yield.

Mr. REID. I was in the Chamber yesterday when the Senator made his terrific speech on this very important issue. I say to my friend from Massachusetts, is it not true that many people, probably people listening to this debate, think the minimum wage is for kids flipping hamburgers at McDonald's?

Does the Senator know that 60 percent of the people who draw minimum wage are women and for 40 percent of those women that is the only money they have to support their families? Is the Senator aware of that?

Mr. KENNEDY. The Senator is absolutely correct. The Senator's question anticipates one of the traditional arguments that have been suggested on the other side of the aisle that these are really teenagers who are getting this minimum wage.

To the contrary, as the Senator has pointed out, actually 68 percent of those who receive it are adults. For half of those, the minimum wage job is the sole source of income for those families. A good percentage of those, I would say to the Senator, have two or three minimum wage jobs. That is what we have seen.

We have heard opposition to this issue. We recognize, as I pointed out on other occasions, what this issue is really all about. We are talking about men and women who clean out the great buildings across our Nation, who work late at night, work hard, do very tough, difficult and dreary work, but nonetheless they maintain their dignity and their spirit. These are individuals who work in child care settings as assistants to child care providers. We are willing to entrust our most sacred individuals, our children, to minimum wage workers who are assistant teachers working in the classroom. Our most sacred trusts are our children, our parents, and grandparents.

Those who are working with the teachers in the classroom very often are the minimum wage workers. Those who are working in the child care centers are most likely the minimum wage workers. Those who are working in the nursing homes to help take care of our parents and grandparents who built

this country, fought in its wars, lifted the Nation out of the Depression, sacrificed immensely for their children, are minimum wage workers. Those are the ones we are talking about. So often when we talk about the minimum wage, we are talking about the graphs depicting cents per hour and the rest. But these are real individuals who are providing important services in our country and to our people, and they are being shortchanged.

As I have said before, it is a women's issue because the great majority of the minimum wage workers are women. It is a civil rights issue because great numbers of people who are working for the minimum wage are men and women of color. It is a children's issue because how their parents are being paid and compensated is going to reflect on how those children are going to grow up. It is a family issue.

We hear so much about family issues in the Senate. This is a family issue. When a parent has to work one or two minimum wage jobs, the time they are away from the home, the other parent often working in a similar kind of a situation, trying to make ends meet, the lack of time for them to come together to give these children the kinds of values and upbringing that they should have works to the disadvantage of these children.

Beyond all that, it is a fairness issue. People understand in this country that men and women who are willing to work 40 hours a week, 52 weeks of the year, should be treated fairly. We are talking about people working hard, long, difficult hours who ought to be treated fairly.

Americans understand this issue of fairness. But our Republican friends do not. They have opposed increases in the minimum wage every single time, at least during the time I have been here in the last 40 years.

I remember one of those debates. In August of 1960, they were opposed to the last measure that came before this body at that time, and they were opposed to the minimum wage at that time, too. This has been over a long period of time.

Mr. President, I remind our friends and the viewing public, we have taken the time to raise our own salaries, four different times over the last 6 years, some \$16,000. But we are refusing to even let this issue be debated and come to a vote. That is wrong. It is unfair. It is unjust. The Democrats stand for those working families; for fairness and decency. They stand for the children of those minimum wage workers. They stand with the minimum-wage workers, men and women of dignity who are only asking to be treated fairly. We stand with them.

We continue to ask why our Republican leaders in the Senate and the House of Representatives and in the White House refuse the opportunity to even debate this issue and refuse the opportunity to consider it and pass it. I regret that. We will continue to express this issue because that is the

only way we have ever been able to get this done in the past. We expect that will be the only way to get it done in the future. We will press it across the countryside.

We ask our fellow Americans. This issue is one that concerns them. I don't know a single member of our side who would not support an increase in the minimum wage. I hope they will understand that when they go to the polls.

THE MEDICAL DEVICE USE FEE AND MODERNIZATION ACT OF 2002

Mr. KENNEDY. Mr. President, I bring to the attention of the membership the bill H.R. 5651, the Medical Device User Fee and Modernization Act of 2002. It has now passed the House of Representatives. We have been working on this legislation for 10 years. It has been a divisive issue, both the issue and as a public policy issue. We finally have virtual support from the Members in the House of Representatives, the committees of jurisdiction, and also the Members here. There may be Members who have questions. We are prepared to answer those.

I indicate this is a public health matter of enormous importance and consequence. If Members are going to object, they are going to have to come to the floor of the Senate and express those objections and reasons. We will not tolerate someone holding up this bill in hopes that they can get it carried back to the House. We have worked too long. We have worked too hard. This is an enormously important health issue. We will not tolerate it. I will not tolerate it. Those members of our committee will not tolerate it.

I want to make it very clear, if they ever expect any kind of cooperation on any other health matters, they had better understand the importance and significance of this measure—if they ever expect any cooperation on any health matters down the road.

I thank the Chair.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Indiana.

THE ECONOMY

Mr. BAYH. Mr. President, I begin by thanking our colleague from Massachusetts for his impassioned advocacy of this important issue. It is a cause that both the Chair and I support wholeheartedly. The Senator from Massachusetts has been a tireless advocate of raising the minimum wage for many years. It is my privilege to join with him. This is an issue whose time has come. It needs to be done, and we need a sense of urgency for those on the other side of the aisle and this administration. I thank my colleague once again.

Mr. President, let me share some thoughts about the importance of extending coverage for the unemployed in our country. Given the weakness of our economy, I think this is a critically

important issue that will help millions of our fellow citizens who are suffering unemployment through no fault of their own. It is also an important component of a coherent economic strategy to get America working again.

As you and others know all too well, the economy is weak, people are out of work, we need leadership to get the economy moving, people back to employment, and to help those who have suffered unemployment, putting money back into people's pockets to put it back into the economy to create jobs and growth. Extending unemployment benefits is an important part of that strategy, an idea whose time has come, a lot like raising the minimum wage.

The economy is not doing well. Unemployment has risen. Long-term unemployment in September was 1.6 million working men and women. Household income for the typical family has fallen for the first time in a decade. Home foreclosures have reached a 30-year high. Poverty rates across America rose last year. Regrettably, the economy seems unlikely to reverse its sluggish course anytime soon. Manufacturing has slowed. Retail sales are weak. Capital investment has declined. Foreign demand for American goods and services is stalled.

As a result, job creation actually declined last year. Many Americans are hard hit, and others are worried they will be next. Mr. President, 1.1 million Americans had exhausted their unemployment benefits as of August. This figure is expected to double to 2.2 million hard-working Americans as soon as December—regrettably, just in time for the Christmas season.

In my own home State of Indiana, we have not been unaffected. Twenty-one thousand hard-working Hoosiers have exhausted unemployment benefits as of August. This figure will more than double to 45,000 by December. There is no State in the Union that is unaffected by this unfortunate state of affairs. These Americans need a helping hand. I want to emphasize that it is not only the compassionate thing to do, but it is the economically sensible thing to do as well, because not only are we helping individuals who are in need, we are also helping the economy get back on its feet and thereby helping all Americans, be they employed or unemployed.

We need stimulus for job growth and economic expansion. These benefits will be used for consumer spending. Economists have long recognized that helping those who are unemployed leads directly to added demand in the economy. Labor Department statistics, in fact, indicate that there is a significant multiplier effect. For every \$1 that goes into unemployment benefits, a full \$2.15 is added to the gross domestic product. By any definition, \$1 into \$2.15 of increase to the gross domestic product is a good investment for the American people.

Consumers are stressed right now. They have high levels of debt. They

have tapped into their home equity at rates that could be unsustainable. The tax cut of last year has run its course. There are other reasons to believe consumers may be cutting back on their purchases. Adding about \$17 billion to consumption through extending unemployment benefits will help the consumers maintain their course, allowing the economy to hang in there until capital investment comes back and demand from abroad picks up.

What is more, we can afford this at this time. It is fiscally sustainable and responsible. There is more than \$27 billion currently in the unemployment trust fund, more than sufficient to cover the costs extending unemployment benefits, as I and others are proposing. So this will not mean an increase in the annual deficit or in America's debt. We can do what is right for individuals, what is right for the economy, and do so in a fiscally responsible way.

I ask that we adopt this measure. It will extend unemployment benefits eligibility by 13 additional weeks for every State across the Union. It will add an additional 7 weeks for those States with the highest rates of unemployment and adjust the trigger mechanism to expand eligibility to make sure that the reality of unemployment across the Nation is reflected in the law.

Also, I ask for a new sense of urgency from this administration when it comes to promoting economic growth. The last time I was privileged to speak to my colleagues on the floor it was to call for support of the President's initiative and resolution with regard to Iraq. We generated substantial bipartisan support for that resolution. I ask the administration and our colleagues on the other side of the aisle to bring that same sense of urgency and bipartisan cooperation to the cause of improving our domestic economy. After all, in the long run it is the foundation upon which our national security is built.

There is precedent for these steps. The President's own father took these steps back in the early 1990s, expanding unemployment eligibility by the same number of weeks, including the same mechanism for determining eligibility. That proposal at that time passed by 94 to 2. It was the right thing to do to get the economy moving in the early 1990s. It is the right thing today. It received overwhelming bipartisan support at that time. It will receive, if we can get a vote, overwhelming bipartisan support today. It was advocated by the first President Bush. It is a cause this President Bush should also embrace to promote economic growth.

I ask we move forward with this initiative and that the President demonstrate he is truly the compassionate conservative that he campaigned to be.

Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 619, S. 3009, a bill to provide for a 13-week

extension of unemployment compensation; that the bill be read three times, passed, and the motion to reconsider be laid upon the table without intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I think some people are playing political games. I understand some people are interested in passing a unanimous consent agreement on unemployment compensation. I heard the request. It was to provide a 13-week extension of unemployment compensation. That is not what this bill does. I don't know how many times I have to say it on the floor. The bill provides for a 26-week extension, not a 13-week, a 26-week extension. There is a big difference.

I believe I heard the sponsors say it changes the trigger—it does change the trigger. It is not a clean extension because it changes the trigger so that more States are eligible for long-term extension. This bill has a 26-week Federal unemployment compensation extension on top of the State 26 weeks, and an additional 7 weeks for those States that have the highest unemployment compensation. That would be a total of 52 weeks—59 weeks, in some States; 52 weeks for all States, 59 weeks for some States.

It also has a section that says we should not count people who might be employed. It is a crummy bill. I have stated again my willingness to try to work with colleagues to pass a clean extension which would cost about \$7 billion instead of \$17 billion.

While we are here, there are a couple of bills I would like to pass. So I am going to be asking unanimous consent, I tell my colleagues on the Democrat side—it is my intention to propose a couple of unanimous consent requests as well.

One will be to permanently eliminate the tax on Social Security. This is a tax that passed in 1993. It was part of President Clinton's tax package. It passed by one vote in the Senate, and passed by one vote in the House. It is still the law of the land. We still tax senior citizens' Social Security benefits.

I have heard a lot of people say they wanted to eliminate it. The House passed a bill to eliminate it in 2000. Unfortunately, we have not been able to do that. Senator TIM HUTCHINSON from Arkansas has introduced legislation this Congress to do that. It has several cosponsors.

So, Mr. President, I want to notify my friends and colleagues on the Democratic side of the aisle that I intend to propound a unanimous consent request so they have a chance to respond as I have been responding on several requests.

I am going to propound a unanimous consent request to make part of the

tax bill we passed in 2001 dealing with marriage penalty relief permanent. Unfortunately, much of the tax bill that we passed in 2001 is temporary. That bill helped lessen the burden, since we found ourselves in a recession and part of that was marriage penalty relief. That provision sunsets. It stops in the year 2009 or 2010. We should make that permanent. The House has passed legislation, H.R. 4019. They passed it with an overwhelming vote, by a vote of 271 to 142. They passed it on June 13. Unfortunately, the Senate has not found time to take that legislation up. All we have to do is pass that House bill, it goes straight to the President, and he will sign it so it can become law. So I am going to propound a unanimous consent request to pass that bill.

I see my friend, the assistant Democrat leader. I will now make both of these requests.

Mr. President, I ask unanimous consent that H.R. 4019, a bill to provide that the marriage penalty relief provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall be made permanent, be discharged from the Senate Committee on Finance and the Senate proceed to its immediate consideration, the bill be read a third time, passed, and the motion to reconsider be laid upon the table and any statements thereupon be printed in the RECORD at the appropriate place.

The PRESIDING OFFICER. Is there objection?

Mr. REID. On behalf of a number of Senators, I object.

The PRESIDING OFFICER. Objection is heard.

SEVERAL SENATORS addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma retains the floor.

Mr. NICKLES. Mr. President, I ask unanimous consent the Senate proceed to immediate consideration of Calendar No. 308, H.R. 3529, that all after the enacting clause be stricken, the text of S. 237, a bill by Senator HUTCHINSON, a bill to repeal the 1993 income tax increase on Social Security benefits, be printed in lieu thereof, the bill be read a third time and passed, the motion to reconsider be laid upon the table, any statements thereupon be printed in the RECORD at the appropriate place.

The PRESIDING OFFICER. There is objection?

Mr. REID. On behalf of a number of Senators, I object.

The PRESIDING OFFICER. Objection is heard.

SEVERAL SENATORS addressed the Chair.

Mr. NICKLES. I thank my friend and colleague from Nevada. I told him that two people can play these games. I would very much like to see the marriage penalty relief package that we passed in 2001 be made permanent. I would also like to see us repeal that portion at least, if not—I would like to see us, frankly, repeal the entire—President Clinton's tax package of 1993,

but certainly repeal the tax on Social Security benefits. We tried to do that. Objection was heard.

The Senate has over and over again found itself, unable in the last year and a half, to pass permanent tax relief for American citizens, not for marriage penalty relief, and not even for seniors who are paying high taxes on their Social Security benefits. I find that regrettable.

Maybe there will be a change in the makeup of the Senate in a couple of weeks and legislation such as the two I just requested consent to pass—maybe we can pass those under regular order. I hope that will be the case.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

DROUGHT RELIEF

Mr. CONRAD. Mr. President, I was surprised to get up this morning and read the Washington Post and see that the Speaker of the House, Mr. HASTERT, said the House could pass drought relief legislation after the election, “. . . if there is a problem.”

Where has the Speaker been? If there is a problem?

Tell that to the farmers of North Dakota. This is a photo of what it looks like in southwestern North Dakota. That is a moonscape. Nothing is growing. There is no question, I would say to the Speaker of the House of Representatives, about whether or not there is a problem. There is a deep problem. This is a disastrous year.

Let me read just one letter from a farmer in North Dakota. He says:

DEAR SENATOR CONRAD:

I am a 40 year old man with a wife and 4 children. I am a third generation farmer. We enjoy farming very much but it's getting very hard to keep on going.

He continues:

When we have had good crops in the past there was no price. Now in 2002 we have no crop, no grass, no hay, and no rain, which all leads to no money.

I know it is hard for city people to understand the difficulties of farming, but it has become very hard to keep a good attitude when you are always under financial pressure. Without any disaster aid this fall, a lot of good farmers will be forced to sell, or will simply just quit.

He went on to say:

I hope and pray that you can persuade the Members of the House how serious it is out here in rural North Dakota.

I do not know of anything that could tell the story more clearly than this picture. This isn't just a small part of southwestern North Dakota. This is mile upon mile of southwestern North Dakota. This is a drought as bad or worse than the 1930s.

This has to be responded to. For the Speaker to say yesterday that the House could pass drought legislation “if there's a problem” misses the point entirely. There is a problem. It is more than a problem. It is a crisis. And it is not just in North Dakota.

How can the Speaker of the House have missed this? In Montana, in South

Dakota, in Nebraska, in Kansas, in Minnesota, in Wyoming, and other parts of the country as well, they have suffered different kinds of disasters. My neighboring State of Minnesota has suffered the worst flooding in their history—and the administration has said, Well, look to the farm bill. Yet the administration knows there are no disaster provisions in the farm bill. They prevented it. The Speaker prevented it. I was one of the conferees on the farm bill. When we went to conference with the Senate bill that included disaster assistance, the House conferees said that there were only two things they were not at liberty to discuss in the conference. No. 1, they said we can't talk about opening trade with Cuba; and No. 2, we cannot talk about disaster assistance. The House conferees told us that those two issues had to go to the Speaker of the House of Representatives.

The Speaker said no. The President has said no. Always before when any part of the country suffered a disaster, we have moved to respond—always. Whether it was earthquakes in California, mud slides in that same State, hurricanes in the State of the occupant of the Chair, whether it was drought in farm country, or flooding any place in the Nation—always before we have moved to help. This year, there is no assistance for those suffering natural disasters. That is wrong.

In my State, there is a calamity. It is not just my State. It is State after State.

For the Speaker to say yesterday that disaster aid may be considered later this fall "if there's a problem" shows that he is terribly out of touch with what is happening across this great Nation. These are natural disasters that deserve a response and that require a response, and we ought to be providing help. For those who say look to the farm bill, there is no disaster assistance in the farm bill. In fact, there are savings under the farm bill to pay for the disaster assistance.

Some may ask, How is that? Very simply, because of these disasters, there is less production. That means prices are higher. That means the farm bill will cost less. The Congressional Budget Office has told me and has told all of our colleagues there will be about \$6 billion in savings in the farm bill this year because of these natural disasters. That also happens to be the size of the disaster relief package. So we have an opportunity here to be fiscally responsible. We are proposing to spend the same amount of money on disaster assistance that is being saved in the farm bill because of these disasters. Because there is less production, prices are higher than anticipated. That means the farm bill will cost less by nearly \$6 billion. That is money that could be available for disaster assistance and should be.

Let me conclude with this chart that shows what this is going to mean.

Net farm income is going to decline this year by 21 percent across the coun-

try largely because of these natural disasters. Yet there is no response from Washington. We passed disaster assistance here in the U.S. Senate. We passed it as part of the farm bill. We passed it on an amendment on the Interior appropriations bill with 79 votes—an overwhelming bipartisan agreement that we should provide disaster assistance. But the House has said no. The President has said no.

To have the Speaker of the House say yesterday that they may consider aid in a lame duck session "if there's a problem" is incredible. Where has the Speaker of the House been to say "if there's a problem"?

This is a disaster. This is a crisis. There ought to be a response.

I thank the Chair.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

ORDER OF PROCEDURE

Mr. REID. Mr. President, the majority leader has been wanting to come to the floor for some time. We are both happy that there has been a lot of participation on the floor this morning. They were fine speeches.

There is no need for me to maintain the floor until he shows up. I ask my two friends, the Senator from Texas and the Senator from Utah, if they would allow him to take the floor when he appears, which should be momentarily. In the meantime, if they would agree to that, I ask unanimous consent that the Senator from Texas be recognized for up to 15 minutes.

Mr. GRAMM. Mr. President, will the Senator yield?

Mr. REID. Yes. I am happy to yield.

Mr. GRAMM. Mr. President, I think it is perfectly reasonable for the majority leader to have the right to the floor.

Reserving the right to object—if the Chair would be generous in giving me an opportunity to explain why—when the majority leader finishes his unanimous consent request and his statement, I would like to have 10 minutes to respond.

Mr. REID. Mr. President, the leader wanted to make sure that the Senator from Texas was on the floor when he made his unanimous consent request, which I am almost certain he will be. He wanted the Senator from Texas to be notified when he was going to be here.

He is now here.

He wanted the Senator from Texas to be here, and we are glad he is here.

I ask unanimous consent that following the statement of the majority leader and the statement of the Senator from Texas, the Senator from Utah be recognized for up to 20 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The majority leader.

UNANIMOUS CONSENT REQUESTS— H.R. 5005

Mr. DASCHLE. Mr. President, everyone knows we are attempting to resolve many of the unfinished pieces of legislative business that ought to be addressed prior to the time we depart for the election day break. As everyone knows, we will be coming back. It will be my hope that we can address a number of the issues involving conference reports. Of course, we will have to address appropriations when we come back.

One of those issues that has been the subject of a great deal of debate and consideration on the Senate floor has been the issue of homeland security and the creation of the new Department.

It is no secret that Democrats have been frustrated in the effort to bring the debate to a close. We have had five cloture votes. We have not reached cloture on each of those five occasions because of Republican opposition.

My original thought was perhaps that opposition was because of legitimate language concerns or issues involving the creation of the Department. I now doubt whether that really is the motivation. I think there are many on the Republican side who simply oppose the creation of the Department of Homeland Security. The new Department was a Democratic idea originally. The President and our Republican colleagues objected and opposed it unanimously when we passed it out of committee last summer.

The President finally reversed his position, and the administration's bill was written by four people with no consultation with Congress. They sent the bill up as somewhat of a surprise to us all.

The bill they wrote seeks to exploit the issue of homeland security in order to advance a preexisting ideological agenda. It is an ultraconservative agenda that is antiworker and obviously anti-union. More importantly, it has nothing to do with homeland security.

This bill would return us to an era when patronage and political cronyism ran the Federal workforce—and that is wrong. We say to the President and our Republican colleagues, public servants are not the problem. Terrorists are the problem.

The administration's position is an insult to every public servant, every firefighter, and every first responder who risked their lives and, in many cases, gave their lives on September 11.

When those union firefighters rushed into the World Trade Center and the Pentagon on that fateful day last September 11, nobody asked: Are you a member of a union? That is why the police and firefighters oppose the Republican plan. That is why the National Association of Police Organizations wrote to every Senator.

I will quote from their letter.

On September 11, 2001, the union affiliations of law enforcement officers did not

keep them from responding to that tragic event, giving aid to those in need and in many cases, giving their own lives. Every New York Police Department and New York/New Jersey Port Authority officer who died that day was a union member, working under a collective bargaining agreement. The Administration's claim that the new Department will need "management flexibility" to perform its role properly ignores the heroic efforts of those whom they now wish to label as an organizational liability.

I ask unanimous consent that this letter be printed in the RECORD.

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

NATIONAL ASSOCIATION OF POLICE
ORGANIZATIONS, INC.,

Washington, DC, August 5, 2002.

DEAR SENATOR: On behalf of the National Association of Police Organizations (NAPO), representing 220,000 rank-and-file police officers from across the United States, I would like to request your support for the collective bargaining and civil service rights of employees of the proposed Homeland Security Department. S. 2452, the "National Homeland Security and Combating Terrorism Act of 2002," rightly recognizes, unlike H.R. 5005, that collective bargaining rights are not a hindrance to the formation of the Homeland Security Department nor to the overall protection of our nation.

On September 11, 2001, the union affiliations of law enforcement officers did not keep them from responding to that tragic event, giving aid to those in need and in many cases, giving their own lives. Every NYPD and NY/NJ Port Authority officer who died that day was a union member, working under a collective bargaining agreement. The Administration's claim that the new Department will need "management flexibility" to perform its role properly ignores the heroic efforts of those whom they now wish to label as an organizational liability. S. 2452 further allows the Homeland Security Secretary to bring in talent outside of civil service rules when truly necessary for our nation's defense and provides other changes to better facilitate hiring, retention and promotions.

Congress has long recognized the benefits of a mutual working relationship between labor and management and, over the years, has extended collective bargaining rights to public employees including letter carriers, postal clerks, public transit employees and congressional employees. When the Senate considers S. 2452 this September, NAPO requests that you support the Senate Homeland Security legislation, specifically Section 187, as passed by the Senate Governmental Affairs Committee. This bill properly recognizes and protects the genuine efforts of those unionized employees who might otherwise lose their deserved civil service and collective bargaining rights.

NAPO looks forward to working with the Senate to safeguard these rights and ensure their longevity. If you have any questions, please feel free to contact me, or NAPO's Legislative Assistant, Lucian H. Deaton, at (202) 842-4420.

Sincerely,

WILLIAM J. JOHNSON,
Executive Director.

Mr. DASCHLE. Since this debate began, Democrats have worked in good faith for a compromise. We have compromised and compromised and compromised. The bipartisan Nelson-Breaux-Chafee compromise is a long way from the Lieberman bill. It preserves the President's authority to

take away the union rights of homeland security employees as long as he states there is a need, and it accedes to the President's demand that we waive civil service protections for Department employees.

In fact, when it comes to new flexibility to hire, fire, and redeploy workers, there is absolutely no difference between the Gramm amendment and the Nelson compromise. The difference with our approach and the Gramm approach is simple: We require the Department to consult—to consult—with employee representatives as they develop a new personnel system, and if an agreement between management and employees cannot be reached, then management's proposal can be imposed by a Federal panel comprised entirely of the President's appointees.

You can't get any more reasonable than that. Yet to prevent a vote on this bipartisan compromise, the Republicans, as I have noted, have blocked cloture not once or twice but now on five occasions—three times on the Lieberman bill and twice on their own bill.

They filibustered because they said they wanted an up-or-down vote on their bill. We offered them that. They filibustered again because they said the vote on the Gramm bill had to come first.

So today we are offering Republicans exactly what they claim they want. If they object again, it will be even more clear what is really going on.

This is a Republican filibuster, plain and simple.

Democrats want to finish this bill. We support homeland security. We always have. We introduced it. But the other side would rather have an issue. They are filibustering this bill because they want to use this issue against Democrats in the next 2 weeks before the elections.

They would rather use this as an issue to run scurrilous ads, such as the one they are now running—or were running—to compare a war hero such as Max Cleland to Osama bin Laden and Saddam Hussein. That is what is going on here, and, Mr. President, it is unconscionable. They would rather play that nasty brand of politics than pass this bill. I hope they will reconsider and accept this unanimous consent request. Therefore, Mr. President, I will now propound it.

I ask unanimous consent that when the Senate resumes consideration of H.R. 5005, the homeland defense bill, the motion to recommit be withdrawn and the Nelson amendment No. 4740 to the Gramm-Miller amendment be withdrawn; that there be a 1-hour time limit on the Gramm amendment, and at the conclusion or yielding back of time, the Senate vote on the Gramm-Miller amendment; that immediately upon the disposition of that amendment, if it is agreed to, Senator NELSON of Nebraska be recognized to offer an amendment, the text of which will be identical to amendment No. 4740;

that it shall be in order notwithstanding the fact that it is to amended text; that there be a time limitation of 1 hour on his amendment, and that at the conclusion or yielding back of the time, the Senate vote on the Nelson amendment, with the preceding all occurring without any further intervening action or debate.

THE PRESIDING OFFICER. Is there objection?

Mr. GRAMM. Reserving the right to object, Mr. President.

THE PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. If you read this unanimous consent request, three things strike you, I think.

Mr. DASCHLE. Mr. President, regular order.

Mr. GRAMM. Mr. President, I object.

THE PRESIDING OFFICER. Objection is heard.

The Senator from Texas.

Mr. GRAMM. Mr. President, I want to respond to our dear majority leader. I am coming to the end of my Senate career, and I do not want to end it by getting into fussing and fighting with anybody. Let me first respond by explaining what is wrong with this unanimous consent request and why it does not move the ball forward in protecting Americans. I then want to propose several alternatives, any one of which would move the ball forward. Then I want to respond to some of the comments the majority leader made.

First of all, under this unanimous consent request, we do not bring homeland security back up. If you read the unanimous consent request, you see that it says, "Mr. President, I ask unanimous consent that when the Senate resumes. . . ."

Well, who controls when the Senate resumes consideration of homeland security? The majority leader. So this unanimous consent request does not even bring the issue back before the Senate. Everybody knows today is the last day of the session.

Secondly, what this unanimous consent request says is, we will vote on Gramm-Miller and, if it is successful, we will turn around and vote on an amendment that completely reverses Gramm-Miller, and we will do that within an hour. And then the debate is not over. The majority leader has the power to continue the debate, stop the debate, or pull the bill down. We are no closer to passage of a bill after these two votes occur than we are before the two votes occur.

This unanimous consent request has nothing to do with moving the ball forward on homeland security. It has everything to do with deception because, under this request, there is not even a second vote unless Gramm-Miller passes. Then, if it passes, we turn right around, within 1 hour, and vote to reverse the vote, letting those who are in hotly contested elections have the incredible possibility, in 1 day, within 1 hour, to be on three sides of a two-sided issue. It would allow people to

vote for Gramm-Miller and, since it is the President's compromise, with the President, and then turn around, an hour later, and to completely gut it and to go back to where we are now with the bill that is before the Senate.

So we don't go to it now. We have no control over when or if we ever go to it in this Congress. We can vote yes and no, back to back, within an hour, so people can be on both sides of the issue. Senator DASCHLE referred to Max Cleland. He could vote for Gramm-Miller and turn around in an hour and completely gut Gramm-Miller, and be on three sides of a two-sided issue.

Now, there are alternatives that would be acceptable, and I am going to propound several of them shortly. But let me first address some of the issues the majority leader addressed.

First of all, there is this idea that we don't want a homeland security bill. Everybody wants a homeland security bill. I have never suggested the Democrats don't want a homeland security bill. They love homeland security. Their problem is, they love public employee labor unions more.

Their problem is that this isn't like Iraq. Saddam Hussein has no powerful political allies in America. So we had some differences of opinion, but we were able to work them out. We were able to go forward on a bipartisan basis. We can't work this out because the public employee labor unions are the largest contributors to Democrat candidates. And as a result, you can't be for letting the President have the tools he needs on national security and be with the public employee labor unions. We have to choose, and we have been unable to make that choice. There have been some good-faith efforts to bridge the gap, but we have been unsuccessful.

In terms of what has happened, the President sent a bill up on June 6. The House adopted a bipartisan measure on a huge, bipartisan, lopsided vote of 295 to 132. Democrats and Republicans voted together to give the President the power he asked for—which is some flexibility in 6 out of the 71 titles of the Civil Service Act—to allow him the ability to put the right person in the right place at the right time.

This idea that this would bring back cronyism and discrimination is totally invalid. The Gramm-Miller amendment and the bill adopted in the House required that the President not act in arbitrary and capricious ways, not discriminate, and strictly limited his decisions to merit and performance. So that is not really an issue as to what we are talking about.

This is the calendar. The calendar points out that the Senate has yet to act. Every time we have come close to reaching a bipartisan agreement, we basically have run into the hurdle that there is strong opposition to those who would like to change the system as it relates to homeland security. So we have the incredible specter that we have come to the end of the session.

The President over and over again has compromised.

The Gramm-Miller amendment, according to Senator LIEBERMAN, contains 95 percent of the changes he sought in the President's bill. If 95 percent is not compromise, what is compromise?

Finally, on the point of compromise, to stand up and suggest that the Nelson amendment and the Gramm-Miller amendment are identical simply does not bear up under scrutiny. Under the Nelson amendment, the President would lose national security powers he had on September 11. How many Americans would feel comfortable knowing that the Congress is trying to weaken the President's ability to respond to terrorism in the name of homeland security? I think it would come as a shock to most people to realize that is the case. But nobody denies it is the case.

In fact, when we offered the Gramm-Miller amendment, I put a little provision at the end of it, sort of as bait, that said: Nothing in this bill shall be construed as taking power away from the President to protect America that he had on September 11. So when the Nelson amendment was offered, guess what the last provision of it was. It struck that language.

I don't think anybody is deceived. I don't think they are going to be deceived by a unanimous consent request that does not bring up homeland security, that does not move us toward final passage, and that allows Members to vote yes and no on the same day 1 hour apart.

There are ways we can move the ball forward. I want to address those.

Let me also say, the majority leader brought up MAX CLELAND. The issue here is, are you with the President on homeland security or are you against him? That is what the issue is. The plain truth is, everybody knows we are one vote short of passing the homeland security bill—one vote short. If we had one more vote, we could pass this bill and we could start the process of protecting America. But we do not have that vote.

Whose vote is it? Well, it is any one person who is not with the President's program as he has compromised on it. Senator MILLER is with it. He is a sponsor of it. He is a lead sponsor of it. The plain truth is, we are one vote short.

I assure you, if I were running against anybody in America and they were opposed to the President's compromise on homeland security, I would consider it to be a legitimate issue. If that is not a legitimate issue, there is not a legitimate issue in America. The fact that we are adjourning this Congress instead of staying here today and tomorrow and from now until we get the job done is totally and absolutely irresponsible.

Having said all that, let me propose some unanimous consent requests myself.

First, let me take the Daschle unanimous consent and change it slightly.

Let's bring the bill up right now. Let's not leave it to the majority leader as to whether it would be brought up. Let's bring it up and let's have a vote on the Gramm-Miller amendment.

Mr. President, I ask unanimous consent that the Senate resume consideration of H.R. 5005, the homeland defense bill; that the motion to recommit be withdrawn, and the Nelson amendment No. 4740 to the Gramm-Miller amendment be withdrawn; that there be an hour time limitation on the Gramm-Miller amendment; and at the conclusion or yielding back of the time, the Senate vote on the Gramm-Miller amendment.

Mr. REID. Mr. President, reserving the right to object, my friend from Texas, my good friend—and I will miss him a lot next year—reminds me of a time when my brother, who is 10 years older than me, got a job. He had this nice, white uniform with a bow tie, working for Standard Stations. And it was a big deal for the Reid family. He was placed to work in Ash Fork, AZ, not a great metropolis, but compared to where I was raised, it was a big city. My brother asked his little brother to spend a week with him in Ash Fork. I had never been anyplace, so I looked forward to that.

What I didn't know was that my brother had a girlfriend in Ash Fork. He spent most of his time with the girlfriend. I spent most of my time, not with my brother but with his girlfriend's brother.

Her brother was a year or so older than I, but we played games. I never beat him in anything, the reason being, he kept changing the rules in the middle of the game. So no matter what I did, I couldn't win.

That is kind of how I feel about homeland security. No matter what we do, you folks won't take yes for an answer. It is always something different. So it reminds me of my experience in Ash Fork.

I say to my friend, who has a Ph.D. in economics, is a college professor, and is very smart, this calendar you have given us is an illusion. The numbers you have there are just a fantasy. The fact is, we have tried to do everything we could to pass this. I am happy to hear the Senator say he wants to continue working on this. But the unanimous consent request he has propounded gives him everything and gives us nothing.

We have said—in fact, the majority leader said—we agreed to give you what you asked for. We would have a vote on your proposition first, vote on that first, and then we would vote on ours second. You say that is not good, even though I asked for it earlier. The reason I guess it is not good is that we might pass our amendment. And if we do, it knocks out a few pages of a 100-page bill.

With great respect for my friend from Texas, with whom I have served in the House and Senate and will miss next year, without reservation or qualification, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. GRAMM. Mr. President, I love my colleague from Nevada. He is such a sweet man. His heart is so good. His views on things sometimes are not so good. But as long as we have people around like him, the place works pretty well.

Let me respond to his remarks, and I will try another unanimous consent request on it.

What I have propounded is exactly what Senator MILLER and the President and I have asked; that is, to have an up-or-down vote on our amendment. My colleague from Nevada would like to do it so that people can vote yes and no within an hour and so that people can, in essence, be in a position where they might deceive the public, yet we are no closer to passage than we were before we started. I just don't think that makes any sense. I am not claiming that deception is the intent, but I do believe that would be the result. Let me try another approach.

I ask unanimous consent that the Nelson amendment be adopted, with one amendment, and that amendment is that nothing in this bill shall be construed as taking away a national security power and a power to protect America that the President had on September 11, and that after the Nelson amendment is adopted with this provision added to it, the Gramm-Miller amendment be in order; that it be debated for 3 hours, and that there be an up-or-down vote on that amendment, and at the conclusion of that amendment, whether it is successful or not, we have a vote on final passage.

Mr. REID. Reserving the right to object, Mr. President, I ask unanimous consent that a statement by Mark Hall, a U.S. Border Patrol agent, be printed in the RECORD. It is two and a half pages.

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

STATEMENT BY MARK HALL, PRESIDENT, AFGE LOCAL 2499, U.S. BORDER PATROL, JULY 31, 2002

Good Morning. My name is Mark Hall. For the past 18 years I have worked as a U.S. border patrol agent, 15 of them based in Detroit, Michigan. I am also President of AFGE Local 2499. I have dedicated my life to defending the national security of this country and do not understand how my role as union leader is incompatible with my oath to protect and defend the Constitution of the U.S.

I believe that the two hats I wear as I patrol the Northern Border of the U.S. are entirely consistent. In fact, if not for the fact that I am a union member, I might not be a border patrol agent today. In the months after the terrorists attacked the World Trade Center and Pentagon on September 11 of last year, I became increasingly concerned about the vulnerability of our northern border and our agency's inadequate response to that threat.

Despite public assurances from the Immigration and Naturalization Service and the Department of Justice that we were responding to this threat, few agents were being posted at our station in Detroit or any other along the Northern Border that I was aware of.

I spoke with my local management about the problem and was told, essentially, to keep quiet. Having taken an oath to defend the Constitution—not the INS—I decided it was my responsibility to speak out about the danger we faced along our border with Canada. I, along with another agent and former marine, Bob Lindemann, talked to a newspaper and television program about our concerns. As a result of this decision my sector chief tried to fire us immediately, and failing that, settled on a 90-day suspension, one-year demotion, and reassignment.

The Office of Special Counsel which investigated the Agency's action uncovered internal emails from the sector chief stating "the President of the local union deemed it necessary to independently question our readiness in a public forum", adding that managers must take a "stance which bears no tolerance for dissent and to view resistance from the rank and file as insubordinate".

It was only through the combined protections of my union, and the whistleblower protection law that the proposed disciplinary actions were indeed, I would never have spoken out if I hadn't had my union behind me because whistleblower protections alone would not have been enough. I want to take this opportunity to thank my union and the lawmakers responsible for the whistleblower law for helping me when I needed it. Without such help, I would not be a border patrol agent today.

The President uses the words "national security" and "flexibility" to describe his goals in creating this new agency, but his hard line and his veto threat show it's about something far more serious—politics.

No one imposed union representation on agents of the Border Patrol—we voted for that representation democratically. And now the President has decided to override our vote and eliminate our only means of holding the managers and political appointees who run the agency accountable to the American people.

Our union is not just about economic issues—Congress sets our pay levels so that they're in line with other law enforcement officers. Our union is also about protecting the chance for the employees to speak out when we see mismanagement, fraud, and security breaches. Our union is part of the system of checks and balances we have in our democracy.

The other thing the President is insisting on is the right to do away with fair and open competition among our citizens for the privileged to work for the U.S. government. He wants to take away the laws that give us a civil service system that is outside politics, patronage, and cronyism. He says "trust me," I'll write new rules that will be just as good. But if he gets his way, there'll be no union to speak out when the political good ol' boy system takes the place of these laws.

Congress just passed a corporate accountability law because it turned out that when top managers have all the power to do as they please they tend to abuse that power. There was no accountability. Well, in the federal government, and certainly in the border patrol, there is accountability when the workers who lay their lives on the line every day have a union contract backing them up when they question managers who are misappropriating funds, or discriminating in hiring or firing, or failing to put resources where the threats are greatest.

The American people better hope that the President is true to his word when he says that he can be trusted to keep objective standards for qualifying for a job as a U.S. Border Patrol agent. If being a union supporter or belonging to the wrong political party disqualify an otherwise fit job candidate, you can be sure that homeland security will suffer.

Our union has been accused of standing in the way of homeland security. The President says our contract and the civil service laws tie the hands of managers who may need to reassign agents for special assignments or for emergencies. Nothing could be further from the truth.

I have been shot at twice, hit, kicked, spit on, and bitten in the course of carrying out my duties. I have spent months away from my family on detail—as much a four months in a year away from home. I have received dozens of commendations for outstanding service to the Border Patrol. I joined the union 17 years ago, and there has never been one instance when my union membership caused me to compromise the security of this nation. In fact, our union has helped me and my fellow officers make this nation a better and safer place. I thank you for the opportunity to be here today, and I will be happy to answer any questions.

Mr. GRAMM. I could not hear the Senator.

Mr. REID. I said I have a statement from a Border Patrol agent. It is a two-and-a-half page letter.

Mr. GRAMM. I have no objection.

Mr. REID. I will read one short sentence in the letter.

The PRESIDING OFFICER. The request of the Senator from Texas is pending.

Mr. REID. It says:

The President uses the words "national security" and "flexibility" to describe the goals in creating this new agency, but his hard line and his veto threat show it's about something far more serious—politics.

That is what this is about, changing the rules of the game.

I object.

The PRESIDING OFFICER. Objection is heard.

Mr. GRAMM. Mr. President, let me try one more.

I ask unanimous consent that H.R. 5005, the homeland defense bill, be brought before the Senate; that each side have three amendments and that they have an opportunity, going back and forth, to offer those amendments; that the Gramm-Miller amendment be the pending amendment; that when each side has had an opportunity to debate and vote on their three amendments, that there be a vote on final passage of the bill.

Mr. REID. Reserving the right to object, you see, the reason my friend from Texas is wrong about this unanimous consent agreement is we don't need it. If we voted on the two pending amendments, the Gramm amendment and the one we want to go forward with, the Breaux amendment and the Nelson amendment, of course—there is still room for other amendments. It doesn't cut off debate.

If cloture were invoked, there are other germane amendments we would have. This is all part of the illusion being created here. They don't want a bill.

I object.

The PRESIDING OFFICER. Objection is heard.

Mr. GRAMM. Mr. President, let me conclude by simply saying this. What normally happens under these circumstances is this: We are not going to

pass a homeland security bill and Americans are going to the polls; they are basically going to make a decision. They might decide that Senator DASCHLE is right, that the President doesn't care anything about national security, that he is out to bust the unions, and that we really don't need to change business as usual in Washington as it relates to homeland security. I think that is a possibility. People might reach that conclusion.

But I think there is an alternative possibility. I think people are going to reach a conclusion that when it came down to making a hard decision that meant changing business as usual in Washington, that required us to change a system for national security reasons and the protection of the life and health of our people, that meant going against the way things have been done here for 50 or 60 years, that the Democrats are unwilling to make that change and the President wanted to make the change.

I just remind my colleagues that when Senator DASCHLE was talking about the President's efforts at union busting, we have had three major commissions that have looked at our current Government system—the civil service system—in areas of national security and terrorism. The two major ones are the Volcker Commission and the Rudman Commission. Paul Volcker was a Democrat-appointed head of the Federal Reserve Bank and one of the most respected people in America. Warren Rudman is one of our former colleagues and was one of our most respected Republican members. Both of them headed up blue ribbon commissions to look at our ability to respond to threats to our national security, and both of those commissions concluded unanimously that we needed to change the current civil service system as it related to the ability to promote on merit and the ability to put the right person in the right place at the right time. That is what the President has asked for.

So like so many issues in the greatest democracy in history, this is one where you have to choose. The President cannot succeed because he is one vote short. I don't believe the Democrats could pass their bill because I think some of their own members would not vote for it on final passage, and none of our members are going to vote for a bill that the President said he will veto.

So we have an impasse, and it comes down to a choice. It is not a choice that Senator REID is going to make, or one that I am going to make. It is a choice the people back home are going to make. They have heard each side with its own focus, twist, spin, or whatever the conventional wisdom is. But, ultimately, it is the judgment of the American people that we are going to stand by, and I am willing to stand by it.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Utah is recognized.

FAREWELL TO A FRIEND

Mr. HATCH. Mr. President, I rise to honor the achievements of my good friend and colleague, Senator PHIL GRAMM.

After serving with him for 18 years, it is difficult to remember that our Texas colleague began his career as a Democrat.

After listening to him here today, I can see he is ending his career by going out with a bang. PHIL GRAMM is one of the most effective Senators who has ever sat in this body. In fact, even though he started out as a Democrat, he actually became one of the most effective conservatives in this body and a fixture on economic issues and a man who deserves much of the credit for changing the attitude of Congress about budget and fiscal responsibility.

I know I am not the only Member of this body who is deeply grateful for the Gramm-Rudman-Hollings deficit-control legislation that Senator GRAMM poured his heart into creating and sustaining over so many years.

Another landmark bill that bears his name and is changing the course of the nation for good is the Gramm-Leach-Bliley Financial Services Modernization Act of 1999.

He brought his classroom skills to bear on more than one occasion, patiently explaining basic economics to his fellow Senators, again and again and again.

I, for one, am grateful for the opportunity to have been one of his students.

Senator GRAMM is also one of the Senate's most honest and forthright members, never hesitant to tell you exactly what he is thinking.

On more than one occasion, the senior Senator from Texas has approached me about bills on which we disagreed and said, in his distinct drawl, "ORRIN, you were one of the reasons I came to the Senate—to help you fight all those ridiculous liberal ideas. So I have to ask, what are you doing with this bill?"

And we all came to respect Senator GRAMM when he joined the GOP ranks.

The story is now legend, but compelling nonetheless.

He was serving in the other body when he decided he no longer felt comfortable as a Democrat.

Instead of simply announcing he was switching parties, he resigned his seat in 1983 and ran again in a special election as a Republican. He has served here ever since with, I think, the respect of both sides of the aisle.

He thus eliminated any question that his decision was motivated by anything other than a realization that his beliefs no longer fit within the Democratic Party.

Senator GRAMM'S dedication to the principles of a free society, his belief that free markets and limited govern-

ment allow people to realize their full potential, his reminders that good intentions are no substitute for good policy—these have shown through in ample body of Senate achievement he will leave behind.

Senator PHIL GRAMM'S career is proof that good ideas can have a real impact on our country, as long as those ideas are combined with a mountain of hard work.

Mr. President, I am sad to see my good friend leaving this body.

I wish we could convince my friend to stay.

I personally am going to miss him. I can only wish him the very best as he begins his new life outside of Senate. I am sure of one thing: wherever PHIL GRAMM goes or whatever he does, he is going to be a success. PHIL GRAMM is one of the brightest people who ever served in both Houses of Congress, and he is certainly one of the best people, as far as I am concerned.

THE ECONOMY

Mr. HATCH. Mr. President, I wish to change the subject because I think it is important before we leave this Congress that I say a few words. We have all seen the news reports suggesting our friends on the other side of the aisle want desperately to turn the focus of the national debate back to the economy. I am glad to do so, but let it be a full and fair debate. I hope we can talk about the recession we have been through, the recovery that is now under way, what we have already done to grow the economy and, most importantly, what we Members of the Senate from both political parties propose to do about the economy in the future.

Let us start by considering the shocks that have hit the economy since the last year of the Clinton Presidency.

In the summer and fall of 2000, the dot-com bubble burst and high-tech spending fell precipitously, triggering a slowdown that was worsened by the horrendous terrorist attacks that shook our entire economy last year on September 11 and afterwards.

Then about a year ago this week, we began discovering a few large companies have been massively deceiving their investors, deepening the malaise.

Finally, to top off all this bad news, oil prices have hovered around the danger level of \$30 a barrel because of war clouds in the Middle East.

This chart shows that how our slump began during the summer of 2000. While it would not be fair to blame all these problems entirely on the Clinton administration, in my view, it is clear that the beginnings of this slowdown—what some have called the "Clinton hangover"—occurred well before President Clinton took the oath of office.

This is not just a partisan position or partisan judgment.

As President Clinton's top economic adviser, Nobel Laureate Joe Stiglitz, recently said:

The economy was slipping into recession even before Bush took office, and the corporate scandals that are rocking America began much earlier.

That is what happened in the year 2000 right on up to our time today. One can see the red mark shows it began during the Clinton administration and continued for the first year of the Bush administration.

While these problems did not begin on President Bush's watch, we are committed to working with the President to solve our economy's current problems.

In of all the blows our economy suffered, consumer spending held up very well. New car and new home sales have stayed at record levels over the last year, and while times have been tough for some retailers, overall consumer spending has kept right on growing. Why? Because of last year's tax cuts.

Which part of the tax cuts helped the most? Was it the rate cuts or rebate checks that kept spending growing steadily? Let's think about that for a moment. Was it the rate cuts or was it the rebate checks? Some Democrats complained that last year's tax cut did not have enough rebates; it did not have enough immediate stimulus, they said.

Guess what? The numbers are in, and it turned out while rebate checks sure help families sleep better at night, they do not stimulate much spending. When the manna falls from Heaven, they do not just eat it, they store as much of it as they can. So when the rebates came, people did not spend most of the checks; only about a third of it. They saved most of the money, or they used it to pay down their debt.

Those are good things to do, but I do not think we should be under any illusions that most of these rebate checks are spent at the local Wal-Mart.

By contrast, the permanent rate cuts let people know the Government was going to let them keep more of their own money, not just this year, but for years to come. When people know their take-home pay is going up and that it is going to stay up, they feel more comfortable about spending today, tomorrow, and into the future.

The lesson is clear: Tax rebates help spending a little bit, for a month or two, but a permanent income tax cut gives people a green light to spend because it helps them over a long term. A permanent income tax cut may not be glamorous, but it does work, and if we want to speed up consumer spending, the most effective way to do it is by speeding up the tax cuts.

Even though consumer spending has held up, there are just not nearly enough good-paying jobs out there right now, and we all know it. I am seeing this in Utah where our State's economy has been hit harder than most by the current downturn.

In fact, just today, Delta Airlines, which has a hub in Salt Lake City, announced thousands of layoffs. My heart goes out to these families impacted by these layoffs.

Utah has a highly educated work force, and we have more high-tech and more tourism jobs than most States do. We saw Utah's unemployment rate rise from about 3 percent to almost 6 percent before coming back down toward 5 percent, a number that is still far too high. The way to bring back these lost jobs is to bring back investment spending.

Businesses just have not been buying as much equipment as they used to, especially high-tech equipment. Investment spending started falling back in 2000, and while it has been recovering over the last few months, it is nowhere near the levels of 1999.

Early this year, Congress saw that business spending had nosedived, and we took action. We enacted a temporary bonus depreciation provision giving companies a tax incentive to buy equipment sooner rather than later. This powerful tax incentive is based on legislation that I championed.

Unfortunately, large corporate bureaucracies cannot turn on a dime, and many businesses had already worked out their spending plans before we managed to pass bonus depreciation, but it will help in the future.

Since many companies only plan their equipment budgets once a year, we can expect to see business purchases come back up early next year, and that will be, in part, because of this provision. With that revival, the weakest pillar of spending will be strengthened.

Some on the other side of the aisle have proposed speeding up and increasing the amount of bonus depreciation, and I think that is a great proposal. In fact, my original bonus depreciation proposal looks quite a lot like some of the Democratic depreciation proposals being discussed.

In another major economic accomplishment this year, Congress joined with the President to enact two more pieces of strong pro-growth legislation: trade promotion authority and corporate accountability legislation.

I worked together with Members of both Houses and both parties on the conference report because, as chairman of the Trade Subcommittee of the Finance Committee, I served on the conference for this bill. This report gave the President the much-needed authority to negotiate free trade agreements.

As the President finalizes free trade agreements, first with Chile and Singapore, and then expanding across the world, we are going to reap real benefits from trade promotion authority. I can remember all of the fighting on the floor over whether we were going to do that or not. We know we should have done it, and we finally did.

The American people will benefit from lower prices for Americans buying goods, services, and machinery; wider overseas markets for farm products, high-tech equipment and services; and higher wages for American workers, especially for workers in exporting industries.

The corporate accountability bill passed this year is also going to help

make sure stockholders are in charge of the corporation, not insiders with something to hide. It is going to make sure auditors serve the interests of the shareholders. But as I predicted on the Senate floor back in July, we now find ourselves locked in a fruitless debate, indeed a dangerous debate, over who can be the toughest on the public accounting profession.

Republicans have an agenda for economic recovery and economic security. We know what we want. We can pass this agenda this week if we can get the majority to agree.

I have already mentioned last year's tax rate cuts. Speeding up the date the remaining tax cuts take effect and making them permanent will have a powerful impact for good on the economy.

We also want terrorism insurance to create good-paying construction jobs.

Terrorism insurance has been delayed by the trial lawyer lobby, which insists on being able to sue businesses who are the victims of terrorism. I suspect that in the end they are probably going to win, even though that is a disastrous way of continuing to do business. As a result, we are going to find people who are totally innocent sued for punitive damages in the future.

We want an energy bill that will reduce our dependence on foreign oil, push gas prices down, and encourage conservation, all at the same time.

I joined with a number of my colleagues to sponsor a landmark provision, the CLEAR Act, in the energy bill that would change the transportation vehicle marketplace by giving tax incentives to cleaner-running alternative fuel and hybrid electric cars and trucks.

Unfortunately, the energy bill is stuck in conference, partly because some conferees apparently will not accept an extra 10 million acres of permanent Alaska wilderness in exchange for oil exploration that would leave a footprint no larger than Dulles International Airport. That 10 million acres would become wilderness. It is clear that they are not really serious about having a good energy bill or reducing our dependence on Middle Eastern oil. If these decisions were motivated by love for the environment rather than by ideology, we would already have an energy bill and Alaska would have 10 million more acres of permanent wilderness.

There are other good economic proposals that can and should be discussed in the coming months, proposals that could strengthen our economy now and restore to us another decade of exceptional growth.

I am convinced that ending the double taxation of dividends should be an important part of any such plan. Our Tax Code rewards corporations for loading up on debt, and it slows our Nation's rate of capital formation and innovation. I think this has to end.

I will now take a moment to address one of the most puzzling charges made

against our President's economic policies. Some of our Democratic colleagues have claimed that last year's tax cut brought back the deficit and destroyed the projected 10-year surplus. Since fiscal year 2002 is over, we now have a pretty clear explanation of why we ran a deficit. The Congressional Budget Office is clear on this issue. We had a slowdown that began during the Clinton administration, and continued during the first year of the Bush administration. That hurt income tax revenues, while a stock slump hurt capital gains revenues.

Let's look at this. How did CBO's fiscal year 2002 \$313 billion surplus forecast become a \$157 billion deficit? It was not the tax cuts. Look at this particular illustration. As we can see, the weakening economy caused 67 percent of the problem.

New discretionary spending is \$50 billion. That is 11 percent. The economic stimulus is \$51 billion. That is 11 percent. The tax relief is \$37 billion, or only 8 percent of this total pie that has literally eaten up the \$313 billion forecast which has now become a \$157 billion deficit.

A lot of it has come from our spending in the Congress. In some respects, we are spending like drunken sailors. The fact of the matter is that the smallest part of it, other than the "other," is the tax relief, which cost us \$37 billion of the \$313 billion.

Last year's recession was real, and our slow recovery is leaving behind pockets of real suffering both in my home State of Utah and across the Nation.

Without minimizing this suffering, let us put this in perspective by remembering just how bad recessions really have been in the past, as illustrated by this chart.

In January of 1980, when we had a recession, the average unemployment rate during and after the recession was 7.4 percent. In the next recession, starting in July of 1981, it averaged 9.4 percent. In July of 1990, we had the beginning of another recession and unemployment averaged 6.8 percent. Since our most recent recession, beginning in March of 2001, unemployment has averaged 5.3 percent. It is 5.6 percent today, which is considerably less than these other recessive periods of time.

These are 2-year averages of civilian unemployment rates beginning with the first month of recession. The source of this information is the National Bureau of Economic Research and the Federal Reserve Bank of St. Louis. It has been a lower recession unemployment rate—and when I used to be chairman of the Labor Committee, we saw figures that said if the unemployment rate is around 5 percent, there is basically full employment in the country.

Now I am not saying 5.3 percent unemployment rate is full employment. It is not good enough for me, but the fact is it is less than the other recessive periods over the last 20 years, and that is a very important thing.

As my friends on the other side of the aisle like to remind us, the search for jobs is where people really feel the bite of a sluggish economy. How does the old saying go? "If your neighbor loses a job, it is a recession. But if you lose your job, it is a depression."

So I think we should compare the unemployment rates during and after the last three recessions with the unemployment rate since March of 2001, when the most recent recession began.

It comes as no secret that the job market often gets worse even after the economy starts growing again. Unfortunately, businesses want to be sure that their sector of the economy is going to keep growing before they take on more workers, and I cannot blame them for that.

A glance at this chart makes it clear that while our unemployment rate has been far too high, nowhere near the lows of 4 percent that we saw a few years ago, we have done better than we could have hoped.

I have not seen many of my colleagues making serious comparisons between this recession and previous recessions, and we can see why from this particular chart. There is just no comparison.

During the back-to-back recessions of the early 1990s, when the Federal Reserve finally broke the back of inflation, unemployment rates hovered near 10 percent. During our last recession 10 years ago, we suffered from jobless rates much higher than anything we have seen today.

Today's weak job market is real. It means Americans suffer through no cause of their own, and it is something we need to work together to fix. While we work to fix these problems, let us remember in our own lifetimes we have seen the face of deep recession.

While there are regions of the country that face steep hurdles and devastated job markets, the Nation as a whole is seeing a recovery. For that, our Nation can be grateful.

Our President's policies, the Federal Reserve's aggressive, preemptive rate cutting, combined with the flexibility of our free market system, keep unemployment rates much lower than in past recessions.

By enacting more job-creating, growth-enhancing initiatives, we can do even better. Accelerated tax cuts, terrorism insurance, and an energy bill should all be part of our recovery agenda. We can do these this year, even though this is our last real day of this session. We still can get this done, since we all know we are coming back for a partial lame duck session.

We do not need another economic forum. What we need is legislative action. It is pretty pitiful that the Senate has not enacted one non-defense appropriations bill—not one. For the first time in over 20 years, we do not have a budget.

I will tell my colleagues the reason we do not have a budget. In the past, I can remember when we on this side

were in the majority and had to come up with a budget, and it was really tough to do because we knew we would be subject to all kinds of cheap criticisms from others who wanted to score political points. But we always came up with that budget, and we endured the cheap political criticisms.

I have to say I think part of the reason we do not have a budget today is that the other side is afraid we might use the same type of cheap criticisms on them that were used on us for all of these years. I hope we will not do that. I hope what we will do is work together in the best interest of our country.

I am sure there are good ideas on both sides, and I hope we can work together to bring in all the good ideas we can find. The strength of our democracy, as the strength of our businesses and our families, comes from our willingness to listen to each other. After we listen and negotiate a compromise, we need to take action—action to restore the economy to its potential, action to restore a healthy job market, action to ensure that our workers are the most productive and best paid in the world. It is time for us to live up to our duties. The American people are waiting for action. I think we still have enough time, even though it may have to be during a lame duck session, to be able to get this done.

One last thing. I, for one, am very disappointed that we were unable to get a prescription drug benefit bill passed. Everybody knew the bipartisan bill would have swooshed through the Senate Finance Committee. We were foreclosed from allowing that bill to come through the normal legislative process because it was known that it would have swooshed through and it would become the bill of merit on the floor and it would have passed the Senate.

That bill had \$70 billion more in it, in the final analysis, than what those on the other side asked for last year.

Instead, we had a bill which was brought up pursuant to rule 14, which is a procedural mechanism on the floor which allows you to call up a bill once and, if it is objected to, then it goes on the calendar and on the agenda of the U.S. Senate.

We had a bill called up that would have been probably twice as expensive as this \$370 billion bill we had. It would have passed—our bill would have passed. The competing proposal was twice as expensive and never once had the final CBO scoring necessary for a bill of that magnitude on the floor of the Senate. It was pulled down because it clearly did not have the votes, where we did.

We could have had the prescription drug benefit package for our seniors in this society, had it not been for politics. I, for one, lament that. We could have had it. We had Democrats, Republicans, and an Independent in support of that bill.

Would everybody have been pleased with that bill? No, but it would have

passed and would have passed overwhelmingly. Now we do not have a prescription drug bill for senior citizens, all because of the way this floor has been managed over the last year or so.

I have to tell you I think it is going to be virtually impossible to pass it next year, especially if we are in a conflict with Iraq. That will have to take precedence and the spending for that will have to take precedence. Everybody knows that. Everybody knew those were the facts. This was the year to get that job done, and we had it done. I believe we could have gotten it through the House.

As somebody who has been on the passing end of a lot of legislation over the last 26 years, I think I can speak with authority. We could have gotten it through the House as well, and it would be law today.

So I, for one, think we have lost a tremendous opportunity, mainly because of politics and the hoped-for advantage that one side might have had over the other. Our side would have supported the tripartisan bill, and I think a considerable number of Democrats would have, too. But we don't control the floor and we were not able to get that bill up. I am disappointed because I think we should have done that.

There are a lot of other things I wish we could have done during this year. Had we had a budget, we might have been able to. Had we had appropriations bills, we might have been able to. I just wish all our colleagues well. At the end of this session I have good will towards every person in this Chamber. I care for every Member of this body, and I will tell the public at large that most everybody in the Congress I know happens to be a good person who is trying to do the job to the best of their ability.

But occasionally politics gets in the way and we do not get things done that should be done. This year has been a prime example of that, in my humble opinion.

But I wish everybody well. With that, I yield the floor and suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

REAFFIRMING THE REFERENCE TO ONE NATION UNDER GOD IN THE PLEDGE OF ALLEGIANCE

Mr. HATCH. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2690, which is at the desk.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives:

S. 2690

Strike out all after the enacting clause and insert:

SECTION 1. FINDINGS.

Congress finds the following:

(1) On November 11, 1620, prior to embarking for the shores of America, the Pilgrims signed the Mayflower Compact that declared: "Having undertaken, for the Glory of God and the advancement of the Christian Faith and honor of our King and country, a voyage to plant the first colony in the northern parts of Virginia."

(2) On July 4, 1776, America's Founding Fathers, after appealing to the "Laws of Nature, and of Nature's God" to justify their separation from Great Britain, then declared: "We hold these Truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness".

(3) In 1781, Thomas Jefferson, the author of the Declaration of Independence and later the Nation's third President, in his work titled "Notes on the State of Virginia" wrote: "God who gave us life gave us liberty. And can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of the people that these liberties are of the Gift of God. That they are not to be violated but with His wrath? Indeed, I tremble for my country when I reflect that God is just; that his justice cannot sleep forever."

(4) On May 14, 1787, George Washington, as President of the Constitutional Convention, rose to admonish and exhort the delegates and declared: "If to please the people we offer what we ourselves disapprove, how can we afterward defend our work? Let us raise a standard to which the wise and the honest can repair; the event is in the hand of God!"

(5) On July 21, 1789, on the same day that it approved the Establishment Clause concerning religion, the First Congress of the United States also passed the Northwest Ordinance, providing for a territorial government for lands northwest of the Ohio River, which declared: "Religion, morality, and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

(6) On September 25, 1789, the First Congress unanimously approved a resolution calling on President George Washington to proclaim a National Day of Thanksgiving for the people of the United States by declaring, "a day of public thanksgiving and prayer, to be observed by acknowledging, with grateful hearts, the many signal favors of Almighty God, especially by affording them an opportunity peaceably to establish a constitution of government for their safety and happiness."

(7) On November 19, 1863, President Abraham Lincoln delivered his Gettysburg Address on the site of the battle and declared: "It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion—that we here highly resolve that these dead shall not have died in vain—that this Nation, under God, shall have a new birth of freedom—and that Government of the people, by the people, for the people, shall not perish from the earth."

(8) On April 28, 1952, in the decision of the Supreme Court of the United States in *Zorach v. Clauson*, 343 U.S. 306 (1952), in which school children were allowed to be excused from public schools for religious observances and education, Justice William O. Douglas, in writing for the Court stated: "The First Amendment, however, does not say that in every and all respects there shall be a separation of Church and State. Rather, it studiously defines the manner, the specific ways, in which there shall be no concern or union or dependency one on the other. That is the common sense of the matter. Other-

wise the State and religion would be aliens to each other—hostile, suspicious, and even unfriendly. Churches could not be required to pay even property taxes. Municipalities would not be permitted to render police or fire protection to religious groups. Policemen who helped parishioners into their places of worship would violate the Constitution. Prayers in our legislative halls; the appeals to the Almighty in the messages of the Chief Executive; the proclamations making Thanksgiving Day a holiday; 'so help me God' in our courtroom oaths—these and all other references to the Almighty that run through our laws, our public rituals, our ceremonies would be flouting the First Amendment. A fastidious atheist or agnostic could even object to the supplication with which the Court opens each session: 'God save the United States and this Honorable Court.'"

(9) On June 15, 1954, Congress passed and President Eisenhower signed into law a statute that was clearly consistent with the text and intent of the Constitution of the United States, that amended the Pledge of Allegiance to read: "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."

(10) On July 20, 1956, Congress proclaimed that the national motto of the United States is "In God We Trust", and that motto is inscribed above the main door of the Senate, behind the Chair of the Speaker of the House of Representatives, and on the currency of the United States.

(11) On June 17, 1963, in the decision of the Supreme Court of the United States in *Abington School District v. Schempp*, 374 U.S. 203 (1963), in which compulsory school prayer was held unconstitutional, Justices Goldberg and Harlan, concurring in the decision, stated: "But untutored devotion to the concept of neutrality can lead to invocation or approval of results which partake not simply of that noninterference and noninvolvement with the religious which the Constitution commands, but of a brooding and pervasive devotion to the secular and a passive, or even active, hostility to the religious. Such results are not only not compelled by the Constitution, but, it seems to me, are prohibited by it. Neither government nor this Court can or should ignore the significance of the fact that a vast portion of our people believe in and worship God and that many of our legal, political, and personal values derive historically from religious teachings. Government must inevitably take cognizance of the existence of religion and, indeed, under certain circumstances the First Amendment may require that it do so."

(12) On March 5, 1984, in the decision of the Supreme Court of the United States in *Lynch v. Donnelly*, 465 U.S. 668 (1984), in which a city government's display of a nativity scene was held to be constitutional, Chief Justice Burger, writing for the Court, stated: "There is an unbroken history of official acknowledgment by all three branches of government of the role of religion in American life from at least 1789 . . . [E]xamples of reference to our religious heritage are found in the statutorily prescribed national motto 'In God We Trust' (36 U.S.C. 186), which Congress and the President mandated for our currency, see (31 U.S.C. 5112(d)(1) (1982 ed.)), and in the language 'One Nation under God', as part of the Pledge of Allegiance to the American flag. That pledge is recited by many thousands of public school children—and adults—every year . . . Art galleries supported by public revenues display religious paintings of the 15th and 16th centuries, predominantly inspired by one religious faith. The National Gallery in Washington, maintained with Government support, for example, has long exhibited masterpieces with religious messages, notably the *Last Supper*, and paintings depicting the Birth of Christ, the Crucifixion, and the Resurrection, among many others with explicit Christian themes and

messages. The very chamber in which oral arguments on this case were heard is decorated with a notable and permanent—not seasonal—symbol of religion: Moses with the Ten Commandments. Congress has long provided chapels in the Capitol for religious worship and meditation.”

(13) On June 4, 1985, in the decision of the Supreme Court of the United States in *Wallace v. Jaffree*, 472 U.S. 38 (1985), in which a mandatory moment of silence to be used for meditation or voluntary prayer was held unconstitutional, Justice O'Connor, concurring in the judgment and addressing the contention that the Court's holding would render the Pledge of Allegiance unconstitutional because Congress amended it in 1954 to add the words “under God,” stated “In my view, the words ‘under God’ in the Pledge, as codified at (36 U.S.C. 172), serve as an acknowledgment of religion with ‘the legitimate secular purposes of solemnizing public occasions, [and] expressing confidence in the future.’”

(14) On November 20, 1992, the United States Court of Appeals for the 7th Circuit, in *Sherman v. Community Consolidated School District 21*, 980 F.2d 437 (7th Cir. 1992), held that a school district's policy for voluntary recitation of the Pledge of Allegiance including the words “under God” was constitutional.

(15) The 9th Circuit Court of Appeals erroneously held, in *Newdow v. U.S. Congress*, (9th Cir. June 26, 2002) that the Pledge of Allegiance's use of the express religious reference “under God” violates the First Amendment to the Constitution, and that, therefore, a school district's policy and practice of teacher-led voluntary recitations of the Pledge of Allegiance is unconstitutional.

(16) The erroneous rationale of the 9th Circuit Court of Appeals in *Newdow* would lead to the absurd result that the Constitution's use of the express religious reference “Year of our Lord” in Article VII violates the First Amendment to the Constitution, and that, therefore, a school district's policy and practice of teacher-led voluntary recitations of the Constitution itself would be unconstitutional.

SEC. 2. ONE NATION UNDER GOD.

(a) REAFFIRMATION.—Section 4 of title 4, United States Code, is amended to read as follows:

“§4. Pledge of allegiance to the flag; manner of delivery

“The Pledge of Allegiance to the Flag: ‘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.’, should be rendered by standing at attention facing the flag with the right hand over the heart. When not in uniform men should remove any non-religious headdress with their right hand and hold it at the left shoulder, the hand being over the heart. Persons in uniform should remain silent, face the flag, and render the military salute.”

(b) CODIFICATION.—In codifying this subsection, the Office of the Law Revision Counsel shall show in the historical and statutory notes that the 107th Congress reaffirmed the exact language that has appeared in the Pledge for decades.

SEC. 3. REAFFIRMING THAT GOD REMAINS IN OUR MOTTO.

(a) REAFFIRMATION.—Section 302 of title 36, United States Code, is amended to read as follows:

“§302. National motto

“‘In God we trust’ is the national motto.”

(b) CODIFICATION.—In codifying this subsection, the Office of the Law Revision Counsel shall make no change in section 302, title 36, United States Code, but shall show in the historical and statutory notes that the 107th Congress reaffirmed the exact language that has appeared in the Motto for decades.

Mr. HATCH. I ask unanimous consent the Senate agree to the House amend-

ment, the motion to reconsider be laid upon the table, and any statements relating to this bill be printed in the RECORD.

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

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

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

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

COST TO TAXPAYERS OF PRESIDENT BUSH'S CAMPAIGN TRAVEL

Mr. REID. Mr. President, at the same time President Bush is telling us that because of severe budget constraints there is no money for important programs, he, Vice President CHENEY, and other members of the administration are spending taxpayer dollars to jet around the country for political fundraisers and campaign events.

Many people wonder why President Bush is traveling around the country so much for political reasons, to give political speeches regarding political candidates, when our Nation is at war on terrorism and we are facing what he called an imminent and serious threat to our national security posed by Iraq.

Many people believe it is improper for President Bush to be racing from one campaign event to another—raising record amounts of campaign cash for Republican candidates—instead of spending time solving America's severe economic problems. I agree with them.

I, too, wish the President would focus on the issues that we in Nevada—and I believe all Americans—are concerned about, such as jobs, Social Security, pension protection, corporate scandals, stock market declines, high cost of health care, access to affordable quality education, and other priorities.

I understand that President Bush has a role. He is not only the Commander in Chief, but also the Republican Party's cheerleader in chief. I understand and accept that. What I don't accept is this constant campaigning being paid for by taxpayers. If he decides to campaign 100 percent of the time for Republican House and Senate candidates, or gubernatorial candidates, whatever he chooses, that is his business. But it should not be at the expense of taxpayers in Nevada and in other places. That is what it is. Flying this corporate entourage around is very expensive, whether it is the President or Vice President. Flying that big jet—I am glad the President has it, and I was here when we paid for it for President Reagan. It is important they have that airplane, but it should be for the business of the people, not for the business of the Republican Party or the Democratic Party.

I wrote to Mitch Daniels and said I want to know how much this costs. Of course, I received no answer. I guess the letter is in the mail. It has been

weeks. So I have asked the General Accounting Office to find out. The Vice President met with them during the establishment of a so-called national energy policy, and they even took the GAO to court so they would not have to disclose who they met with, when, or what they talked about. The courts will decide that. We are going to find out how much this cost. It should not be paid for by taxpayers. It should be paid for by the Republican National Committee, or whatever Republican arm they believe should pay for it.

If we have a Democratic President, the same thing should apply. But this has to stop. People have a right, if they are President, to make campaign speeches, but they should be paid for by their political parties, political fundraisers; but the President seems to be devoting an excessive amount of time on these activities. He has scheduled the last 14 consecutive days for campaign travels, every day from next Monday to the election on Tuesday. The taxpayers are paying for that. That is wrong. They have a little program where they have incidental expenses paid for by the local people—maybe extra police or something. But that won't do the trick. That is not right, fair, or equitable.

I think that rather than spending—this is my personal opinion—14 days on the campaign trail, he should be spending 14 days trying to do something about this economy, which is stumbling, staggering, faltering. That is what he should be doing. Given the amount of staff and transportation resources required for Presidential travel, the President's fundraising trips are costing the taxpayers not a few hundred dollars or a few thousand dollars but millions of dollars.

Why should the taxpayers foot the bill for that? They should not. The scheduling of these trips is largely driven by the administration's political agenda of electing more Republicans. Mr. President, I repeat: If he wants to spend 24 hours a day campaigning, he is the President and he can do that. I think it is wrong, but he has that right. It should not be paid for by taxpayers.

President Bush pledged that his administration would do business differently, that there would be a new atmosphere in Washington. I would think that spending taxpayer money on political campaigning and fundraising is the type of frivolous spending he vowed to curb. According to newspaper articles and TV reports, the President has traveled more to political fundraisers than any past President.

On September 26, almost 3 weeks ago, I sent a letter to Mitch Daniels. No answer. I have asked the GAO to investigate the President's campaign travel, including the expenses charged to the taxpayers. The President said he wanted to change the atmosphere in Washington. The American people took him at his word. They didn't realize it would change for the worse. This is an example. I think it is wrong.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

N O T I C E

Incomplete record of Senate proceedings.

Today's Senate proceedings will be continued in the next issue of the Record.