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House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, May 4, 2004, at 12:30 p.m.

Senate

MONDAY, MAY 3, 2004

The Senate met at 1 p.m. and was called to order by the Honorable GORDON SMITH, a Senator from the State of Oregon.

PRAYER

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

Let us pray.

God of grace, glory, and power, the battle belongs to You. Thank You that though the storms rage, we can still anchor our hopes in Your might. Lord, we hear the sounds of conflict as people imagine vain things about Your loving providence. Forgive us for our fear of the future when we forget how You have led us in the past. Forgive us also for our haste to paint a caricature of the many because of the pathology of the few. Remind us that fierce winds bring no anxiety to those who keep their eyes on You.

Lord, the challenges that we face are too complex for human reasoning alone, so imbue our leaders with Your wisdom that they may know the road to take. Sustain those who courageously bear the weight of combat and battle the fog of armed conflict. We praise You for the joy of those who are experiencing reunion with loved ones who have been rescued from danger. But we ask that You would bring comfort to those who mourn and to those who know the terror of anticipatory grief.

And, Lord, we pray also for our enemies, that they may know the clarity of Your will. Carve tunnels of hope through mountains of despair and let the peace we seek in our world be conceived first in our hearts. Hasten the day when we will lay down our swords and shields and study war no more.

We pray this in the name of the Prince of Peace. Amen.

PLEDGE OF ALLEGIANCE

The Honorable GORDON H. SMITH 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 read a communication to the Senate from the President pro tempore (Mr. STEVENS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 3, 2004.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable GORDON H. SMITH, a Senator from the State of Oregon, to perform the duties of the Chair.

TED STEVENS,
President pro tempore.

Mr. SMITH thereupon assumed the Chair.

LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period of leader time under the standing order.

RECOGNITION OF THE ACTING MAJORITY LEADER

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

SCHEDULE

Mr. MCCONNELL. Today, the Senate will be in a period of morning business until 2 p.m. Following morning business, the Senate will resume consideration of S. 1637, the FSC/ETI JOBS bill. We have locked in a limited list of amendments to that bill, and it is the leader's intention to complete action on the bill this week. The chairman and ranking member of the Finance Committee will be here throughout the afternoon to work through these amendments. It is our hope that amendments will be offered and debated during today's session.

As announced last week, there will be no rollcall votes today. Any votes ordered with respect to amendments during today's session will be set aside to occur tomorrow.

I ask unanimous consent the morning business time be equally divided in the usual form.

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

MEASURES PLACED ON THE CALENDAR—H.R. 4181 AND S. 2370, EN BLOC

Mr. MCCONNELL. Mr. President, I understand that there are two bills at the desk due a second reading. I ask

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

unanimous consent that the clerk read the titles of the bills for a second time en bloc.

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

The legislative clerk read as follows:

A bill (H.R. 4181) to amend the Internal Revenue Code of 1986 to permanently extend the marriage penalty relief provided under the Economic Growth and Tax Relief Reconciliation Act of 2001.

A bill (S. 2370) to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage, and for other purposes.

Mr. MCCONNELL. I object to further proceeding en bloc.

The ACTING PRESIDENT pro tempore. Objection is heard. The bills will be placed on the calendar.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 60 minutes with Senators permitted to speak for up to 10 minutes each, time being divided equally between the two sides.

Mr. MCCONNELL. I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the previous quorum call and any other quorum calls during this morning's business be charged equally to both sides.

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

ENEMY COMBATANTS

Mr. BINGAMAN. Mr. President, there are a couple of news events in the last 24 hours or 48 hours that I thought deserve some comment.

Let me first talk a moment about the atrocities and abuse of enemy combatants—prisoners—in Iraq which has been a major concern. Many of my colleagues have commented upon the horrific images that have come out on television and in the papers. I have not seen as yet many comments about the Pentagon's response. That is what I wanted to comment on briefly.

Officials within the Department of Defense have known at least since January that prisoners held as enemy combatants in Iraq have been subject to maltreatment, and to physical and sexual abuse. We know this because in January the Department of Defense relieved the camp commander of her duties and ordered an investigation. The investigation was completed in February. The 54-page report that was issued, as I understand it, contains horrifying details about these abuses.

Yesterday, on the CBS news program ''Face the Nation,'' Bob Schieffer, the host of that program, interviewed General Myers, Chairman of the Joint Chiefs of Staff. Bob Schieffer asked about this report. He said, ''There is a 53-page report that Sy Hersh of the New Yorker has obtained which says that the situation was even worse. How could this have happened? What is going to occur?

The part that I thought was most disturbing was the response by General Myers to the question: ''Why would you not have seen the report?'' The investigation was carried out in December. The report was completed in February. ''Why would you not have seen report?'' And the response was: ''It is working its way up, up the chain. I will see this report. I am sure it just hasn't come to me yet.''

This is an unacceptable response. If this is a concern of our Department of Defense, if this is a concern of the Chairman of the Joint Chiefs of Staff, how can he state in May that he has not seen the report or demanded to see the report, and that it is, as he understands it, ''working its way up'' and will eventually come to him?

I don't think that is the level of concern we ought to be demonstrating in our Department of Defense for this kind of circumstance. It is not the level of concern the American people would expect of their military commanders for this type of conduct.

I would think if the general believed swift action was required he might have directed those in the command—in his command and, of course, that is everyone in the military—to get that report to him immediately upon completion, and to give him concrete action items they were intending to take to deal with the situation.

Leadership and responsibility flow from the top in our military. We all know that. For the Chairman of the Joint Chiefs of Staff to handle this matter in this way and indicate that, on May first, he has not seen the report but he assumes it is working its way up through the chain of command, demonstrates to all members of the military that humane treatment of prisoners is not a priority for our military in Iraq.

That is unacceptable. That is unacceptable to this Senator. It is unacceptable, I believe, to the American public. I hope we can get a different reaction from the Pentagon and a more acceptable reaction from the Pentagon to this horrific state of affairs that has come to our attention.

ENSURING AMERICA'S FUTURE COMPETITIVENESS

Mr. BINGAMAN. Mr. President, I also want to comment about another subject which is not as much on the minds of the American public, but it clearly is on the minds of some.

There is an article that I ask unanimous consent be printed in the RECORD immediately following my remarks from today's New York Times by William Broad entitled ''U.S. Is Losing Its Dominance in the Sciences.''

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

(See exhibit 1.)

Mr. BINGAMAN. Mr. President, I also ask unanimous consent that a speech Senator DASCHLE gave 2 weeks ago to the American Association for the Advancement of Science be printed in the RECORD following my remarks.

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

(See exhibit 2.)

Mr. BINGAMAN. Mr. President, the author of this report on the front page of the New York Times today, Mr. Broad, points to several trends that are working against the United States with regard to our world leadership position in science and technology. He points out the percentage of patents issued to Americans is declining. He points out the portion of published research attributable to Americans in top physics journals is decreasing. He points out the number of Nobel Prizes awarded in the basic sciences to Americans is decreasing. He points out the number of doctoral degrees granted in science and engineering in this country is on the decline. He points out the declining percentage of science and engineering doctoral degree candidates from foreign countries who are planning to stay in the United States after they graduate. This last phenomenon I referred to has been dubbed ''the reverse brain drain.'' He talks extensively about that.

The simple fact is, the world has become a highly competitive place with regard to science and technology leadership and talent and investments. We have historically believed we were the leaders in the world in this arena, and we have taken for granted the fact that promising young scientists and engineers from other countries would all want to come here, to stay here, and contribute to our continued world leadership. All of that is now in danger of changing.

We ignore this challenge to our long-term economic security at our own peril. This challenge requires strong efforts by our Government and our industry to counter the strong efforts that are being made in other countries, and to match the strong efforts that are being made in other countries in this field.

So what needs to be done? Let me list briefly six areas on which I think we ought to take aggressive action. The first area relates to research frontiers. We need to start by focusing on broad support for basic science and engineering research across the board, as well -

as on targeted investments in critical emerging technologies that will drive future job growth and economic growth in this economy.

Unfortunately, in terms of broad-based basic research support, we have a pattern of underfunding across the physical sciences and engineering, and that is in comparison particularly to what we have been doing in biological and life sciences for several years. I do not advocate reducing our commitment to the biological and life sciences, but I strongly advocate a comparable commitment to maintaining our leadership in the physical sciences and engineering.

In terms of targeted research and development, there are many areas where there are promising developments that we should be paying attention to. Let me cite three examples. One is high-end computing. Japan today is the world leader in high-end computing with their Earth Simulator supercomputer. That is a sad statement to make on this Senate floor.

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

Mr. BINGAMAN. Mr. President, I ask unanimous consent that I be permitted to continue for another 5 minutes.

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

Mr. BINGAMAN. That is a sad statement because I can remember a decade ago when the United States was the unrivaled leader in high-end computing. We need to do much better in this field.

Senator LAMAR ALEXANDER and I have introduced the High-End Computing Revitalization Act. I hope that the leadership in the Senate will see fit to move this legislation this year, and that we will receive strong support from our colleagues.

Nanotechnology is another area. Although Congress passed a nanotechnology bill last year, and the President signed the bill with great fanfare, the truth is, we are not putting the needed funding into it. The administration has not requested sufficient funding. We are not committing the money. This is another major shortfall.

The next specific area I believe we need to target is next-generation lighting. I have spoken several times about that on the Senate floor. Semiconductor lighting has the promise to greatly increase the efficiency of lighting devices and also to create an enormous number of jobs. The estimate is this will be a $12 billion per year industry for these devices in the future. The question is, where will the leadership be in developing these devices? Will we maintain some of that leadership in this country? And where will the high-wage jobs be created by this? I hope those jobs will be created in the United States, but Congress needs to act to ensure that.

A second area deals with the training of scientists and engineers. An enormous amount needs to be done to better prepare our own students for careers in these fields. We do too little in those areas. We need to do better. We now have the added concern that the foreign students who have traditionally come here to study are, first, finding visa problems that keep them from coming here; and, second, are deciding not to stay once they complete their education but go back to their home country. This is a precursor to the shifting of more and more research and development activity out of this country and into other countries around the world, which I think is a very bad trend for our economic future.

The third area is infrastructure. The National Science Foundation estimates there are roughly $10 billion of unfilled needs for science and engineering facilities at universities. Unfortunately, the system we have in Congress today to fund these needs is through random, uncoordinated earmarks to appropriations bills. This is totally unacceptable. We need a merit-oriented solution that involves a look at the merits of the request and the need, and also the commitment that State and local governments are willing to make to creating this infrastructure.

The fourth area is finance. We need public policies and strategies to expand the pool of risk capital for entrepreneurial investment.

A fifth strategy is public-private sector interactions. We need to fully fund the Advanced Technology Program and the Manufacturing Extension Partnerships. The administration's request that we zero-fund the Advanced Technology Program is totally wrong-headed, in my view, and clearly needs to be rejected by this Congress. We should have the Federal Government take a stronger role in supporting science parks and incubators around this country as well.

The final area I would mention is regulation and trade policy. We need to recognize the strategic importance of legal or regulatory structures to high-technology industries. We need to increase the efforts to protect intellectual property, to support fair competition regimes, to enforce legitimacy and transparency in the global market system, and to assure access by U.S. companies to these markets.

We need to spend some time better monitoring and being sure we are getting fair treatment under the trade agreements we have already entered into instead of rushing forward pell-mell trying to find new agreements we can sign.

We need to focus on export promotion. There is way too little attention to export promotion.

We need to focus on assistance programs for those people who are displaced and those communities that are damaged by increased trade. The current administration and, unfortunately, the Congress in the last few years have not done what needed to be done in this area. We have no formal science and technology policy. The administration has undermanned and seemingly neglected the Office of Science and Technology Policy.

In previous remarks to the Senate, I have gone through a list of the proposed cuts by this administration to basic science and applied research in the Department of Defense, the Department of Energy, the Agriculture Department, in the transportation sector, the Department of Energy's Office of Science, the Advanced Technology Program in the Department of Commerce.

These include:

$660 million in cuts proposed for basic and applied research at the Department of Defense, the sort of research that has the greatest potential for dual use and effective spin-off to the civilian high-technology industries;

$63 million in cuts for energy conservation R&D at the Department of Energy;

$183 million in cuts for FY 2005 for agricultural research;

$24 million in cuts for transportation research; and

$68 million in cuts for the Department of Energy's Office of Science, a major supporter of basic physical sciences and engineering research—we have 40 Democratic Senators and 15 Republicans on a letter asking for increased funding rather than cuts here—and;

total elimination of the Advanced Technology Program at the Department of Commerce, a loss of $171 million for new technologies that otherwise would have been enabled and brought to commercial reality. This is a highly successful program praised by the national academies and even the President's own budget language, cut for short-sighted ideological reasons.

For the sake of our future national competitiveness, we need to face up to the challenges and technological revolutions of the 21st century and ensure that the United States has an effective plan for taking them on. It would be my hope that the coming Presidential election will serve as an opportunity to reflect on the ineffective ways in which we are currently addressing these issues, and to put forth the case that we need a comprehensive change in our policies to ensure our future competitiveness.

I yield the floor.

EXHIBIT 1

[From the New York Times, May 3, 2004]

U.S. IS LOSING ITS DOMINANCE IN THE SCIENCES

(By William J. Broad)

The United States has started to lose its worldwide dominance in critical areas of science and innovation, according to federal and private experts who point to strong evidence like prizes awarded to Americans and the number of papers in major professional journals.

Foreign advances in basic science now often rival or even exceed America's, apparently with little public awareness of the trend or its implications for jobs, industry, national security or the vigor of the nation's intellectual and cultural life.

''The rest of the world is catching up,'' said John E. Jankowski, a senior analyst at the

National Science Foundation, the federal agency that tracks science trends. ''Science excellence is no longer the domain of just the U.S.''

Even analysts worried by the trend concede that an expansion of the world's brain trust, with new approaches, could invigorate the fight against disease, develop new sources of energy had wrestle with knotty environmental problems. But profits from the breakthroughs are likely to stay overseas, and this country will face competition for things like hiring scientific talent and getting space to showcase its work in top journals.

One area of international competition involves patents. Americans still win large numbers of them, but the percentage is falling as foreigners, especially Asians, have become more active and in some fields have seized the innovation lead. The United States' share of its own industrial patents has fallen steadily over the decades and now stands at 52 percent.

A more concrete decline can be seen in published research. Physical Review, a series of top physics journals, recently tracked a reversal in which American papers, in two decades, fell from the most to a minority. Last year the total was just 29 percent, down from 61 percent in 1983.

China, said Martin Blume, the journals' editor, has surged ahead by submitting more than 1,000 papers a year. ''Other scientific publishers are seeing the same kind of thing,'' he added.

Another downturn centers on the Nobel Prizes, an icon of scientific excellence. Traditionally, the United States, powered by heavy federal investments in basic research, the kind that pursue fundamental questions of nature, dominated the awards.

But the American share, after peaking from the 1960's through the 1990's, has fallen in the 2000's to about half, 51 percent. The rest went to Britain, Japan, Russia, Germany, Sweden, Switzerland and New Zealand.

''We are in a new world, and it's increasingly going to be dominated by countries other than the United States,'' Denis Simon, dean of management and technology at the Rensselaer Polytechnic Institute, recently said at a scientific meeting in Washington.

Europe and Asia are ascendant, analysts say, even if their achievements go unnoticed in the United States. In March, for example, European scientists announced that one of their planetary probes had detected methane in the atmosphere of Mars—a possible sign that alien microbes live beneath the planet's surface. The finding made headlines from Paris to Melbourne. But most Americans, bombarded with images from America's own rovers successfully exploring the red planet, missed the foreign news.

More aggressively, Europe is seeking to dominate particle physics by building the world's most powerful atom smasher, set for its debut in 2007. Its circular tunnel is 17 miles around.

Science analysts say Asia's push for excellence promises to be even more challenging.

''It's unbelievable,'' Diana Hicks, chairwoman of the school of public policy at the Georgia Institute of Technology, said of Asia's growth in science and technical innovation. ''It's amazing to see these output numbers of papers and patents going up so fast.''

Analysts say comparative American declines are an inevitable result of rising standards of living around the globe.

''It's all in the ebb and flow of globalization,'' said Jack Fritz, a senior officer at the National Academy of Engineering, an advisory body to the federal government. He called the declines ''the next big thing we will have to adjust to.''

The rapidly changing American status has not gone unnoticed by politicians, with Democrats on the attack and the White House on the defensive.

''We stand at a pivotal moment,'' Tom Daschle, the Senate Democratic leader, recently said at a policy forum in Washington at the American Association for the Advancement of Science, the nation's top general science group. ''For all our past successes, there are disturbing signs that America's dominant position in the scientific world is being shaken.''

Mr. Daschle accused the Bush administration of weakening the nation's science base by failing to provide enough money for cutting-edge research.

The president's science adviser, John H. Marburger III, who attended the forum, strongly denied that charge, saying in an interview that overall research budgets during the Bush administration have soared to record highs and that the science establishment is strong.

''The sky is not falling on science,'' Dr. Marburger said. ''Maybe there are some clouds—no, things that need attention.'' Any problems, he added, are within the power of the United States to deal with in a way that maintains the vitality of the research enterprise.

Analysts say Mr. Daschle and Dr. Marburger can both supply data that supports their positions.

A major question, they add, is whether big spending automatically translates into big rewards, as it did in the past. During the cold war, the government pumped more than $1 trillion into research, with a wealth of benefits including lasers, longer life expectancies, men on the Moon and the prestige of many Nobel Prizes.

Today, federal research budgets are still record highs; this year more than $126 billion has been allocated to research. Moreover, American industry makes extensive use of federal research in producing its innovations and adds its own vast sums of money, the combination dwarfing that of any other nation or bloc.

But the edifice is less formidable than it seems, in part because of the nation's costly and unique military role. This year, financing for military research hit $66 billion, higher in fixed dollars than in the cold war and far higher than in any other country.

For all the spending, the United States began to experience a number of scientific declines in the 1990's, boom years for the nation's overall economy.

For instance, scientific papers by Americans peaked in 1992 and then fell roughly 10 percent, the National Science Foundation reports. Why? Many analysts point to rising foreign competition, as does the European Commission, which also monitors global science trends. In a study last year, the commission said Europe surpassed the United States in the mid-1990's as the world's largest producer of scientific literature.

Dr. Hicks of Georgia Tech said that American scientists, when top journals reject their papers, usually have no idea that rising foreign competition may be to blame.

On another front, the numbers of new doctorates in the sciences peaked in 1998 and then fell 5 percent the next year, a loss of more than 1,300 new scientists, according to the foundation.

A minor exodus also hit one of the hidden strengths of American science: vast ranks of bright foreigners. In a significant shift of demographics, they began to leave in what experts call a reverse brain drain. After peaking in the mid-1990's, the number of doctoral students from China, India and Taiwan with plans to stay in the United States began to fall by the hundreds, according to the foundation.

These declines are important, analysts say, because new scientific knowledge is an engine of the American Economy and technical innovation, its influence evident in everything from potent drugs to fast computer chips.

Patents are a main way that companies and inventors reap commercial rewards from their ideas and stay competitive in the marketplace while improving the lives of million.

Foreigners outside the United States are playing an increasingly important role in these expressions of industrial creativity. In a recent study, CHI Research, a consulting firm in Haddon Height, N.J., found that researchers in Japan, Taiwan and South Korea now account for more than a quarter of all United States industrial patents awarded each year, generating revenue for their own countries and limiting it in the United States.

Moreover, their growth rates are rapid. Between 1980 and 2003, South Korea went from 0 to 2 percent of the total, Taiwan from 0 to 3 percent and Japan from 12 to 21 percent.

''It's not just lots of patents,'' Francis Narin, CHI's president, said of the Asian rise. ''It's lots of good patents that have a high impact,'' as measured by how often subsequent patents cite them.

Recently, Dr. Narin added, both Taiwan and Singapore surged ahead of the United States in the overall number of citations. Singapore's patents include ones in chemicals, semiconductors, electronics and industrial tools.

China represents the next wave, experts agree, its scientific rise still too fresh to show up in most statistics but already apparent. Dr. Simon of Rensselaer said that about 400 foreign companies had recently set up research centers in China, with General Electric, for instance, doing important work there on medical scanners, which means fewer skilled jobs in America.

Ross Armbrecht, president of the Industrial Research Institute, a nonprofit group in Washington that represents large American companies, said businesses were going to China not just because of low costs but to take advantage of China's growing scientific excellence.

''It's frightening,'' Dr. Armbrecht said. ''But you've got to go where the horses are.'' An eventual danger, he added, is the slow loss of intellectual property as local professionals start their own businesses with what they have learned from American companies.

For the United States, future trends look challenging, many analysts say.

In a report last month, the American Association for the Advancement of Science said the Bush administration, to live up to its pledge to halve the nation's budget deficit in the next five years, would cut research financing at 21 of 24 Federal agencies—all those that do or finance science except those involved in space and national and domestic security.

More troubling to some experts is the likelihood of an accelerating loss of quality scientists. Applications from foreign graduate students to research universities are down by a quarter, experts say, partly because of the Federal government's tightening of visas after the 2001 terrorist attacks.

Shirley Ann Jackson, president of the American Association for the Advancement of Science, told the recent forum audience that the drop in foreign students, the apparently declining interest of young Americans in science careers and the aging of the technical work force were, taken together, a perilous combination of developments.

''Who,'' she asked, ''will do the science of this millennium?''

Several private groups, including the Council on Competitiveness, an organization

in Washington that seeks policies to promote industrial vigor, have begun to agitate for wide debate and action.

''Many other countries have realized that science and technology are key to economic growth and prosperity,'' said Jennifer Bond, the council's vice president for international affairs. ''They're catching up to us,'' she said, warning Americans not to ''rest on our laurels.''

REMARKS OF SENATE DEMOCRATIC LEADER TOM DASCHLE TO THE AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

Thank you, Dr. [Shirley] Jackson, for that warm introduction, and for the tremendous work you are doing. Few people alive today can claim to have done as much to advance both the cause, and the frontiers of science.

It is a great honor for me to address such a distinguished group of scientists and thinkers. Since my childhood, I've been fascinated with science, perhaps because I knew my father had hoped to become a geologist before World War II called. But any child of South Dakota grows up with an appreciation for the impact science has on our lives. Whether it's the work of agricultural geneticists improving crop yields, or simply paleontologists explaining the fossils of Rapid City's Dinosaur Park, science has a special place in South Dakota. I chose a different path than a life of science, but I've always been mindful of John Adam's letter to his wife, Abigail, in which he wrote, ''I must study politics and war [so] that my sons may have liberty to study mathematics and philosophy.'' Sooner or later, every elected official needs to come up with a justification for the demands of public office to their husband or wife. I wish I could come up with something as good as John Adams.

Whatever Adams motivation was for the comment, I share his understanding of the relationship between politics and science. Elected officials have an obligation to maintain our nation's prosperity and peace, not merely for their own sake, but because they provide our citizens the liberty to pursue the higher callings of the mind. History best remembers not the civilizations that have done the most to expand their borders, but those civilizations that have done the most to expand the boundaries of human understanding. These are the accomplishments that resonate through the centuries, and it is the work of America's scientists that will serve as our testimony to history.

For all the grandeur of intellectual pursuits, America's interest in scientific progress has a pragmatic urgency as well. Today, your discoveries matter more to our every day life than at any other point in human history. Biotechnology and genetics, not to mention the steady progress of medical science and nanotechnology, are extending and improving our lives. The physics of computer science is sparking new industries that employ millions of Americans and enhance the productivity and well-being of countless more.. On the battlefield and in the laboratory, the war on terrorism is being waged, not just with soldiers, but with software armed with artificial intelligence algorithms. America's health, prosperity, and security are tied to your success. And as a result, our obligation to ensure you have the freedom and resources necessary to advance your work is more pressing than ever before.

This tension between science for the sake of human understanding, and science for the sake of human well-being has marked our history since its first days. Even de Tocqueville thought democracies were ill-equipped to support pure scientific research. The more democratic a society, he wrote ''the more will discoveries immediately applicable to productive industry confer gain, fame, and even power on their authors.''

But our Founding Fathers had different ideas. Many, most notably Jefferson and Franklin, considered themselves men of science and the government they designed their most daring and novel invention. Jefferson once wrote to a friend, ''We have spent the prime of our lives procuring the precious blessing of liberty. Let [young men] spend theirs in shewing that it is the great parent of science and of virtue.'' So vital was this idea to the American experiment, that the very first coin minted in our country bore the motto, Liberty, Parent of Science and Industry.

When Jefferson sent Merriwether Lewis across the continent to map the land that held our nation's future, he understood the expedition would have two results. It would serve practical purposes such as easing the westward expansion of the nation and creating new trade relationships with the Indian populations. At the same time, the expedition captured Jefferson's scientific heart. In fact, his first choice to lead the expedition was a French botanist. Jefferson changed his mind, and after offering Lewis an education in botany, geology, geography, and the finer points of navigation, he gave the Lewis a broad and simple directive: explore. The information Lewis and his men brought back represented immense steps forward for American sciences from anthropology to zoology and many in between.

In many ways, Jefferson's leadership and the Lewis & Clark expedition established the model for government's partnership with science. And in the 200 years since, government support for scientific research had helped invent the telegraph, split the atom, conquer space, create the Internet, map the human genome, and much more. No nation has ever made such an enduring and significant investment in science, and no nation's scientists have done as much to demystify our world and better the quality of life on earth.

In the years before World War II, America became the adopted home of a generation of scientists fleeing fascism in Europe. Never was the importance of a free society to science more clear. The physicist Emilio Sergré was among those who came to America, emigrating in 1938, and eventually working on the Manhattan Project. ''America,'' he wrote at the time, '' looks like the land of the future.''

America has always been the land of the future. Throughout our history, we have maintained a remarkable devotion to the simple idea that our children's lives should be better, safer, and richer than our own. This simple idea that we call the American dream has been made real because of the myriad contributions of Americans scientists.

Today, we stand at a pivotal moment. For all our past successes, there are disturbing signs that America's dominant position in the scientific world is being shaken. According to a recent study, America's rate of scientific discovery is lagging behind that of European countries. The number of scientific papers published by American researchers declined last year, and has been flat for the past several years. In contrast, every country in Europe has increased its rate of discovery. In the last two decades of the 20th century, France, Germany, and the United Kingdom doubled their production of doctorates in science and engineering. Japan doubled its production of science and engineering doctorates in just one of those decades. If this stagnation is allowed to continue, it will have profound implications for every aspect of American society. If we are to remain the land of the future, we must reaffirm the partnership that created America's dominant position within the world of science.

Regrettably, rather than strengthening this partnership, I fear that the Bush Administration has allowed it to erode in two critical ways. First, the Administration is abdicating its responsibility to provide scientists with the funding cutting-edge research demands. As you know, the federal government has seen its R&D investments steadily decline as a share of the U.S. economy, bringing the federal investment down to levels not seen since the mid-60s. Public-sector investments in advanced research have declined sharply, relative to our economic growth rate, and barely kept pace with inflation. This year, federal funding for research is set to increase 4.7 percent. However, the entire increase would go to the Department of Defense and Homeland Security for the development of weapons systems and counterterrorism technology. Make no mistake, these are necessary investments that will make our nation safer. But the remaining federal R&D budget that supports research into health, environmental, biological, and other sciences, will all see funding reduced.

In my home state of South Dakota, for instance, the Earth Research Observation System is facing the possibility of deep cuts in staff due to cuts to their budget. Their work helps us become more responsible stewards of the environment, while increasing the yields of farmers all over the world. And yet, this work is endangered due to draconian budget cuts.

But the administration's disregard for science extends beyond budgetary choices. Just last month, the Union of Concerned Scientists released a report charging the White House with systematically working against the spirit of objective science. The report states that the Bush Administration has suppressed or distorted the scientific analyses offered federal agencies to bring these results in line with administration policy. Time and time again, the Administration is choosing politics over real science.

Consider the administration's response to global warming. Even though the scientific community is united on the fact that fossil fuel production and consumption has contributed to global warming, the White House deleted that finding from its 2001 report on Global Warming, and in its place inserted a reference to an opposing study that was financed by the American Petroleum Institute.

In addition, when the administration has had the opportunity, it has stacked the deck by staffing research boards and advisory councils with under-qualified researchers who have shown allegiance to the White House's political goals. Just recently, the President dismissed two advisers from his Council on Bioethics because they were outspoken proponents of research on human embryos.

This is not real science. This is vending machine science. The administration thinks it can pull a lever and get the results it wants at no cost. But the costs are extraordinary. If history shows anything, it's that a bet against science is a bet you cannot win. For the sake of short-term political posturing, the White House is putting the long-term security, health, and prosperity of our nation at risk.

Just as importantly, America's reputation as a home for cutting edge science is being diminished. I am hearing from more and more friends in the science community that they are concerned about the support and reception their work will receive in the years to come. They worry that the administration's failure to provide intellectual leadership will erode the high standing American

science has achieved since WWII. And I fear their apprehension is well justified.

But we should be honest with ourselves. Outside the scientific community, there is no hue and cry for more government funding of R&D. There is no widespread public outrage when the administration disregards the unequivocal judgment of the scientific community. And it's unlikely that the science gap growing between the United States and other developed nations will become a major issue in the upcoming Presidential campaign.

This represents a failure on our part. We have not done enough to show the American people the connection between the work underway in your laboratories and the problems that affect their lives. This must change. The stakes simply could not be higher. What future challenge will we fail to meet because America's scientists were not given the tools they need to discover new answers to old questions? When rumors of a Nazi bomb program reached President Roosevelt, he said simply, ''Whatever the enemy may be planning, American science will be equal to the challenge.'' Will future presidents be able to speak with such confidence?

The challenge to the American scientific community is to rebuild the link not only between science and government, but between science and society. I believe we can do so, if we return to the model established by Thomas Jefferson. There is an implicit ongoing debate within the government regarding what kind of research is most important to support. Some suggest that we should put no limits on the kind of research we support and have faith that advances in theoretical science, regardless of the field, will inevitably translate into practical applications that improve human life.

For others, that approach is too abstract. There are real problems, and to spend taxpayer dollars on anything but the most pragmatic search for solutions seems high-minded, but naive. There is merit to each approach. Both kinds of research are critical.

But Jefferson offered a third way, and, I believe, the right way to make the best use of government's resources, and gain the full support of the American People for the efforts of science. Merriwether Lewis's expedition represented a basic attempt to enlarge the scope of America's understanding of the world around it. It was the stuff of doctoral dissertations. At the same time, because the mission was targeted at the urgent needs of an expanding nation, the voyage captured the support of Washington and the imagination of our young country.

America saw another tremendous example of this in recent years in the Human Genome Project. The effort pooled the combined wisdom of biology, chemistry, physics, engineering, mathematics, and computer science, tapped the strengths and insights of the public and private sectors, brought together 1,000 researchers from six different nations to reveal all 3 billion letters of the human genetic code. Few endeavors have brought together such diverse disciplines for a single and pure pursuit of scientific knowledge. The discoveries of the Human Genome Project have created extraordinary promise in the field of medicine, and brought to life an industry that could lead the American economy for a generation to come.

It has been nearly four years since the human Genome Project concluded its primary objective. If the science policy of this Administration has failed in any way, it has failed here: it has yet to point the way to the next great frontier of human understanding. It has yet to call scientists from every discipline to a single mission of public service.

Today, we need to rally once again around common goals, and put the broad interests of the nation ahead of the narrow boundaries of scientific disciplines. Surely there is no shortage of challenges. Should we not set our nation's physicists, chemists engineers, and geologists to the task of freeing our nation from the need to import oil? Can we create the scientific and technological foundations for affordable, carbon-free energy sources? Can we ''level the playing field'' for American researchers that lack the resources of our nation's wealthiest universities? Is it beyond our imagination to address the major challenges of developing countries—such as cures and vaccines for AIDS, TB and malaria? In addition to the obvious moral and ethical imperative to do so, the economic and foreign policy benefits from harnessing our scientific and technical talent to foster sustainable development would be profound.

Let me suggest one final goal that could occupy the best efforts of scientists from every discipline for a generation to come. Now that we have surveyed the map of human life, let us turn our attention to that which makes human life unique: the mind. What challenge would be beyond our reach if we truly understood how we learn, remember, think and communicate? What could we accomplish if our education policy was bolstered with a new understanding of how children learn? How much safer could our neighborhoods be, if neurophysiology solves the puzzle of addiction? What industry would not be strengthened by a more complete picture of the workings of the mind? There is perhaps no field in which major advances would have more profound effects for human progress and health than that of neuroscience. If the American scientific community could come together and communicate to the nation the kaleidoscopic possibilities that could result if we unlocked the secrets of the mind, we could not only achieve untold advances in science, we could open a new chapter in the story of America's support for science.

Investments in science and technology are the ultimate act of hope, and will create among the most important legacies we can leave. America is still, as Emilio Segré said decades ago, the land of the future. We have held that honor since this continent was discovered by a daring act of science more than 500 years ago. We have earned it anew with each passing generation because America's scientists and public officials have understood the importance of applying the power of American curiosity to most intractable American challenges.

The hallmark of American science is not that we have been able to overcome each new frontier. The hallmark of American science is that having conquered one, we impatiently seek out new, more distant and difficult frontiers. America will be able to call ourselves the land of the future so long as we dream that the future holds a better life for ourselves, and so long as those of us who, in Adam's words, study politics, continue to invest in your ability to make that dream real.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

Mr. KYL. Mr. President, I ask unanimous consent that the time for the two leaders be reserved for their use later in the day.

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

OVERTIME REGULATIONS

Mr. KYL. Mr. President, I rise to speak to the legislation we are going to be taking up when we go back to S. 1637, called the Jumpstart Our Business Strength Act, which will attempt to modify the law relative to how we treat manufacturing firms in tax policy to comply with rulings of the World Trade Organization and related legislation.

There is an amendment pending that will be offered by Senator HARKIN that relates to final regulations issued last week by the Department of Labor. I would like to speak to why we should quickly dispense with that Harkin amendment to move on with the S. 1637 and not get bogged down in the regulations that were issued by the Department of Labor.

The regulations issued a final rule to update the previous regulations that implemented the Fair Labor Standards Act. That act implements rules guaranteeing overtime pay for certain nonwhite collar workers—in other words, when somebody works longer than the period they would ordinarily be required to work, what circumstances the employer is required to then pay overtime pay for that additional work. The rules the Department of Labor has had in effect have not been modified for over a quarter of a century. The salary levels to which these regulations apply have not been changed since 1975. The duties test has actually not changed since 1949. That is the test that tries to define whether a worker is a white collar worker who would be exempt from this requirement or a blue collar worker who would be guaranteed overtime if they worked longer than they are supposed to. What this has done is to leave employers with very obsolete job classifications, things such as straw boss and leg man, other titles for work that have not been performed for years. That needed to be fixed.

The Department of Labor had been struggling to try to bring it up to date and get final rules into place, which now has been done. A lot of the concerns expressed by supporters of the Harkin amendment are based on interpretations or misreadings of the previously proposed rule. But a lot of that has now been cleared up in the final rule made effective last week. Much of the criticism should fall by the wayside.

Let me describe what the final rule does. It would guarantee overtime benefits to 1.3 million low-wage workers who before were not entitled to overtime pay. Under this rule, 6.7 million new employees must be paid overtime regardless of their duties. That is 1.3 million more than is currently the case. It would raise the minimum salary level at which workers are ensured overtime pay from $155 to $455 a week or $23,660 annually. That is the largest increase since the law was enacted in 1938. Under the previous regulations, individuals earning the minimum wage, which would be about $10,700 a year, were not guaranteed overtime.

They must be classified by their employers as nonexempt in order to receive overtime. The previous regulations guaranteed only employees earning less than $8,000 a year a nonexempt status—in other words, guaranteed minimum wage. This regulation updates all of that.

The work the Department of Labor has done is going to help a lot of Americans. Over 6.7 million Americans will now be guaranteed this overtime pay and a lot more than that will probably get it, depending upon exactly what kind of work they perform. Under the new regulations, employees who earn more than $100,000 annually would be exempted, but here again, even they would only be exempted if they regularly and customarily perform executive, administrative, or professional duties. Even somebody with earnings over $100,000 a year could get overtime pay. The Department of Labor estimates only about 107,000 employees who earn $100,000 or more could be reclassified as white collar employees and potentially lose their overtime pay. Those who earn between $23,660 and $100,000 will remain eligible for overtime pay if they meet the so-called ''short test,'' which determines whether they are exempted white collar employees or not.

Let me respond to some of the misinterpretations. There was a view that a lot of folks would not be guaranteed pay. The new rules explicitly define certain groups as being guaranteed pay. For example, first responders, police officers, firefighters, paramedics, emergency medical technicians, and similar public safety officers are entitled overtime pay.

I ask unanimous consent to print in the RECORD a statement from the Fraternal Order of Police relating to these regulations.

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

FINAL DOL REGULATIONS PROTECT AND EXPAND OVERTIME FOR AMERICA'S FIRST RESPONDERS

F.O.P. EFFORTS CRUCIAL TO PROTECTION OF OVERTIME FOR PUBLIC SAFETY

Today National President Chuck Canterbury hailed the release of the Department of Labor's (DOL) final regulations on the exemptions from overtime under the Fair Labor Standards Act (FLSA) as an ''unprecedented victory'' for America's first responders. The regulations, which were first proposed in March 2003, highlight the F.O.P.'s singular and significant contribution to protecting the future of overtime compensation for State and local police officers, firefighters and EMTs.

''The Fraternal Order of Police is extremely grateful for the work of Secretary of Labor Elaine L. Chao and Wage & Hour Administrator Tammy McCutchen to take into consideration and incorporate the views of the F.O.P. in developing their final regulations,'' Canterbury said. ''Since the beginning, the F.O.P. was alone in its confidence in this Administration's commitment to our nation's first responders, and their intention to resolve this issue to the benefit of these vital public servants.''

On the preamble to the final regulations, the Department of Labor acknowledged that it was responding specifically to the views of the Fraternal Order of Police ''about the impact of the proposed regulations on police officers, firefighters, paramedics, emergency medical technicians (EMTs) and other first responders.'' DOL went on the note that the current regulations do not explicitly address the exempt status of these employees, and ''this silence . . . has resulted in significant federal court litigation to determine whether such employees meet the requirements for exemption.''

The final Part 541 regulations make several important changes for public safety employees. for the first time ever, the regulations clarify that neither the regulations contained in 29 CFR nor the Section 13(a)(1) exemptions apply to police officers, firefighters, EMTs and other first responders who perform public safety work. The regulations go on to clarify why these employees, regardless of their rank or pay level, cannot be classified as executive, administrative or professional employees, and thus be exempted from receiving overtime pay. In addition, the Department acknowledges that the right to overtime compensation may be extended to some public safety employees who are currently classified as exempt because of changes to the regulations.

''Where others were content to ask the Department to say in its final rule only that 'no expansion of law enforcement exemptions is included in or intended by the new rules,' the Fraternal Order of Police said 'today's public safety work is more unique than ever before, and the final regulations must account for the challenges faced by our nation's first responders in the post-9/11 environment,' '' Canterbury said. ''The final regulations achieve that goal.''

On 31 March 2003, the Department of Labor published a Notice of Proposed Rulemaking in the Federal Register to revise and update the exemptions from overtime under the FLSA for executive, administrative, and professional employees; also known as the Part 541 or ''white collar'' exemptions. Immediately, the clarion call spread across the nation that the Department was trying to take away the right to overtime pay for hundreds of thousands of police officers, firefighters and EMTs.

During the public comment period, the F.O.P. worked with the International Association of Firefighters (AFL–CIO) to seek clarification of the Department's intent with respect to the overtime eligibility of public safety employees—an issue which was not explicitly addressed in the proposed rule. In late June, the F.O.P. submitted its formal written comments to the Department. It was the first organization to weigh in on behalf of America's law enforcement community regarding the proposed changes, and advised DOL about the potential impact of the proposal on public safety employees.

''We were never concerned that DOL was trying to destroy the ability of police officers and others to earn overtime compensation, despite the rhetoric employed by other groups and some legislators to vilify and demonize Secretary Chao,'' Canterbury said. ''Rather, we believed it was important to point out that the regulations as proposed did not sufficiently recognize the increased workloads and hazards faced by public safety employees since the heinous terrorist attacks of September 11, 2001, and to use that as the basis for our efforts.''

Canterbury explained that while the F.O.P. faced strident and often vitriolic opposition from other organizations who viewed this as a fight to maintain the status quo, the F.O.P. never considered this to be a viable solution because of the number of public safety officers currently classified as exempt under the existing regulations. Instead, the F.O.P. viewed the proposal as a unique opportunity to correct the application of the overtime provisions of the FLSA to public safety officers.

''These final regulations show that this Administration and this Department of Labor are responsive to the concerns of rank and file first responders,'' Canterbury said. ''There has been too much posturing and rumor mongering on this issue by the leadership of other police organizations, who have seemed intent on sacrificing their members' paychecks on the altar of partisan politics. I hope that those who have been so employed over the course of the past year can see the folly of their ways, and that we can all recognize this for what it truly is: an unprecedented victory for police officers and their families.''

Mr. KYL. The Fraternal Order of Police is one of the groups very interested in this issue. It is the largest organization of sworn law enforcement officers, and obviously they are in support of the first responders being exempt from the nonguarantee—in other words, being guaranteed overtime pay.

Another group is nurses. The licensed practical nurses and other similar health care employees will be entitled to overtime pay under the new regulations. Originally unions had asserted to the contrary, but that is not the case. With respect to registered nurses, they are already exempted professionals under current law. The new rule will not change that. Explicitly blue collar workers are identified as entitled to overtime pay.

There was a question about cooks. They are entitled to overtime pay. The only people in that group that might not be are college degree chefs who have degrees in culinary arts, who supervise others in work they do. Paralegals will be entitled to overtime pay. Public sector inspectors, people such as building inspectors, will be entitled to overtime pay. Union courts, collective bargaining agreements in States will not be affected by the rule. This is another area that has been grossly misrepresented.

The bottom line is this final rule will bring clarity. It defines specific categories of people who will be guaranteed pay and, therefore, shuts down a lot of the litigation that has been based on the fact that the law has not been explicit or very clear. The confusing and outdated current or previous regulation has been a gold mine for trial lawyers, and there are a lot of articles that have recently been published that point out some of the abuses. The number of lawsuits in this area has doubled since the 1990s. Class action lawsuits have tripled since 1997. The number of these suits has actually surpassed the EEOC class action lawsuits in number.

While the trial lawyers have made out very well off of the confusion of the previous regulations, the plaintiff's benefit is significantly smaller. For example, in a recent Oregon lawsuit, which the Presiding Officer will be interested in, fast food restaurant workers each received $1,300, while the trial lawyers received $1.5 million. In a similar California case, workers got $2,800

while the trial lawyers were awarded almost $4 million.

Let me conclude by making a point that part of the confusion is due to objections by the AFL–CIO. Even before the final rule was made public, they were criticizing it, producing TV advertisements, misrepresenting the effect of the new rule. This is especially distressing given the fact—I know this personally from the Secretary of Labor, who had spent untold numbers of hours working on this—it was their intention to try to take in all of the criticisms and comments and blend them into a rule that made sense for workers. She did this, and then to have it attacked before it is finalized, with misrepresentations, is very unfair.

Prior to drafting a rule, the Department of Labor held over 40 stakeholder meetings with 50 different interested groups, including 16 different unions, and invited 80 groups to participate in these so-called stakeholder meetings. It was not as if this were done without the input of people clearly interested in it.

The amendment that is in order when we take up the bill is the Harkin amendment. It is unclear precisely what the wording of the amendment will be, but obviously the intent is to preclude the regulations from fully taking effect.

I urge my colleagues, after they review that language, to quickly dispose of the amendment so we can move on to the important business of passing the underlying JOBS bill. As we know, the only group of employees that is not going to be guaranteed overtime under the new regulations is those making over $100,000 or more. The theory there is they are in a position to negotiate their own salary.

Just to conclude, if this new rule is not allowed to go into effect, the biggest winners under the new rule, which are the low-income workers, will be the biggest losers. We need to put this into effect, clear up the confusion, and create the specific categories that are guaranteed overtime pay or these people are going to lose. The police, the firefighters, the lower income people, the blue collar workers are not going to be assured overtime pay. Remember, it only previously would guarantee anybody with $8,000 or less the overtime pay they should be entitled to.

The effect of the Harkin amendment will be to hurt workers, not to help them. It is my hope that, again, we can quickly dispense with the Harkin amendment, defeat that amendment, support the regulations, the new rules that have been adopted by the Department of Labor, let them go into effect, and see how they work; in the meantime, move on with S. 1637, the underlying legislation, the purpose of which is to finally get our manufacturing industry back on even par with our competitors, particularly in the European market. That is legislation we have to pass because of the tariffs that are being imposed each month until we comply with the ruling of the WTO.

The ACTING PRESIDENT pro tempore. The Senator from Florida.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent I be allowed to speak for 15 minutes, and I include in that request Senator REID of Nevada who has asked to follow me for an additional 15 minutes.

Mr. KYL. Mr. President, reserving the right to object, there is a division of time between the two sides. Could I suggest that regarding the remarks of the Senator from Florida with the Senator from Nevada, that they get together and figure out the time to speak if it will not be under leader time? Is that acceptable?

I will object to the request and try to talk to the Senator.

The ACTING PRESIDENT pro tempore. The objection is heard.

The Senator from Florida.

Mr. NELSON of Florida. Is the unanimous consent request that I made that I be allowed to speak for 15 minutes, is that acceptable?

The ACTING PRESIDENT pro tempore. It has been objected to.

Mr. NELSON of Florida. I ask unanimous consent that I be allowed to speak for 15 minutes, and if there is a Member on the other side of the aisle who would like to speak for 15 minutes, that they be allowed to do so, as well.

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

THE POLARIZED SENATE

Mr. NELSON of Florida. Mr. President, that is an interesting segue into what I wanted to talk about, the polarized nature today of the Senate.

At times, this Senate has become so partisan, and increasingly so now, that it is in gridlock. There seems to be a playing out of ''gotcha'' politics that has poisoned the atmosphere in Washington, DC, so that it is hard to get the people's business done.

When I had the privilege of coming 4 years ago to the Senate, I had read the histories of the great leaders of this body and the extraordinary consensus and bipartisanship, that they would reach out and bring people together in order to form a consensus that could help the Nation govern itself. We find we have exactly the opposite happening in the Senate.

At the same time, what we find happening—under the Constitution, the separation of powers are a check and a balance against each other. That is beginning to erode. Instead, what we see is the power, instead of being equally divided and balanced between the judicial, the legislative, and the executive branches, we find in the executive branch almost an attitude that the legislative branch should become an appendage of what the executive branch wants. If that trend continues, the Constitution is not going to work as it was intended to work.

We find in the histories of this great body, when we have read about those great leaders, even within our lifetime—Everett Dirksen, Lyndon Johnson, Mike Mansfield, and Bob Dole—they reached out and built bipartisan consensus. They were partisan when they needed to be, and yet they knew the way this body operates. One cannot break a filibuster except by 60 votes now; it used to be two- thirds. We have to build consensus, and we have to build it from the political center by reaching out and bringing people together.

The sharpness of this poisoned atmosphere of excessive partisanship and excessive ideological rigidity has made it very difficult for this Government to function. As a matter of fact, we read the articles recently in major periodicals where it seems ideology is lining up in one party or another, almost as if that is the decision point, the choice, for America to make.

But America has always yearned for another way and that was using the best of our democratic principles through the cross currents of ideas, through the intercourse of discussion, through the heat of debate, for ideas and consensus to emerge upon which to govern this wonderful, broad, beautiful, powerful, and very diverse country. Until we do that, we are going to continue to have a problem of gridlock.

There is something I can do about it by the way I conduct myself individually, day in and day out—when I make mistakes, own up to those mistakes and apologize to the people who would be offended by those mistakes in the interest of comity and consensus building. That is how this Senator has tried to conduct himself, failed as I may be.

That is how I will try to continue to conduct myself and hope I am joined by other Senators in that—through the way you conduct yourself, reaching out in the spirit of comity and personal friendship, and with a sight set on what is good for the Nation. Partisanship prevents us from building consensus in order to run this wonderful country we are privileged to serve and represent.

Mr. President, that is what has been on my heart.

THE GAO MISSILE DEFENSE REPORT

Mr. NELSON of Florida. Mr. President, I came to the floor to discuss a topic we will be taking up in the Senate Armed Services Committee later this week as we start to grapple with the authorization bill for the Defense Department—the question of missile defense.

This topic is timely for a number of reasons. First of all, the administration plans to deploy a ''rudimentary'' missile defense system this September, despite the fact it has not been proven to work. The Armed Services Committee begins consideration of this DOD fiscal year 2005 budget request, and the Pentagon has requested $10 billion for missile defense systems in 2005,

so it is timely to talk about it right now.

Also, it is timely to talk about this issue because the General Accounting Office has released a report exhaustively reviewing major missile defense programs—with interesting and useful findings, if we will listen to those findings.

Let's look at that GAO report. The report made some very telling observations. Among them was that the missile defense to be deployed in September simply will not be proven yet, because it hasn't been tested against realistic targets. The GAO recommends that realistic operational tests should be conducted on the missile defense system, which many of us have been saying. How in the world can you deploy something that has not been developed and tested?

The GAO recommends we establish clear and firm missile defense goals. I don't see how we can operate and manage a complex, expensive program like this without goals. The report also took a hard, unbiased look at what progress was being made on these missile defense programs. The GAO spent close to a year doing research going beyond the rhetoric to understand what was going on scientifically and fiscally among these complex programs.

What did the GAO find? Well, they found some major problems, problems that should concern all of us who support a true working missile defense for our homeland. I want to repeat that—problems that concern those of us who truly support a working missile defense program for our homeland.

The GAO found, for example, the prime contractors for 2 of the missile defense programs had cost overruns totaling almost $400 million during fiscal year 2003 alone.

The GAO found the first increment of missile defense to be deployed in September is going to cost a billion dollars more than the Pentagon thought it would cost a year ago. That is a billion dollars of cost growth in a single year. I want this program to be successful, and I also want it to be fiscally responsible.

The GAO also found the airborne laser program is more than a year behind schedule and projected to go over budget between a half billion dollars and a billion dollars. Let's look at that airborne laser program for a moment. It is a fascinating technology, using a laser cannon mounted on a 747 aircraft to shoot down missiles while they are rising in the boost phase of an ICBM flight.

In March 2003, only a year ago, during the Senate Armed Services Committee hearing on missile defense, I asked the Lieutenant General Kadish, the Director of the Missile Defense Agency, about the airborne laser. He told me it was going to be working within a year. Well, we know now—not from him, but from the GAO report—that at the time of the hearing last year, the airborne laser program was already significantly behind schedule and had more than $100 million in cost overruns a year ago when I asked the question in the Armed Services Committee. But they didn't tell us that.

According to the GAO, just about everything that can go wrong with this program has gone wrong. General Kadish did not tell us that a year ago. The report says:

> Numerous and continuing issues have caused the [program] to slip, including supply, quality, and technical problems.

I continue the quote:

> For example, specialized valves have been recalled twice, laser fluid management software has been delayed due to inadequate definition of requirements, and improperly cleaned plumbing and material issues have required over 3,000 hours of unplanned work. In addition, delays in hardware delivery occurred in almost every month of fiscal year 2003.

Why didn't they tell us that last year? It is, again, symptomatic of the executive branch not deferring to the proper balance of powers as envisioned by the Constitution. Instead, they are asking the legislative branch to do its bidding. This has to stop for the sake of the balance of powers of this country.

Even as these problems were occurring with the airborne laser, more money was pouring into the program. The Missile Defense Agency spent about a billion dollars on the airborne laser in 2002 and 2003, and the administration has asked for another half billion dollars in fiscal year 2005 for this same program.

The Pentagon has not been forthcoming with this sort of information. If it weren't for this GAO report, it is not likely the Congress would understand how serious the problems are with this airborne laser program. I wish it were not so, because wouldn't it be good for America if we suddenly had an airborne laser that could shoot down an ascending rocket heading for an American target?

The airborne laser program is not the only surprise in the GAO report. The report reveals computer programs needed for Navy ships to work with the administration's missile defense system won't be tested adequately prior to the planned September deployment of the system. Since these ships are needed to protect Hawaii from a missile launch, Hawaii is now unprotected. That same report reveals major delays with the administration's missile defense plans. It says:

> Flight tests leading up to the [deployment] have slipped [over] 10 months, largely as a consequence of delays in [missile defense] interceptor development and delivery. Accordingly, the test schedule leading up to the September [deployment] has been severely compressed, limiting [the] opportunity to characterize [the system's] performance prior to the initial fielding.

The report goes on:

> The production and delivery of all 20 interceptors by the end of [December 2005] is uncertain—contractors have not demonstrated that they can meet the increased production rate.

Given the reality of the technical problems, the schedule delays, and the lack of operational testing, can we justify to the American people spending hundreds of millions of dollars in 2005 to continue to buy more missile defense interceptors than we already have?

I want them to be successful. Let's make sure what we have is going to, in fact, work because the GAO report reveals many of the administration's missile defense programs are in serious trouble with major cost overruns, schedule delays, and inadequate testing. Even to the most enthusiastic supporters of missile defense among us, it should be clear that technology is not proving itself as fast as we had hoped. Given the fact a missile attack against the U.S. is probably lower on the list in terms of probability than other attacks, and given what is going on right now in the war in Iraq and Afghanistan, I think it is clear we need to look carefully and objectively at this missile defense budget and see if we should not spend some of this money on making sure we get it right through the development and testing, and some of that money for our soldiers and marines in battle right now so they can fight and win.

I thank the Chair. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, how much time is remaining for morning business on our side?

The ACTING PRESIDENT pro tempore. There are 15 minutes remaining on the Republican side.

Mr. ALEXANDER. I ask unanimous consent to speak for up to 15 minutes in morning business, and I request that the Chair let me know when there are 2 minutes remaining.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. ALEXANDER. I thank the Chair.

TRIBUTE TO MARVIN RUNYON

Mr. ALEXANDER. Mr. President, I have three topics I wish to speak about today. The first is about Marvin Runyon. Marvin Runyon is a man known to almost all Tennesseans. He died last night. He had a remarkable career.

Marvin Runyon and his Nissan team brought the automobile industry to Tennessee, creating jobs and better lives for tens of thousands of families. They built from scratch the largest and most efficient car and truck plant in North America.

For an encore, Marvin Runyon became chairman of the Tennessee Valley Authority and stabilized TVA rates. And for a double encore, he became the Postmaster General of the United States, and in the year he left, if I am not mistaken, the Post Office made a profit. It is rare that our country has produced a better chief executive officer. I am certain Tennessee has

never produced a better one. He has three wonderful stories all after 50 years of age.

Prior to that, Mr. Runyon was a senior executive at Ford Motor Company. It was in 1980, in my second year as Governor, when Nissan hired that team of Ford executives. They came to Tennessee, a State that was not building any cars or trucks, only had a few thousand, I would say, automobile supplier jobs.

Today, Tennessee is the third or fourth largest producer of cars and trucks. One-third of our manufacturing jobs are automotive. There are several reasons for that development, but it would not have happened if Marvin Runyon and his Nissan team had not chosen to come to Tennessee in 1980.

My wife and I and our family have lost a dear friend, Tennesseans have lost a friend, and I wanted to pay tribute to a man who literally changed the lives of tens of thousands of families for the better by his work in bringing the automobile industry to Tennessee and stabilizing the Tennessee Valley Authority.

FAMOUS MUSIC CORP/ HORNBUCKLE MUSIC

Mr. ALEXANDER. Mr. President, I wish to talk about songwriters. Italy has its art, and California and Oregon have fine wine, Hollywood has movies, Dalton, GA, has carpets, and Nashville has songwriters.

There are a great many beautiful songs that come from Nashville—poems—but I want to especially commend to my colleagues a new song called ''Letters from Home.'' You may hear John Michael Montgomery sing it. It is a poem that touches the heart of Americans at this time. It is especially meaningful with the men and women of our military in Afghanistan and Iraq and all over the world fighting for freedom.

This is a story about their loved ones awaiting their coming home. The last stanza goes like this:

I hold it up and show my buddies
Like we ain't scared an' our boots ain't muddy
But no one laughs 'cause there's
Ain't nothin' funny when a'
Soldier cries.
So I just wipe my eyes
Fold it up and put it in my shirt
Pick up my gun and get back to work
And it keeps drivin' on, waitin' on letters from home.

That song was written by Tony Lane and David Lee. I saw them a couple weeks ago at Belmont University in Nashville. Belmont celebrated the introduction of a course on ''Poetics in Country Music,'' to explore literary criticism of song lyrics as we do for other poetry. I salute Belmont University for its leadership.

When Johnny Cash died, the New York Times streamed a headline: ''Poet of the Working Poor.'' Bob Dylan once said Hank Williams was America's greatest poet. I said on the Senate floor, if that is true, why don't we have English professors somewhere criticizing their poetry? They are all up in Northeastern schools writing good criticism of mediocre poems while we have poets of the working poor and some of the best poets in Nashville writing poems.

''Letters from Home'' is yet another great poem from Nashville songwriters and one more example of why Belmont University's pioneering work to discuss ''Poetics of the Working Poor'' is a good idea.

There might be more in common between Shakespeare's sonnets and Hank Williams stanzas than one at first might imagine.

CALCULATION OF THE EMPLOYMENT RATE

Mr. ALEXANDER. Mr. President, I wish to discuss with my colleagues something of a mystery. I have yet to be able to find an answer to this mystery. I am hoping by addressing it on the Senate floor and by letters I am sending today to Alan Greenspan, Chairman of the Board of Governors of the Federal Reserve System, and the Bureau of Labor Statistics, their research might help me figure this out.

I asked Chairman Greenspan at our hearing on April 21 of the Joint Economic Committee about the 6 million people, more or less, who are living and working in the United States who our Government is not counting when it makes our monthly projections about who is working and who is unemployed.

Here is what I base that question on: There is a consensus there are 8 to 10 million undocumented aliens or illegal immigrants in the United States today. For example, the Urban Institute estimate says 8 million, and the Center for Immigration Studies says 10 million. The Urban Institute estimates perhaps 6 million or more of those undocumented persons have a job in the United States. I do not think there is much debate about the fact there are 6 million people living in the United States, more or less, who are illegally here who are also working.

My guess is our Government is not counting most of these 6 million undocumented aliens when we announce each month the number of Americans who have jobs. It was 138 million for March and the number who are unemployed, 5.7 percent of the workforce, or 8.4 million people in March.

The Bureau of Labor Statistics, which makes these announcements each month, gathers their estimates in two different ways. The first is the so-called payroll survey of 400,000 business establishments. Since it is a violation of Federal criminal laws for a company to employ an undocumented alien, I think it is wrong to assume most or even many of the 6 million illegal immigrants who are working here are reported by the payroll survey. Nor do I believe these 6 million illegal immigrants are likely to be included in the other principal data-gathering mechanism of the survey, which we call the household survey.

This is a survey of more than 60,000 persons living in the United States which basically asked in many different ways, do you have a job? Now, this must include a lot of people the payroll service does not, people such as farmers, people working at home, independent contractors, and I suspect a lot of people who are here illegally.

I also believe that it paints a much clearer picture of employment in the United States than the payroll survey. Common sense suggests to me that the household survey also does not include many undocumented aliens. If one is an illegal immigrant and they receive a phone call from the Government asking questions, they are not likely to give many answers, I would not think, especially if the phone call is not in their native language.

So I see no basis to assume these 6 million workers—my guess is in most cases hard workers but undocumented aliens—are being counted or that they are being equally uncounted by the two surveys, which is what Mr. Greenspan suggested might be the case. Our failure to find some way to consider the implications of having what I would judge to be so many undocumented aliens working has a great many policy implications.

Now I am not trying in these remarks to solve the great issues of immigration, whether we should have it, how much we should have, what we should do. That is another debate. I am just trying to understand who is here. If 6 million are here and working, are we counting them? It would be helpful to know the answer to that question, to know whether we are understating the number of people living in America who are employed and stating the rate of people in America who are unemployed.

This is one of the principal debates in our presidential campaign: It is the economy, stupid. It is jobs. Well, how do these 6 million uncounted workers affect the information we put out each month upon which we make all of these debates? Also, if we have 8.4 million unemployed, according to our official statistics, and if 6 million illegal immigrants are working, are these 6 million taking jobs that the 8.4 million want? Also, if these 6 million were not here, would we suddenly have virtually full employment?

Another point might be, if these 6 million were not here and the 8.4 million still remained unemployed, or many of them did, that certainly would tell us something about whether we need more or less unemployment insurance, more or fewer training programs, or more or fewer lessons in English. Or if the 6 million illegal workers are actually employed, that would tell us something about the effectiveness of our immigration laws and would help us make more accurate estimates of the contributions these workers might

make to the Social Security and Medicare systems.

So if we are going to rely on these monthly estimates from the Bureau of Labor Statistics, my point is, if one is going to say to us we have 138 million people at work in the United States, what about the 6 million who are here who probably are not counted, who are illegally here? They are real people. They are working in real jobs. What about them? Or if we are talking about the 8.4 million people who are unemployed in the United States, what is the effect of having 6 million illegal people on that rate of unemployment? It is information I think we ought to know.

At the end of his answer to my question, Mr. Greenspan said that having better information about the number of undocumented aliens living and working in the United States is a subject that has ''bedeviled statisticians.''

I believe it is also a problem we ought to try harder to figure out the answer to. In fact, I believe it is inexcusable that we would base so much of our public debate about unemployment on surveys that likely exclude several million employed workers in the United States, many of them doing jobs that most Americans consider to be valuable jobs.

This failure to report accurate information may be leading us into a number of erroneous, ineffective, and expensive policy decisions. I have asked Mr. Greenspan and his excellent staff and I have asked the Bureau of Labor Statistics if they could examine this question in-depth and give me and perhaps other Members of the Joint Economic Committee, if Chairman Bennett finds the subject interesting, an opportunity to talk with them about their conclusion.

It seems odd that we would continue to base so much of our national debate upon information that may be flawed, and if it is not flawed, then we need someone with reasonable authority to say that each month we are counting the 5, 6 or 7 million people who have jobs in the United States and who are illegally here so that this cannot be an issue. If they cannot say that, then we need to work harder to find out the answer.

I ask unanimous consent that a copy of my letter to Chairman Alan Greenspan be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, May 3, 2004.

Hon. ALAN GREENSPAN,
Chairman, Board of Governors, Federal Reserve System, Washington, DC.

DEAR MR. CHAIRMAN, I am writing to follow up on your answer to my question about illegal immigration and calculation of the employment rate during your testimony before the Joint Economic Committee on April 21.

My concern is that there may be up to 6 million people living and working in the United States who our government is not counting when it makes our regular projections about who is working and who is unemployed.

There is a consensus that there are 8 to 10 million undocumented aliens or illegal immigrants in the United States today. For example, estimates from the Urban Institute and the Center for Immigration Studies, based on data from the Current Population Survey, are 8 million and 10 million respectively. The Urban Institute estimates that 6 million or more undocumented persons have a job in the United States.

You indicated in your comments to my question that you believe our government's job-counting surveys take these illegal workers into account, or at least, they do a fairly equal job of NOT taking them into account.

My guess is that the government is not counting most of these 6 million illegal workers when we announce each month the number of Americans who have jobs (138,298,000 for March, seasonally adjusted) and the number who are unemployed (5.7 percent of the workforce or 8.4 million people in March, seasonally adjusted).

The Bureau of Labor Statistics gathers data for these estimates in two main ways. The principal way is through the Current Employment Statistics Program, or so-called payroll survey of payroll records from 400,000 business establishments. Since it is a violation of Federal criminal laws for a company to employ an undocumented alien, I think it is wrong to assume that most or even many of the 6 million illegal immigrants who are working for established businesses are reported by the payroll survey. These illegal immigrants may be self-employed, agricultural workers, contractors, or in some other kind of work that is not in any event covered by the payroll survey.

Nor do I believe that most of the 6 million illegal immigrants are likely to be included in the other principal data-gathering mechanism of the bureau, the Current Population Survey, commonly known as the household survey. This is a telephone survey of more than 60,000 persons living in the United States that basically asks in many different ways, ''Do you have a job?'' The household survey must include a great many persons that the payroll survey does not—such as farmers, people working at home, and independent contractors—which is one reason why it paints a larger picture of employment in the United States than the payroll survey. But common sense suggests to me that the household survey does not include many illegal immigrants. If you are an illegal immigrant and you receive a phone call from the government asking questions, you are not likely to give many answers—especially if the phone call is not in your native language.

So I see no basis to assume that these 6 million undocumented aliens are being counted—or that they are being equally uncounted—by the two surveys.

Our failure to find some way to consider the implications of having so many undocumented aliens working has a great many policy implications:

Knowing the answer would help us know if we are understating the number of people living in America who are employed and overstating the rate of unemployment.

If we have 8.4 million unemployed and 6 million illegal immigrants working, are those 6 million taking jobs that the other 8.4 million want?

If the 6 million all went home, would we have virtually full employment?

If the 6 million all went home and the 8.4 million still remained unemployed, that certainly would tell us something about whether we needed more or less unemployment insurance, or more or fewer training programs, or more or fewer lessons in English.

If the 6 million illegal workers are actually employed, that would tell us something about the effectiveness of our immigration laws—and it would help us make more accurate estimates of contributions these workers might make to the Social Security and Medicare systems.

You said at the end of your answer to my question that having better information about the number of undocumented aliens living and working in the United States is a subject that has ''bedeviled'' statisticians. If is also a problem we ought to try harder to figure out.

In fact, I believe it is inexcusable that we would base so much of our public debate about employment on surveys that likely exclude several million employed workers in the United States. It may be leading us into a number of erroneous and expensive policy decisions.

I would be very grateful if you could examine this question in depth and give me an opportunity to talk with you about your conclusions. I am also making the same request of the Bureau of Labor Statistics.

Thank you very much.

Very best wishes,

LAMAR ALEXANDER,
U.S. Senator.

Mr. ALEXANDER. I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. 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.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

JUMPSTART OUR BUSINESS STRENGTH (JOBS) ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 1637, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1637) to amend the Internal Revenue Code of 1986 to comply with World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, to reform and simplify the international taxation rules of the United States, and for other purposes.

Pending:

Harkin amendment No. 2881, to amend the Fair Labor Standards Act of 1938 to clarify provisions relating to overtime pay.

Frist Motion to Recommit the bill to the Committee on Finance, with instructions to report back forthwith with the following amendment:

Frist amendment No. 3011 (to the instructions of the Motion to Recommit the bill to the Committee on Finance), in the nature of a substitute.

Frist amendment No. 3012 (to the instructions (amendment No. 3011) of the Motion to Recommit the bill to the Committee on Finance), relative to the effective date following enactment of the Act.

Frist amendment No. 3013 (to amendment No. 3012), relative to the effective date following enactment of the Act.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I am glad we are back on the jobs and manufacturing act. This will be the third time we have attempted to move this bill. President Reagan had a very famous quip: Here we go again.

Here we go again, hopefully to conclusion of this very important piece of legislation.

I hope things are going to be different. This time the European Union sanctions are very firmly in place. There should not be any doubt in the mind of any Member where Europe is headed. In the process of the European tax on our exports to that continent, they are freezing out of their markets U.S. companies.

This time there is an agreement on the political message amendments that will be addressed on this bill even though those amendments have nothing to do with the measures contained in the bill. This time we will finally reveal with absolute clarity whether some on the other side of the aisle are ready to drop the political posturing and pass this bipartisan bill to remove European Union sanctions against our farmers and manufacturing workers.

In Sunday's Washington Post was an article saying that Senate partisanship was the worst in memory. It spoke about the long list of legislation stalled in the Senate, stalled in the Senate because of political posturing. The article mentioned the bill that is before us today, this jobs and manufacturing bill. The paper said:

Foreign tariffs have been imposed on many American products while the Senate dawdled over [today's bill]—to substitute corporate tax cuts for subsidies that have been outlawed by the World Trade Organization.

Dawdled? That is no compliment, obviously. It is, unfortunately, an accurate description of what opponents to passing the JOBS bill have achieved during the last 2 or 3 months. It is an accusation that all of us will hear back home if we continue to allow the European Union to sanction our agriculture, timber, and manufacturing exports.

I will have more to say about sanctions later, but I want to remind people who might say, Why do you have to worry about the European Union? They don't have any business doing that; we ought to be able to export our products to Europe; that America has also imposed some retribution against European products coming to this country because Europe decided not to abide by the agreement on beef hormones. They don't let our meat in. We won the case before the WTO, so we put duties on their products coming here.

We lose a case before the World Trade Organization—and, by the way, we win more than we lose by a long sight. But regardless, Europe is doing what they can legally do under our international trade agreements. We all understand these international trade agreements have moved us in the right direction, the direction of lowering barriers to our products in other countries so we can export because we are an exporting nation and because exports create jobs and because those jobs pay 15 percent above the national average of jobs. It creates jobs and it creates good jobs.

You don't have to dispute the 50-year history of the advantage of international trade agreements to the United States when other countries have higher barriers to trade than we do, and we bring those barriers down. We have a process for settling our differences. That is called the World Trade Organization dispute settlement process. This bill is before the U.S. Senate because we are changing our laws to be within our international trade agreements, agreements this Senate has already adopted. We have already voted on these international trade agreements, so now we have to live up to them in the same way we expect Europe to live up to those agreements when we win a dispute with Europe. That is why we are here. Only this legislation is going to go a lot further than just to make our laws comply with European laws; we are also going to do other things to our tax laws to encourage manufacturing in America, to create more jobs in America.

This legislation has been held up, as the Washington Post said, while the Senate dawdled. That was over partisan politics. There is no excuse for allowing partisan politics to hold this bill up because this bill was reported out of the Senate Finance Committee with only two dissenting votes, and those two dissenting votes were not Democrat votes, those were Republican votes. The two Republicans who voted against it have a different philosophy on what we should do with this bill, and they are going to be offering an amendment. But I don't think they are trying to kill this bill, even if they disagree with it. They are not standing in the way of passing the JOBS bill just because they don't like exactly what it says.

That is the difference here. Senators do, in fact, have a right to their own opinions on this bill and are free to file amendments to change it. That is exactly what they ought to be doing if they are representing the people of their State. But that is a far cry from trying to delay this measure just to score points on completely unrelated political issues that come before us in the form of nongermane amendments.

This is a bipartisan bill that reflects everyone's concerns, both Republicans and Democrats. This is a bill that is going to pass 90 to 10 when we get to finality. But you don't play political games with a bipartisan bill that affects jobs of manufacturing workers all across this vast land.

I think it is worth looking at the history of this bill. The jobs in manufacturing act is a bipartisan bill from the ground up. The framework was laid by my colleague and friend, Senator BAUCUS, when he was chairman of the Senate Finance Committee in the last Congress. It began with a hearing in July 2002 to address the controversy within the World Trade Organization and our tax laws. We heard from a cross section of industry that would be damaged by the repeal of the Extraterritorial Income Act. We also heard from U.S. companies that were clamoring for international tax reform because our tax rules were hurting competitiveness in foreign trade. Their foreign competitors were running circles around them because of our arcane and probably outmoded international tax rules.

During this hearing we had, for instance, Senator BOB GRAHAM of Florida and Senator HATCH of Utah express concerns about how our own international tax laws were impairing the competitiveness of the U.S. companies. That is almost 2 years ago.

After some discussion on forming a blue ribbon commission to study this issue, we all decided that decisive action was more important than a commission. During that hearing, Chairman BAUCUS formed an international tax working group that was joined by Senators GRAHAM, HATCH, and me, and was opened to any other Finance Committee Senator who was interested in participating. The bipartisan Finance Committee working group developed a framework that forms a basis for the bill that has been before this Senate now, off and on, over the last 3 months. We directed our staff 2 years ago to engage in an exhaustive analysis of many international reform proposals that have been offered. We sought to glean the very best ideas from as many sources as possible.

Chairman BAUCUS and I formed a bipartisan bicameral working group with the chairman and ranking member of the Ways and Means Committee in an effort to find some common ground in dealing with the repeal of the Foreign Sales Corporation Extraterritorial Income Act that was ruled contrary to our international trade agreements. While that effort with Ways and Means did not go so well, it did inspire Chairman BAUCUS and me to continue our Senate bipartisan development of the repeal of this legislation and also to bring about international tax reform.

We continued our efforts in cooperation with Senator HATCH, Senator BOB GRAHAM, and others on the Finance Committee who wanted to do what was fair and what was right in complying with the World Trade Organization ruling.

We continued our bipartisan efforts when I became chairman again after the 2002 election.

In July 2003, we held two hearings on the FSC/ETI and international reform issue. One hearing focused on the effects of our tax policy on business competition within the United States, and the other hearing focused on international business competition. These

two hearings led to this bipartisan bill that has been before the Senate for the last 3 months.

Let me again emphasize that there is not one provision in this JOBS bill that was not agreed to by both Republicans and Democrats—not one. We have acted in good faith to produce a bill that protects American manufacturing jobs and also ensures our companies remain the global competitors we ought to want to be, are, and we ought to continue to be. We did this in a fully bipartisan manner, which is what the American people expect us to do on such an important issue as manufacturing jobs and our Nation's economic health.

The core part of this bill repeals the current FSC/ETI provisions that are now in our tax law. FSC/ETI reduces the income tax on goods manufactured in the United States and exported overseas by as much as 3 to 8 rate points. That is, if the corporation tax rate is 35 percent, the tax rate on export income is going to be somewhere between 27 to 32 instead of the 35 percent it is right now. It lowered the U.S. corporate rate on goods made in the United States and sold overseas.

The World Trade Organization has determined that FSC/ETI is an impermissible export subsidy and has authorized the European Union to impose a $4 billion a year tax against U.S. exports until we get rid of the FSC/ETI legislation that has been on the books for about 3 decades.

We have sanctions put on us by Europe. They began on March 1 with 5 percent right off the bat, increasing 1 percent a month. You have March, 1 percent; April, 1 more percent; and May, 1 more percent. This is a 7-percent Euro tax on American exports. It is a very serious threat for all members because sanctions are hitting commodity products, agricultural goods, timber, and paper.

Presently, about 89 percent of Foreign Sales Corporation export benefits go to the manufacturing sector. Repealing this legislation raises around $55 billion over 10 years. If that money is not sent back to the manufacturing sector, that means an additional $55 billion cost to manufacturing. It is mathematically impossible for it to be anything else.

That is why our bipartisan jobs in manufacturing bill takes all $55 billion of the FSC/ETI repeal money and sends it back to the manufacturing sector in the form of a 3-point tax rate cut on manufacturing income. This rate cut is for manufacturing in the United States, it is not for manufacturing offshore. We start phasing in those cuts this year if the Senate passes this jobs in manufacturing bill this year. The cuts apply to sole proprietors, partnerships, farmers, individuals, family businesses, multinational corporations, and foreign companies that set up manufacturing plants in this country. In total, this bill provides $75 billion of tax relief to our U.S.-based manufacturing sector to promote factory hiring here in the United States.

We also include in this legislation international tax reforms, mostly in the foreign tax credit area and most of which benefit the manufacturing sector. The international tax reforms largely fix problems which our domestic companies face because of the complexity of the foreign tax credit. These reforms are necessary if we are to level the playing field for U.S. companies that compete with our trading partners.

You will hear arguments this week that the international tax reforms provide an incentive to move jobs offshore. I am going to show you later how adamantly I disagree with that argument. We have carefully selected on a bipartisan basis the international reforms that do not provide offshore incentives.

Our bill also includes a Homeland Reinvestment Act which will temporarily reduce tax on foreign earnings that are brought into the United States for investment here at home instead of leaving that money overseas to create jobs overseas. This provision is sponsored by Senator ENSIGN, Senator BOXER, and the Presiding Officer, Senator SMITH from Oregon. It has broad support in the House and Senate.

The JOBS bill will extend the R&D tax credit through the end of 2005. This is a domestic tax benefit that generates research and development here in the United States. That translates into good, high-paying jobs for workers here in America and not jobs overseas.

The legislation before us extends for 2 years many tax provisions that expired in December of last year or, if they didn't expire then, will expire during this calendar year. These items include the work opportunity tax credit and the welfare-to-work tax credit. The JOBS bill will make the merger of those credits permanent.

We include a provision that allows Naval shipbuilders to use a method of accounting which results in more favorable income tax treatment.

There are enhanced depreciation provisions to help the airline industry.

There are new homestead provisions. These are rural development provisions to create businesses in counties that are losing population. For example, they would provide incentives for starting or expanding a rural business in a rural high-outmigration county, something that would benefit States such as mine in the Midwest where rural counties are losing population—not even maintaining but losing.

The jobs in manufacturing underlying bill also includes the new markets tax credit for high-outmigration counties. These credits help economic development in rural counties that lost over 10 percent of their population.

The bill includes brownfields revitalization provisions which help tax-exempt investors that invest in cleanup and remediation of qualified brownfield sites.

The bill includes a mortgage revenue bonds measure which repeals the current rule that doesn't allow mortgage revenue bond payments to be used for issuing new mortgages. There are 70 Senate cosponsors of this mortgage revenue bond bill. It is included because it has broad support in the U.S. Senate.

We allow deductions for private mortgage insurance.

The JOBS bill includes a tax credit to employers for wages paid to reservists if they are called to active duty.

We have extended and enhanced the Liberty Zone Bonds used in the rebuilding of Lower Manhattan. We also include $200 million in tax credits to be used for rail infrastructure projects in the New York Liberty Zone.

The bill contains renewal communities provisions. We increase small business industrial development bond levels to spur economic development in rural areas. We have bonds for rebuilding school infrastructure. We have included tribal bonds in the JOBS bill which allow the same rules that apply to tax-exempt bonds for State and local Governments to also apply to our constitutional relationship with Native American tribes so they are treated like States and other political subdivisions.

We have tribal school bonds. Under current law there is no class of bonds designated for the purpose of encouraging school construction on Indian reservations as we have for our States and local communities.

There is a new tribal markets tax credit which would add $50 million a year for economic development on reservation lands.

We have included the Civil Rights Tax Fairness Act.

The JOBS bill contains a change in section 815. The provision suspends application of the rules imposing income tax on certain distribution to shareholders from the policyholders' surplus account of a life insurance company.

We have a special dividend allocation rule that benefits farm co-ops. Other farm provisions give cattlemen tax-free treatment if they replace livestock because of drought, flood, or other weather-related conditions over which that farmer has no control.

We include a provision that allows payments under the National Health Service Corporation Loan Repayment Program to be exempt from tax to help get health care providers into rural America.

We included the passenger rail infrastructure tax credits that provide $500 million for inner-city passenger rail capital projects. We also included so-called short-line railroads.

We have many other improvements in this bill. One I bring up deals with the stalled Energy bill before the Senate. We have included in this bill, because gasoline is so high, because this country needs a national energy policy and because the Finance Committee Senator BAUCUS and I lead has so much

to do with tax credits for incentives for the production of fossil fuel, conservation and for alternative sources of energy—those all need to be done now that we have gas over $2 a gallon. We need a national energy policy.

We are taking advantage of this legislation being in the Senate, working with Senator DOMENICI to include provisions in the Energy bill that have previously been approved by the Finance Committee, but which did not go to the President because of the filibuster in this body against that overall Energy bill. It is essentially the exact bill originally cosponsored at the beginning of this Congress by this Senator and Senators BAUCUS, DOMENICI, and BINGAMAN. It is the first time the chairman and ranking member of both committees of jurisdiction, Finance and Energy, have crafted a bipartisan bill that would serve as a national energy policy that represents the business of the American people and the sort of cooperation by which things get done around here. Too bad it is not done more often.

The energy provisions are balanced in all segments of our energy needs, and we have expanded all provisions for renewable electricity to include wind and biomass, to promote conservation of energy and alternative cars and fuels. It does not abandon our tried-and-true energy performers like traditional oil and gas production and the newer, cleaner coal provisions for electricity.

The best aspect of the entire package is the energy part of this jobs and manufacturing bill creates jobs all by itself.

The volumetric ethanol excise tax credit provisions, known as the VEETC, in this package would add up to $14.2 billion in revenue to the highway trust fund over the 6-year life of the transportation bill pending before the Congress. This provision alone creates as many as 674,000 new jobs across our country.

The energy tax package also includes a new incentive for the production of renewable biodiesel. This provision means jobs in the heartland. Renewable fuels have directly generated over 150,000 new jobs. In fact, in this year alone, this industry will add 22,000 new jobs.

Another provision creates a tax incentive for the production of super energy-efficient appliances which is critical to the 95,000 employees in the U.S. home appliance industry.

The bill also includes a provision to accelerate the production of natural gas from Alaska and the construction of a pipeline for natural gas from Alaska to the lower 48. According to the Department of Labor, Bureau of Economic Analysis, construction of the Alaska natural gas pipeline would create nearly 400,000 jobs in construction, trucking, manufacturing, and other service sectors.

The jobs and manufacturing bill provides all this tax relief, nearly $170 billion worth, and remains revenue neutral, meaning there is no net cost to the Federal Treasury. That cannot be, one would think—$170 billion of tax changes; and we have not affected the income coming into the Federal Treasury by one dime. That is pretty significant for people worried about the budget deficit. People ask: We have a budget deficit; how can you reduce the corporation tax and create jobs? How can you give all these tax incentives to bring about alternative energy and conservation and have a national energy policy, without costing a lot of money?

There are a lot of unfair things in the Tax Code and we take care of those unfair things. Basically, there are some corporations playing games with the Tax Code to avoid taxation. We are going to plug those loopholes.

This bill is paid in full by extending custom user fees, shutting down abusive tax shelters, and attacking the abusive tax strategies used by companies such as Enron—strategies we unearthed during our Finance Committee Enron investigation last October. The Finance Committee held hearings on the status of abusive tax shelter activity. During that hearing, we received anonymous testimony from a leasing industry executive describing how U.S. corporations are able to take tax deductions for the Paris sewer lines and the New York subway system. Did you hear me right? American corporations are taking tax deductions for Paris sewer lines and the New York subway system. They are claiming tax deductions on taxpayer-funded infrastructure located not only in the United States but overseas.

One can imagine the surprise of the members of the Senate Finance Committee upon learning the U.S. taxpayer is subsidizing the cost of electric transmission lines in the Australian Outback.

This jobs in manufacturing bill is revenue neutral because we end this abuse of the Tax Code. It was shortly after the attack on September 11, 2001 we saw the beginning exodus of U.S. companies moving their corporate headquarters to tax havens for the sole purpose of evading U.S. taxes. It was the events of September 11 and the ensuing stock market plunge that provided companies with a cost-efficient way to get out of the United States, to cheat on their taxes.

You may recall the videotape of a Big Four accounting firm partner saying U.S. companies were resistant to this scheme out of a post-9/11 sense of patriotism and national duty. But that employee said patriotism would have to take a backseat when they see their improved earnings per share.

Now here you have 3,000 Americans killed on September 11 when the terrorists attacked our country. Then you have these big accounting firms marketing these tax shelters—that maybe would raise some question about the new patriotic fervor in this country because we have been attacked—telling people: You are going to forget all about that when you see your new earnings report. Corporations like that ought to get their heart into America or get their rear end out because what this country is all about is pulling together, particularly now in time of war.

The JOBS bill includes measures to shut down corporate expatriation and to limit the tax benefits for those corporate cheats that manage to get out under the wire before Congress can enact this legislation. We will shut down that abuse in this bill. All we have to do to do these obvious things is to convince a few people who are stalling this bill with nongermane amendments that this bill needs to get passed.

There is so much good in this bill. We can rescue the manufacturing sector. We can end this European tax on our exports to Europe and continue to sell over there. Pretty soon that market is going to be shut down.

We can respond to the recent rise in gas prices because in this bill we have a national energy policy for alternative fuels and conservation and for stimulating fossil fuel development, and we are going to pay for it all by shutting down every known tax abuse.

But we cannot do any of this without the support it takes to pass this bill. And I do not mean final passage, because when this bill comes to final passage, it is going to pass overwhelmingly. What I am talking about is getting to finality. People all over this body are telling me: Well, this bill is going to pass. This bill is going to pass. But those very same people are hooking this nongermane amendment or that nongermane amendment on to this bill. Well, we have accommodated even those people with nongermane amendments.

I do not have any fault with the legitimacy of the subject matter of their amendments because it is legitimate debate, particularly in the Senate. But it seems to me we should not be gambling with manufacturing jobs in America. We should not be gambling with whether we ought to have a national energy policy.

And, for sure, if you are one of the Members who is complaining about corporations not paying their fair share—and we are shutting down these tax shelters—you ought to be in the forefront of getting this bill passed. It is unbelievable to me this bill has been held up for so long over political gamesmanship. It is time to put the adults back in charge. It is time to pass this very important bill to aid our manufacturing sector, to remove tariffs off our farmers and workers on products shipped to Europe, and to place the Senate back on its footing to do its job and move legislation—this legislation—that will benefit the American people.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Mr. President, the battle to enact this bill has certainly—thankfully—not been compared to a war. But I do believe we can now say this bill is at least what Prime Minister Winston Churchill is reputed to have said after the British victory at El Alamein, when he said: ''[I]t is, perhaps, the end of the beginning.''

Perhaps we may even say what Talleyrand said after the Russian victory at Borodino, when he said: ''It is the beginning of the end.''

In either case, I believe by obtaining an exclusive list of amendments—that is, Senators already agreeing to a finite list—we have a victory. We may now say we can work to the end of this bill. And well we should, because we still have not won the battle to create jobs here in America.

I refer you to this chart I have in the Chamber. Yes, the economy did turn in one good month of job growth in March. The American economy created a net of 308,000 new jobs. But as this chart shows, one good month does not a recovery make. On this chart, the green bars are the months of job creation, and the red bars are the months of job loss. As the chart shows, March was, indeed, a strong month for job growth with more than 300,000 new jobs. But March was the only month in the last 4 years where there was that much job growth.

In contrast, during the 8 years of the Clinton administration, the economy turned in 25 months with more than 300,000 net new jobs per month. The economy as a whole still has a long way to go before it is creating jobs at that level.

Anyone who has talked to people trying to get a good job knows the job market remains soft. In March, for example, a record 354,000 jobless workers exhausted their regular State unemployment benefits without qualifying for any additional Federal unemployment assistance. To reduce the ranks of the unemployed, the economy will need to sustain strong job creation.

Look at the next chart. This chart shows the number of private sector jobs in the American economy, incorporating the latest numbers. It shows the private sector still has 2.7 million fewer jobs than it had in December of the year 2000. As shown on this chart, here we are in December of 2000, and you can see that is where the private sector jobs peaked. The chart clearly shows the number has declined significantly to the current date, a loss of, I think, about 3 million jobs on a net basis.

This next chart shows manufacturing remains in a slump. The manufacturing sector has lost more than 3 million jobs since July of 2000. I might say, I can also see this state of affairs in my home State of Montana. In Montana, for example, wood products companies provide nearly 37 percent of our manufacturing jobs—over a third. But a decade ago, those jobs made up 47 percent of our manufacturing. That is almost one-half of all manufacturing jobs. Employment in wood products dropped almost 5 percent last year alone.

This final chart shows the number of jobs in American manufacturing remains at the lowest level in more than a half a century. A half a century ago—the level shown here on the chart—was roughly 14 million jobs, a little bit more than 14 million jobs, the same as it is today. Just to repeat that: The number of jobs in American manufacturing remains at the lowest level in more than half a century. That is a strong statement. So we continue to need to act on the legislation before us.

More importantly, I must say, I have heard from folks in my State of Montana who tell the reason why we need to act on this bill. Let me give you an example of some of their frustration.

Keni from Hamilton, MT, wrote:

> All our good jobs are being sent overseas to a cheaper labor market, and we're fed bovine manure . . . [about] all the great jobs [our American economy is] creating.

Then there is Christopher, who was laid off in February of 2003. Christopher writes:

> Many of those individuals [with jobs] have to do two or three other people's jobs in order to keep their own.

Now listen to Kay. Kay wrote that the economy ''bring[s] no new business[es] to speak of in[to] Montana that pay any kind of decent wage, keeping the poor, poor. When is it going to end?''

We have to end the loss of good jobs. We need to do what we can to help create good manufacturing jobs here in America. That is what this legislation before us is about.

We have conducted a number of battles on this bill. The Senate has conducted four rollcall votes on this bill.

The Senate has adopted 11 amendments: from tax shelters, major provisions to close loopholes, to the R&D tax credit, which is very popular and needed by American industry; to government jobs offshore, discouraging jobs from going offshore, to expiring provisions; that is, the provisions in the Code which have expired or are about to expire and need to be continued; to accelerating the manufacturing tax credit, an amendment offered by Senator STABENOW which improved the manufacturing deduction of the bill; and we added in an amendment to the energy tax provisions, the tax provisions that passed the Finance Committee dealing with energy production.

At this point we have an exclusive list of additional amendments. Senators have preserved their rights and listed 83 amendments on that list. Fifty of those listed amendments preserve the rights of Senators in the majority, while 33 preserve the rights of Senators in the minority. Of the total of 83 amendments, Senators have listed 36 simply with the word ''relevant'' or similar language. Although we might expect Senators to offer some of these amendments, experience tells us that an overwhelming majority of those amendments, listed merely as ''relevant,'' will probably be dropped from the list. Of the remaining 47 amendments, I believe Senators will modify many of them so the Senate may agree to them without rollcall votes.

Realistically, I expect that probably fewer than 20 of the amendments on that list will require rollcall votes. Nearly all Senators from this side of the aisle, those with amendments on the list, have indicated to this Senator that they would be willing to abide by short time agreements, none more than 1 hour equally divided, so this exercise need not take much time.

We have now been on the bill, counting today, on 9 separate days over the course of 4 separate weeks. I hope we can now stay on this bill until its completion. I believe the Senate can now complete the bill over the course of a matter of days.

What the preacher said in Ecclesiastes applies to this bill:

> Better is the end of a thing than the beginning thereof.

I look forward to working with my colleagues to the end of this bill.

I yield the floor.

The PRESIDING OFFICER (Mrs. DOLE). The Senator from Wyoming.

Mr. THOMAS. Mr. President, I come to the floor to support the chairman and senior ranking member on this legislation. I know they have talked about it in great detail and explained it thoroughly. My point is, it is time for us to move forward.

We have been on the bill for a frustratingly long time. We have gone to the bill three times. But this isn't the only one. We seem to be having the same experience with many of the interesting bills, such as highway legislation, the budget, moving forward with jobs. It seems to me we ought to examine ourselves and see where we are in terms of doing the job we were assigned to do, and that is to move forward dealing with those issues that are pertinent to this country.

I support passage of the JOBS bill. It is interesting that at a time when we are concerned about jobs, concerned about continued economic growth, having a deficit in the trade balance, concerned about manufacturing jobs, here we are with some reasons to do things that would impact all those issues, and we continue not to do it. It is time we come to the snubbing post and talk about what we have to do to get this job done.

There are, of course, different views of what should be done, and I understand that. There are different ideas. The bottom line is, when you have a bill and it has a purpose, that is what we ought to be talking about, not about loading it up with everything that everyone intended at one point or another to include so that it becomes so controversial that the core values, the reason it is there, never happens. That is basically where we are.

This is basically a bill that was brought to the committee. The Senators have at one time talked about

giving 3 percent encouragement for people to send goods overseas. The World Trade Organization ruled against that and said it was unfair and said, If you don't do something about it, we are going to continue to add penalties to this area.

We are now at 7 percent. Each week it can be added to be a higher percentage. That is what the basic bill is about. There are lots of things involving taxes and lots of things involving a million things you could do. But we ought not to forget what the purpose of it is, and we need to go back to that purpose and say: Wait a minute here; we need to get that finished.

It is really interesting. At some point, this is broader than that, but I think we have to take a look at the role of the Federal Government and what we are doing. We ought to take a little time, and I am in the process of trying to find out all of the various agencies and activities that are funded by this Congress. I think we would be amazed. Every time we see a little problem, every time we see something here, every time a constituent wants something, suddenly we have a Federal program for it. And then it is amazing we say to ourselves: Where is all this money going?

I can tell you where it is going. We are continuing to have more and more programs, and we need to take a look at putting those in some kind of a priority as to what the role really is of the Federal Government.

Unfortunately, I am sure it is true, many of the things here are strictly political. They are simply things that a Senator wants to spell out his political situation by offering an amendment. Whether or not it ever passes, you can go home and tell the folks: I sure worked on that one, you know.

Well, that is not what these things are for. That is not what they are for. Amendments should be perfecting the base, perfecting the purpose for the bill. Then if we want to do all these other things, let them stand on their own.

I happen to be a big supporter of the Energy bill. We put together a total Energy bill. Frankly, if I had my way about it, we would keep it together because we are talking about the whole. It is a policy. You are talking about what you do about alternative sources. You are talking about what you do about conservation as to how you can use less energy. You are talking about the way you substitute and do research to develop new ideas. You are talking about domestic production—all those things. But when you start taking it apart, then it becomes very difficult to deal with all the issues that ought to be there. Nevertheless, this is the way it is.

I support it because we do need to do something. But there are an awful lot of issues that aren't there that ought to be in the energy policy that are being left behind. It makes it less likely they will be passed. We have things like trade adjustment assistance to service workers. That is an issue that ought to be talked about, I suppose, but it should not be addressed in this bill. It costs $5 billion over 10 years. We have that one on there. We have overtime rules, trying to go back and change the rules that are put in by the administration. What does that have to do with doing something about WTO? Nothing. But it is one of the issues that is going to hold us up.

This JOBS bill is designed to save hundreds of thousands of manufacturing jobs, alleviate the tax burden on businesses, and allow manufacturers to freely compete with their European counterparts. That is what it is for. As a result of a 2001 WTO ruling, which I have already mentioned, the European Union initiated a phase-in of punitive tariffs. That is in the process right now. It started at 5, it is at 7, and it is going to continue. So we need to focus on that issue and do something about it.

The bill reported by the Finance Committee represents a strong, bipartisan effort to accomplish key objectives for manufacturers. It is one that enhances the ability of U.S.-based companies to compete in an international market; provides a lower tax rate on manufacturing goods; makes the tax burden of U.S. manufacturers closer to the international competition; enhances the financial strength of U.S. companies, creating incentives for them to invest in workers, facilities, and community.

Our manufacturing sector, of course, has faced many challenges over the last number of years and will continue to. We are in a changing economic situation. Interestingly enough, many manufacturers produce more goods through efficiency. They actually have less workers and are producing more goods than before. That indicates we have to broaden our kinds of manufacturing and do more in different areas.

We need to stay focused on this bill. I am becoming rather impatient with what is happening on the Senate floor, not only on this bill but on lots of bills where we continue to have endless numbers of these issues put on that do not belong there at all. We ought to come to an understanding that this is the issue that is being dealt with here. Let's do it. This one is important and we should do it. These amendments need to end.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

AMENDMENT NO. 3107

Mr. HARKIN. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 3107.

Mr. HARKIN. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To amend the Fair Labor Standards Act of 1938 to clarify provisions relating to overtime pay)

At the appropriate place, insert the following:

SEC. ___. PROTECTION OF OVERTIME PAY.

Section 13 of the Fair Labor Standards Act of 1938 (29 U.S.C. 213) is amended by adding at the end the following:

''(k) Notwithstanding the provisions of subchapter II of chapter 5 and chapter 7 of title 5, United States Code (commonly referred to as the Administrative Procedures Act) or any other provision of law, any portion of the final rule promulgated on April 23, 2004, revising part 541 of title 29, Code of Federal Regulations, that exempts from the overtime pay provisions of section 7 any employee who would not otherwise be exempt if the regulations in effect on March 31, 2003 remained in effect, shall have no force or effect and that portion of such regulations (as in effect on March 31, 2003) that would prevent such employee from being exempt shall remain in effect. Notwithstanding the preceding sentence, the increased salary requirements provided for in such final rule at section 541.600 of such title 29, shall remain in effect.''.

Mr. HARKIN. Madam President, I return to the Senate floor this afternoon to address an issue of utmost importance to working Americans and their families, and that is time-and-a-half overtime pay and the seemingly relentless campaign by the Bush administration to take away the overtime rights of many American workers. This effort to take away time-and-a-half overtime, to jiggle the rules, cloud it all up, is one of the most anti-worker, anti-family proposals to come along in my tenure in the Congress.

As most Senators know by now, my amendment serves the simplest of purposes. It lets stand the new threshold of $23,660 below that which all workers are automatically eligible for overtime. My amendment lets that part of the proposal stand. My amendment also guarantees that no worker who currently is eligible to receive overtime pay will lose that right to overtime pay under the new rule.

Again, my amendment does two things. It lets stand that part of the final rule that raises the threshold to $23,660. The other part of my amendment also guarantees that no worker who is currently getting overtime pay will lose that right under any new rule. It is very simple, very straightforward.

Madam President, this is a subject I feel very deeply about, and I am not alone. Wherever I travel in the United States and in Iowa, people talk to me about what overtime pay means to them and their families. Many become quite emotional about it. They know what the administration is trying to do and they are angry. They want action to be taken to stop these new overtime rules.

One of the reasons they are angry is because they know what this chart shows: The average annual working hours of the American worker in the

United States is more than any worker anywhere in the industrialized world. It is more than in Canada, Japan, Australia, France, and Germany. Our average annual work hours are more than anyone, anywhere in the world. American workers know that because they are the ones doing the work.

Since passage of the Fair Labor Standards Act in 1938, overtime rights and the 40-hour work week have been sacrosanct, respected by Presidents of both parties. Last year, the Bush administration launched a frontal assault on this time-honored principle. The Department of Labor proposes changes to the overtime rules that, according to the best analysis we could muster, would have taken overtime pay eligibility away from up to 8 million American workers. That proposal really was breathtaking. The administration proposed this without consulting Congress, without holding public hearings. It actually took several weeks for many of us to realize the magnitude of what the administration was proposing. In fact, some of the most harmful provisions of the proposed rule were not discovered until months later.

Finally, we were shocked to discover that the administration was proposing to strip overtime pay from police officers, firefighters, veterans, nurses, and many others. The radicalism and audacity of this proposal is without parallel in modern day labor legislation. Of course, once the true intent and extent of the proposed rule became known, many of those affected were in open rebellion.

As this issue spilled over into this election year, frankly, this became a huge political liability for the administration. Late last year, during consideration of the Labor, Health and Human Services, and Education appropriations bill, I offered a similar amendment in the Senate—it passed by a margin of 54–45—to block the worst aspects of the administration's overtime proposal. Following that, the House of Representatives, by a margin of 221–203, voted to instruct its conferees to support the Senate's position in conference. Unfortunately, White House officials instructed the conferees to delete my amendment from the Omnibus appropriations bill, and that is why we are back here today.

It must be pointed out that since we last debated this amendment, the Department of Labor has issued its final rule on overtime. In this final rule, the Department appears to have had something of an election year conversion. Under extreme pressure from working Americans, as well as critics in Congress, the administration has backed off its attempt to strip overtime from certain high-profile groups, such as rank-and-file police officers, firefighters, and emergency medical technicians.

I salute the efforts of many individuals and groups and labor unions who have fought hard and forced the administration to abandon several of its offensive and egregious proposals. Let's be under no illusion about this final rule. We have progressed—if that is the right term—from a proposed rule that was profoundly terrible to a final rule that is just plain terrible.

The administration's model seems to be that if at first you don't succeed in limiting the overtime pay of American workers, try, try again and spin like crazy. Again, Madam President, I ask that those who look at this final rule not just compare it to the proposed rule. As I said, we went from profoundly terrible to just plain terrible. So I suppose if you compared the final rule with the proposed rule, you would say it is better. I think the proper yardstick of measurement is to measure the final rule compared to what we have today. Who loses? What happens to our right to overtime in that regard?

Make no mistake: Even with the changes from the proposed rule, this final rule is a radical rewrite of the rules governing eligibility for overtime. It would deny time-and-a-half overtime pay to millions of workers earning as little as $23,660 per year. By and large, these are low- to middle-income workers who don't have a strong organized voice, so the administration may feel it can run roughshod over their rights. That is why we in Congress must be their voice and their vote on this matter.

Of course, the administration denies this. Its public posture is all smiles and happy talk, including the audacious claim that no workers earning less than $100,000 a year will lose their right to overtime. Frankly, at this point, the administration has zero credibility on this issue.

As I said, when the proposed rule was issued a year ago, it took months of reading the fine print before one realized how destructive it was, and only belatedly do we discover that the administration was giving tips and advice to employers as to how they could avoid paying overtime to employees under the new rule.

Here we go again. Once again, the administration is all smiles and happy talk. Once again, the administration is assuring workers they will not lose their overtime rights. When the Bush administration smiles and says it is here to fix overtime, I have five words of advice for American workers: hold on to your wallets.

Why exactly is the administration so eager to ''fix'' overtime? Now I know why many corporations and employer groups want to fix overtime. They want to pay fewer workers overtime. It is very clear. But is anyone clamoring for this?

I frequently visit manufacturing plants, and never, ever has a factory worker come up to me and said: You know, Senator HARKIN, too many of us are getting overtime pay. It is broken and you need to fix it.

I frequently visit hospitals. Never has a nurse come up to me and said: Senator HARKIN, it is not right that I am receiving overtime pay when I work 50 hours a week. You need to go back to Washington and fix this overtime mess.

Back home in Iowa, I love to go to Dairy Queens. It is something my colleague and I share when we go back to Iowa, Dairy Queen, but no one ever, in a Dairy Queen making hamburgers or Blizzards, or a working supervisor, has come up to me and said: Senator HARKIN, I don't deserve time and a half overtime pay. You need to fix it immediately.

I will go one step further. Not one employer in my State of Iowa has come up to me and complained about paying overtime pay under existing rules. Not one.

Now the Department of Labor is saying to the American workers: Hi, we are from Washington, and we are here to improve your overtime rights.

Is there anybody at this point in America who believes that? Working families are not buying it. They have a simple message for the Department of Labor: Keep your hands off our right to overtime pay.

Let me repeat the administration's central claim. No workers earning less than $100,000 a year will lose their right to overtime. This claim is demonstrably false.

This chart shows in simplest terms the impact of the new rule. It is clear that employees earning less than $23,660 a year, automatically will be paid overtime regardless of what they do. The new rule will make it very easy to exempt most workers making over $100,000. It will not totally, but most will be exempt.

We just learned that some of the oil rig workers, for example, in Alaska and off the coast of Louisiana who work under hazardous conditions and are away from their families a lot—some of them may make a little over $100,000. I guess I can't blame them. These are hard-working people and they are away from their families. It is a hazardous occupation. They, too, may be stripped of their overtime rights simply because they make $100,000 a year. I don't think it is correct we should do that.

It has come to my attention in the last few hours that oil rig workers would also have their right to overtime stripped.

The real gray area is from $100,000 to $23,000. People in that area are saying people will not lose their right to overtime. A careful analysis of the new rule makes it abundantly clear that certain jobs and professional categories in this gray area will be ineligible for overtime.

To cite one glaring example, under the new rule, a worker who leads a team of other workers loses his or her right to overtime. Under the old rule, there was no provision concerning so-called ''team leaders.'' There is no such term in present rules. But the new rule, under section 541.203(c) states:

An employee who leads a team of other employees assigned to complete other

projects for the employer meets the requirements for exemption—

Listen to the following words—

even if the employee does not have direct supervisory responsibility over the employees on the team.

Talk about a loophole. This team leader loophole is big enough to drive an Amtrak train through. Team leaders are commonplace throughout the manufacturing and services sectors. They are especially common in factories, refineries, chemical plants, and other places. MIT professor of management Thomas Kochan estimates that this team leader loophole alone could deny overtime rights to as many as 2.3 million workers making above $23,660 a year and less than $100,000 a year—a team leader.

Again, I point out that the term ''team leader'' exists nowhere in the present rules. It is now put in the final rule, ''team leader.'' But guess what. There is no definition of a team leader. There is no definition. It is up to the employer to define it. So any employer can define a team leader as they wish. And that team leader, as I pointed out in the rule, does not have to have direct supervisory responsibility over employees on the team. That team leader could be a team leader for, say, 5 minutes a week. Maybe it is a Friday afternoon get-together to discuss what went on the week before, and all of a sudden you are a team leader for that 1 hour of discussion. You are not exempt. Your employer can now exempt you from overtime simply by calling you a team leader. So in the rules there is no definitional structure of what a team leader is. It is a huge loophole.

Section 541.303(b) strips overtime rights from nursery school teachers earning more than $23,660. Under section 541.604, registered nurses who are salaried could be denied overtime. Large parts of the financial services industry are no longer eligible for overtime under the new rule.

According to an analysis by the Houston Chronicle, labor relations, public relations, human relations, and government relations employees will be ineligible for overtime under the new rule. Funeral directors and embalmers will be ineligible. Insurance claim adjustors will be ineligible. Many outside sales representatives will be ineligible.

In addition, many computer services employees will lose their right to overtime, including programmers, network, and database administrators.

I would also point out that the new rule includes loopholes and artful language that will strip overtime from several broad occupational categories. For example, the new rule will make it much easier for management to reclassify workers earning as little as $23,660 a year as professional employees. So you could be making $24,000 a year and your employer could reclassify you as professional, and you will be ineligible for overtime.

Employees will no longer need college degrees to be considered professionals exempt from overtime. Work experience will be enough. Under the present rules that have existed for many years, it pointed out to get an exemption under the professional status one had to have a 4-year degree. That was sort of the minimum. That was the minimum one needed to be exempt.

Now a person does not need that. All they have to have is work experience. For example, section 541–301(d) strips overtime rights from cooks and chefs who have ''substantially the same knowledge'' and perform the same work as cooks or chefs with 4-year culinary arts degrees. In addition, the new rule will make it much easier for management to reclassify workers earning as little as $23,660 as executive employees who will be ineligible for overtime pay. Under the present rule, employees that spend the majority of their time, 50 percent or more, doing administrative, management, or professional work lose their right to overtime under the executive category. Under the new rule, employees who do even a small amount of administrative, management, or professional work can lose their overtime rights.

For example, a McDonald's franchise assistant manager who spends most of her time making hamburgers or filling orders, making french fries, but spends 10 percent of her time performing supervisory duties, could be reclassified as executive and be ineligible for overtime. Think about that. In the past, the threshold was 50 percent. One had to spend at least 50 percent of one's time in an executive or an administrative capacity to be exempt from overtime pay. Now there is no threshold. It can be as little as 5 percent, 10 percent; nobody knows. It does not make any difference. It is whatever an employer says.

So guess what. A person is now working at a McDonald's franchise. They are making hamburgers and french fries and filling orders, which is pretty tough work. They move pretty fast. They are making $24,000 a year. All of a sudden the owner comes in and says: You are now an executive. Do you not feel good? I am going to put a little name up there, Susan Smith, executive. Now you are an executive. You feel great. There is a certificate. You are now an executive. You can hang that on your wall at home. By the way, you do not get anymore overtime pay.

I wonder how many American workers would feel good about that, that now they are an executive but they lose their right to overtime pay.

I can go on at great length naming others who will be denied overtime under the new rule, but I have made my point. The administration claims no workers earning between $23,660 and $100,000 a year will be denied overtime. That statement is false. All of these people, veterans, police, nurses—I talked about the team leaders—journalists, I have talked about that, cooks, financial services, computer workers, working foremen, and many others, because they can be reclassified as executive, administrative, or professional, under very ambiguous and clouded procedures or definitions, could lose their right to overtime pay.

My second chart is very revealing again as to what is going on. There are 152 pages in the new rule. As the chart goes, only 15 pages are devoted to the highly compensated employees test, which is $100,000 or more, and the minimum salary test, which is $23,660 or less. Fifteen pages are devoted to those two categories, and 137 pages are devoted to those who make between $23,660 and $100,000.

I have to tell my colleagues something. If the administration were sincere in its assertion that no worker earning between $23,660 and $100,000 a year would lose their overtime rights, believe me, it would not take 137 pages to say so. The administration could have said it in one or two sentences. Instead, the new rule spends 137 pages spinning a web of artful language, calculated ambiguity, and outright loopholes such as the team leader loophole, a complex web designed to catch workers and strip them of their overtime.

It is ironic that one of the administration's main justifications for proposing a new rule on overtime was to bring clarity and reduce litigation. They said this is one of the reasons they are doing it, to bring clarity and reduce litigation.

This final rule is shot through with artful, ambiguous language that clearly favors employers. This is guaranteed to lead to scores of lawsuits and years of litigation as workers fight to retain their overtime rights. If increasingly conservative courts rule in favor of employers, countless additional workers will lose their right to overtime.

For example, in several places, the final rule broadens what used to be a narrow test. By definition, this will mean less position, less clarity, not more. The final rule is far from clear. As I said, who can be classified as team leaders? It is not defined. The employer defines that.

What is a working foreman? It is up to the employer to decide what is a working foreman. Once they decide, a person is ineligible for overtime.

When Congress enacted the Fair Labor Standards Act of 1938, it anticipated there would be a number of less than honorable employers who would try to cheat workers out of overtime, so Congress included a penalty provision that would act as a strong deterrent. Under the present rule, if an employer is cheating employees out of overtime, the penalty can be massive. If found guilty, all employees in the enterprise, including salaried employees who are exempt from overtime, must be paid time and a half overtime for the period the improper practices were taking place. That is a tough deterrent.

In other words, if an unscrupulous employer was cheating an employee out of overtime and they were taken to court and found guilty of doing that, they did not have to pay only that employee back, they had to pay everyone in the enterprise time and a half overtime for the entire periods in question. They even had to pay time and a half to exempt employees who were exempt from overtime. As I said, a very tough deterrent.

What does the new rule do? Under the new rule, the penalty is limited to the work unit where the violation was detected. This ignores the fact that in nearly all instances, overtime violations are not limited to a renegade supervisor. They are almost always a result of some companywide practice.

So again, if an unscrupulous employer cheats an employee out of overtime and is caught and convicted, the company has to pay that employee back, and whoever is in that little work area, maybe two or three people. Before, they had to pay the entire enterprise. So we can see they have really watered this down. We have gone from kind of a nuclear deterrent under the old rule to kind of a pussycat deterrent under the new rule.

Let me summarize. Under the new rule, many workers will legally lose their right to overtime and employers who cheat their workers out of overtime illegally will receive a penalty that amounts to less than a slap on the wrist. No wonder the Wall Street Journal has called the new rule a victory for business groups.

It is time for Washington to listen to Main Street and not just Wall Street. Listen to ordinary working Americans. They are telling us loudly and clearly their number one issue is economic security. They are telling us they fear losing their jobs. They fear losing their health care. They fear losing their retirement. Now they fear losing their right to time-and-a-half compensation for overtime. They fear, with good reason, that under the Department of Labor's new rule they will be obliged to work 45, 50, 60 hours a week with zero additional compensation. For millions of working Americans, this is unacceptable, and the last straw.

For 65 years, the 40-hour week has allowed workers to spend time with their families instead of toiling past dark and on weekends. At a time when the family dinner is becoming an oxymoron, this standard is more important than ever. As I said earlier, this final rule on overtime is anti-worker and anti-family.

Given the fact that we are stuck in a jobless recovery, the timing could not be worse. It is yet another instance of the economic malpractice of this administration. Bear in mind that time-and-a-half pay accounts for some 25 percent of the total income of Americans who work overtime. With average U.S. income declining, the proposed changes would slash the paychecks of countless workers. Moreover, the proposed new rule is all but guaranteed to hurt job creation in the United States. This is just basic logic. If employers can more easily deny overtime pay, they will push their current employees to work longer hours without compensation. Workers without overtime rights are twice as likely to work more than 40 hours a week, according to the current statistics. They are three times as likely to work more than 50 hours a week. With 9 million Americans currently out of work, why in the world do we want to give employers yet another disincentive to hire new workers?

It is bad enough to deny American workers their overtime rights, but what is striking is the approach taken by the Department of Labor and the administration on this issue. As I already mentioned, no public hearings were held. There was no consultation with Congress. I have looked back and have done research. Every time I have been able to find in the past when we made changes to the Fair Labor Standards Act, Congress always had hearings, consulted with business, consulted with labor, and there was a process by which the public believed they had an input. That is not so this time.

Also, something I think that is beyond comprehension, the Department has offered employers what amounts to a cheat sheet. It has offered employers helpful tips on how to avoid paying overtime to the lowest paid workers. I mean these, the ones who make less than $23,600 a year, down here. The administration has basically put out information. They say they want to help these people. They raise it to $23,660 from about $8,000 a year—a good step. I compliment the administration for doing this. But they turn right around and tell employers how they can get by without paying them overtime.

They recommend raising a worker's salary slightly to meet the threshold. If you are an employee who is near this $23,660 level, they might want to raise your wages to $23,661. Guess what. Then you are no longer exempt.

They also suggest cutting a worker's hourly wage so any new overtime payments will not result in a net gain to the employee. Think about that. You say we are going to raise the threshold. Now, here is what you can do: cut the hourly wages so if you do have to pay them overtime it will all be the same. The employee will get the same amount of money, but the employee would be working 42, 43, 45, 48 hours a week. This is from the Department of Labor. They have actually put this out in print. It is disgraceful.

There is one group that is disproportionately harmed by the new overtime rules—women. The fact is, women tend to dominate in retail, services, and sales positions, which would be particularly affected by the new rule. Married women increased their working hours by nearly 40 percent from 1979 to 2000. As women have increased their time in the paid labor market, their contribution to the family income has also risen. These contributions are especially important to lower and middle-income families. Yet now the administration's new rule will take away overtime protections from millions of American women.

Women in the paid workforce will be forced to work longer hours for less pay. And, of course, this means more time away from families and more childcare expenses, with no additional compensation. Not surprisingly, prominent women's groups are adamantly opposed to the new overtime rules. The American Association of University Women, the National Organization of Women, the National Partnership of Women and Families, the YWCA, 9 to 5, the National Association of Working Women—among others, are all strongly supporting my amendment.

Listen to what Sheila Perez of Bremerton, WA, says. She is a single parent working hard to support her family. When she leaves work after a difficult 8-hour shift, she says:

> My second shift begins. There is dinner to cook, dishes to wash, laundry, and all the other housework that must be done, which adds another three or four hours to my workday.

Ms. Perez said something also very powerful. She said:

> My time at home with my kids and family is truly my premium time . . . it is personal time. . . . it is the most valuable time of my day. So if I am required to work longer than eight hours . . . if I have to sacrifice that premium time with my family . . . then I ought to receive premium pay, that is, overtime pay.

I agree wholeheartedly with Sheila Perez. If she is sacrificing personal time, her premium time with her family and her kids, it is only fair she be compensated on a premium basis with time-and-a-half overtime pay.

I think there is a broader context for this discussion of overtime. It is sort of a bigger picture. As I said, the No. 1 issue for Americans today is economic security, and with good reason, because it is abundantly clear that America is stuck in a largely jobless recovery. Since the administration took office, nearly 3 million private sector jobs have been lost, including one in every seven jobs in manufacturing. President Bush—George W. Bush—has presided over the greatest job loss of any President since the Great Depression. Yet he remains wedded to policies that make it worse.

His administration has praised the outsourcing of jobs as something good for our economy. He has opposed any increase in the minimum wage. He has opposed extending unemployment benefits. Now, this administration wants to destroy the overtime rights of many hard-working Americans.

There is no question, I suppose, that those policies have been good for wealthy investors. Corporate profits are rising, the stock market is up, CEO pay is up, and once again the rich are getting richer. But something is missing. Ordinary Americans are not participating in this so-called recovery. In

fact, more and more Americans live in fear of losing their jobs, their health benefits, their retirement, and now their right to overtime pay.

The truth is, we cannot build a sustainable recovery by exporting jobs, driving down wages, and making Americans work longer hours without compensation. Moreover, such a recovery is not desirable. A true recovery must include all Americans. It can only be built on a foundation of good jobs with good wages in America, not overseas. It can only be built on a foundation that includes a minimum wage that is a living wage and not a poverty wage. And it can only be built on a foundation that reserves Americans' rights to time-and-a-half overtime pay over 40 hours.

So I urge my colleagues to support this amendment to protect the overtime rights of American workers. Again, I repeat, my amendment will let stand the positive provision of the rule which raises the low-income threshold to $23,660 and makes more workers automatically eligible for overtime.

Now the administration again says it does not want to take away the overtime rights of anyone earning less than $100,000. If that is the case, then the administration should have no problem embracing my amendment because this amendment has a simple purpose: to guarantee that workers who are entitled to overtime pay now, today, will not lose their right under the new rule.

I think the new rule is disingenuous. The administration is being disingenuous about it and knows full well this new rule will strip overtime eligibility for many workers earning less than $100,000. That is the reason it is being pushed aggressively. That is exactly why many corporations and groups are so keen to see this new rule adopted. But it is unfair. It is an attack on a basic right American workers have enjoyed for over 65 years, and it is bad economic policy. It will hurt job creation and reduce disposable income.

I want to point out a few statements from others in support of my amendment.

The Effect of Final Rules Silence on Police Sergeants.

This is an April 28 press release from the International Union of Police Associations, the National Association of Police Organizations, and the International Brotherhood of Police Organizations.

The DOL has done nothing to define the line between management and police duties for those above line-level officers. Once the final complex rules go into effect, their very ambiguity regarding the line between supervisory duties and traditional policing duties will undoubtedly shift the ball from the legislature to the courts.

That is why they support my amendment.

Here is a press release from the United American Nurses.

The Effect of Final Rules Silence on Registered Nurses.

In the midst of a registered nursing shortage that is projected to reach 808,000 RNs by 2020, it is incomprehensible why this President wouldn't do everything in his power to make sure that RNs are fairly compensated for the life-saving work we do.

I mentioned earlier the professional loophole. This is from the code itself. This is the current regulation on learning professionals.

As is well known, there are still a few practitioners who have gained their knowledge by home study and experience. Characteristically, the members of the profession are graduates of law schools, but some few of their fellow professionals whose status is equal to theirs, whose attainments are the same and whose word is the same did not enjoy that opportunity. Such persons are not barred from the exemption. The word ''customarily'' implies that in the vast majority of cases, the specific academic training is a prerequisite for transfer into the profession.

This is what we have been operating under for years.

. . . in the vast majority of cases, the specific academic training is a prerequisite . . .

Under the proposed rule, work experience—even the experience you might have gotten in the military—would disqualify you from overtime.

I want to make a point on this. I want to make a point on the veterans. When we debated this last year, we pointed out in the proposed rules it specifically mentioned those who were not learned professionals because they had a 4-year college degree but who had learned on-the-job training, including training in the military—those were the words: ''including training in the armed forces.'' We pointed out here on the floor this means someone going into the military and who received training in the Army and came out, because they received training in the military, they would be exempt from the right to get overtime.

Guess what the administration did. In the final rule, they took those words out—''training in the armed forces.''

But what they didn't do was change the underlying language which says basically you don't have to have a 4-year college degree; you can have on-the-job training or work experience. It doesn't say they couldn't be in the military. They didn't specifically exempt the military; they took out those four words.

Under this final rule, veterans in the future will be different than veterans in the past if they receive training while in the military which they then use on the job later on. They may have their right to overtime pay taken away from them.

This is sort of an example of the learned professional exemption. Let's take a look at chefs. It basically says: Chefs, such as executive chefs who have attained a 4-year specialized degree in the culinary arts program, generally meet the duty requirement of the learned professional exemption. The learned professional exemption is not available to cooks who perform predominantly routine mental, manual, mechanical, or physical work.

In other words, an executive chef who has fewer years is automatically exempt, but also if you, for example, at some point in time supervised someone at a McDonald's, or whatever, then you would be exempt.

That is the ambiguity of these rules.

I could point out more and more. There are all kinds of different workers who are caught up in this kind of web of ambiguity. But I close by saying again the new rule is unfair. This kind of a process should have been done in Congress. It should have been done with the appropriate committees, with appropriate hearings and consultation and being very careful about how we are going to address this.

I see nothing wrong—in fact, I see everything right—in what the administration is proposing in raising the threshold to $23,660. It should have been done a long time ago. But most of the rules do not pertain to them. The 137 pages out of 152 pages pertain to those making over $23,660 a year, and it provides one loophole after another to deny the right to overtime pay for employees.

I am hopeful we can have a strong bipartisan vote in support of this amendment. We can save the administration from making a terrible mistake. We can protect American workers' right to overtime compensation and we can support an economic recovery that includes all Americans—a recovery that respects and preserves the American dream. Our workers deserve an ironclad guarantee that their overtime rights will be safe and nurtured as they have been in the past and are today.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I have listened with interest to my colleague from Iowa in his presentation. I rise to disagree with the positions he has taken. I will do my best to do it in a manner that is not disagreeable either to him or to others who are in support of this amendment.

Let us understand, of course, the Fair Labor Standards Act is one of the most important protections American workers have. We all agree on that. But these provisions have not been updated, some for as long as 50 years. Some kind of clear updating is essential. In the process of updating regulations that go back as long as 50 years, some explanation was, of course, necessary which results in the number of pages my friend from Iowa has referred to.

My problem with the Senator's amendment is with a very broad brush and strong ax he cuts out a large chunk of the pages that have been made and says those things that are in place are going to stay in place. We are not going to allow any changes in these areas. His amendment is relatively short but very powerful in its impact on the overall bill.

In an effort to understand this—because I am not an expert in these areas—my staff and I have reached out to HR directors throughout the State

of Utah to get their reactions to the new proposal, and at the same time ask them what their response would be to what we understood the Harkin amendment to be. The reactions have been unanimous—No. 1, that the action of the Department of the Labor Department is long overdue and very welcome.

One of the things I had not known until we got into this particular subject was the trial lawyers, whom we hear so much about in the Senate, have found a bonanza in class action lawsuits dealing with the Fair Labor Standards Act. Indeed, the bonanza has been primarily for the trial lawyers and not for the workers in whose name they bring these class action cases. This should not come as a surprise. We have seen other examples where this goes on.

To quote from the Texas lawyer: Overtime litigation is attractive to trial lawyers because of the ''astonishingly'' high amount of money at stake.

And Lawyers Weekly USA says: Boom in overtime suits, a danger for employers but a gold mine for plaintiffs' lawyers.

In the opinion of the HR directors we have spoken to on this issue, this boom for trial lawyers would not go away if the Harkin amendment were passed. Indeed, in their opinion, if the Harkin amendment were passed, it would mean more ambiguity, more uncertainty, and more opportunities for trial lawyers to file class action lawsuits. The reason for that is by freezing certain classifications that are in the current regulations forever forward as a result of the Harkin amendment and allowing other classifications to remain as they are in the new regulations, you could very well end up with two employees doing absolutely identical work, but because one of them was in place when the Harkin amendment was passed and the other was hired after this legislation was passed, they would have different classifications. A trial lawyer would come along and have a great deal of fun with that, perhaps win a judgment of some kind, tremendous fees for himself and not that much for the workers.

Everyone we have spoken to on this issue has said over and over again: The Harkin amendment would make things much more difficult; the Harkin amendment would create an administrative nightmare to try to work our way through; the Harkin amendment should be opposed.

They are all unanimous in saying the proposal by the Department of Labor is a good proposal. It will make their lives a whole lot easier because it will bring the regulations up to date, bring the regulations that are 50 years old into the 21st century, and allow people to begin to deal with these challenges in ways that are consonant with today's labor market.

My friend from Iowa talks about the jobless recovery. I recommend he spend a little time looking at the jobless claims that are being filed. The number of jobless claims being filed keeps going down week after week. People are no longer being laid off in the degree they were during the recession. As we saw in the month of March, 308,000 new jobs were created. We are waiting for the April figures. The expectation is it will be over 100,000 new jobs created in April. The effects of the recession and the recovery period are wearing off, the jobs are coming back, the labor market is tightening up, and the Federal Reserve is talking about raising the overnight rate because they say the economy is coming back. They have not given a date for that. Economists have been expecting that to happen in September. After Chairman Greenspan's appearance before the House Banking Committee, some thought it would happen as early as July. I do not have a crystal ball on that and do not pretend to know. As chairman of the Joint Economic Committee, I do know that virtually every economic indicator we have is up and pointing up. The economy is coming back very strongly.

I hope the rhetoric about the terrible economic conditions in which we are currently operating will begin to change in light of the current economic information that contradicts it and says the economy is coming on very strongly. In that kind of economy, in that kind of situation where we are looking to the 21st century workforce, it only makes sense to upgrade, revamp, and modernize those portions of the Fair Labor Standards Act that are, in fact, 50 years old and have been languishing for a long time. There are definitions in that act of jobs that no longer exist. There are circumstances described in that act that are clearly out of touch with today's economic reality and today's labor marketplace.

I congratulate Secretary Chao and the Department of Labor in the very careful way in which they have approached this issue. As nearly as I can tell, the only people who have any reason to fear these new regulations, the only people who have any reason to fear their incomes might go down as a result of these regulations are the trial lawyers who have taken advantage of the anachronisms in the existing regulation and filed all of these class action suits I have talked about.

I have some examples of how the class action suits have muddied the water, based on the current regulations, many of which would be frozen in place by the Harkin amendment. Courts have interpreted the confusing regulations differently. In the Virginia court, a designer of electric equipment gets overtime; but in a New York court, a designer of electric systems does not get overtime as they have tried to determine a different meaning of these phrases. This would be cleared up by the new regulations proposed by the Department of Labor. In a Louisiana court, purchasing agents are entitled to overtime; but in an Oregon court, log merchandise buyers—to me, that is a purchasing agent—are not entitled to overtime. This is because these definitions are in the old regulations, the existing regulations. These definitions are anachronistic, they are uncertain, and they are being brought up to date, brought up to standard by Secretary Chao and her associates at the Department of Labor.

But the Harkin amendment says, no, we will freeze these changes in place to make sure the past pattern does not change. Quite frankly, I want the past pattern to change. People who are involved, caught up in the difficulties of trying to handle the past pattern want them to change. They want modernization. They want these things to be updated. It is not being done in an effort to try to deny anybody overtime. If that had been the case, the administration would have left the number at 8,000 instead of raising it close to 24,000 as the threshold by which people could be reclassified.

No, this is not an attempt to deny overtime to anyone. This is simply an attempt to bring the Fair Labor Standards Act regulations into the 21st century, bring them up to date with current economic reality, make them available and understandable to the HR directors in the various firms that deal with these challenges, and remove from the lives of those HR directors the tremendous ambiguity, uncertainty, and, frankly, stupidity that comes from regulations that are half a century old.

I say to my colleagues, if there are portions of the work that the Labor Department has done that Members think you can improve upon, let us hear your arguments, let us look at your amendments. I am willing to do that. But to take a whole section of the bill and lock it in place in the way the Harkin amendment does, in my view, cuts against the whole purpose of this revision. It says we are going to keep in the law anachronistic positions that are 50 years old just because we are afraid something might happen. In a dynamic economy, something is always happening. Yes, sometimes it can be very painful.

I know what it is to be looking for a job. I know what it is to be laid off. I know what it is to go without health insurance. I know what it is to dig into one's savings and then see those disappear and slip into debt in an effort to keep things going. I have founded businesses, some of which have failed. And I do not get unemployment compensation when I am the boss and my business fails. I know how difficult this can be.

So it is not a matter of not having appropriate sympathy or appropriate experience with those who are caught in economic changes. But at the same time, I recognize the genius of the American economic system is its ability to grow under all circumstances, as we traditionally have. We have had fewer recessions and more shallow recessions than our friends around the

world who have attempted, through government, to monitor the economy and keep it under some kind of governmental control.

Yes, it can be painful. But ultimately it produces more jobs, more wealth, more opportunity, and more security for more Americans if you allow the free market to work better.

The regulations that are being proposed by the Department of Labor, in my view, meet that criteria. They provide a change in the situation that will allow the economy to be more responsive to today's economic opportunities and challenges in a worldwide, borderless economy. I believe they should be adopted, as proposed, without the encumbrance of the Harkin amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I welcome the opportunity to join with my friend and colleague, the Senator from Iowa, in urging the Senate to accept this amendment he has proposed on overtime. I want to take a moment or two this afternoon to review, very quickly, where we are in terms of what our workers in this country are facing at this time in terms of our economy.

First of all, Madam President, I ask unanimous consent that the excellent editorial entitled ''Timeout on Overtime Rule'' in the Los Angeles Times be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. KENNEDY. I will mention, very quickly, some of the points that were made in this editorial, ''Timeout on Overtime Rule.'' This is what they mention:

> Unfortunately, the new Labor Department overtime rule intended to clear things up just makes them murkier. . . . Despite [Secretary] Chao's assurances that she's worked hard to ''get it right,'' the National Assn. of Police Organizations determined that ''while many police are protected, others are not.''
>
> A former Department of Labor investigator last week told a House committee the ambiguous wording threatens [many] protection[s] now afforded to many workers—including nursery school teachers, nurses, chefs, team leaders, outside sales people and financial service employees—who earn from $23,660 to $100,000 a year.

It continues: ''American workers have fueled recent productivity gains but failed to share in the newly created wealth because, as Alan Greenspan recently told the Senate, 'virtually all of the gains in productivity ended up in rising profit' '' suggesting that the investments are not going back to those in terms of the increasing productivity but are all going back into profits.

And then it points out:

> A panic about their overtime is the last thing workers need. . . .

As we know—and the figures point out very clearly—American workers work longer and harder than any other workers in the world. They average working longer than any other nation in the world—2½ weeks longer in a year than workers in the United Kingdom; 7 weeks longer in a year than workers in France; 4, 5 weeks longer every year than most of the industrialized countries in Western Europe. American workers today are working longer, and they are working harder. But what has happened is we have seen that 8.4 million Americans are out of work. We have seen the loss of jobs over the period of the recent years. We have seen the economic record of 2.4 million more unemployed workers today than we had in 2001. So American workers are working longer, they are working harder, and we have seen a significant loss of jobs.

I heard my friend and colleague from Utah refer to those who have gone back into the labor market. But as the Senator knows very well, many of those people are working part-time because they still can't find full-time work. This is a reflection of the fact that we have seen American workers working longer and working harder. And there is also a loss of some 2 million jobs.

What has happened to the wages of those workers? Look at the difference in the wages of those workers who were working in the year 2000 versus 2002. In the year 2000, they were averaging $43,848, and now they are averaging $42,408. We have seen a significant reduction—some $1,400—in wages that have been lost during the period of the last 2 years for jobs that are already in existence. And this administration is trying to cut back even more.

What is the administration's problem with working families? They oppose an increase in the minimum wage. They oppose extending unemployment compensation. And now they are trying to cut back on the income of working families.

Well, we hear: Look, we have created, under this administration, some new jobs. The interesting point is, the new jobs that have been created are averaging 21 percent less in pay than the old jobs that were there. So we have seen a significant reduction in the pay that workers receive if they have been able to hold their job. If you have lost your job, and then you get a new job, it is paying 21 percent less than what it was paying in the year 2001, and still the administration wants to reduce those figures even more for hard-working Americans who are trying to make it.

Now, what has happened? What are these families doing? These families who were making $44,000, and maybe now they are coming back into the market and making 21 percent less? Let's look at the kind of burden those families are under. Let's look, for example, at what has happened in terms of if those families are sending one of their children to college. We find out if they are sending their children to a 4-year college, the average increase in college tuition has increased 26 percent since 2001. Virtually nothing has been done by the Bush administration to try to get a handle on that.

There are things that can be done. We have had good ideas and good suggestions of trying to work with colleges, work with States, work with the Federal Government in trying to get a handle on the increased costs. We have families working harder, working longer, and making less, and finding out—when they are trying to put their children through college—college tuition, in the last 2½ years, has gone up some 26 percent. They see they are making less money now. If they have their old job or even if they have a new job, they are finding out, if their children are going to college, what is happening at a 4-year public school.

Let's look at what has happened in terms of their health care premiums. The costs are virtually out of control. This chart shows their premium increase versus the CPI. The CPI might represent what some of these workers are getting in their increased wages in terms of their employers, but look what has happened to the costs that are out of control. Over the period of the last 4½ years, the increase in health care costs have gone up 43 percent. How are the average working families in this country able to make it? Their pay is going down. There are new jobs paying less. Tuitions are going up. Health care is going up. We have a proposal on the floor of the Senate. That is not bad enough, if they work even harder and longer, we are going to cut back on that.

You can take the same with regard to the issue of prescription drugs. I see my friend from Oregon in the Chamber, Senator RON WYDEN, who has done so much in the area of prescription drugs and trying to get a handle on the costs of prescription drugs. He is a real leader in the Senate on this issue.

If you look at what families are paying in increased costs for prescription drugs, those costs are virtually out of control.

That is why those of us on this side of the aisle have asked: What in the world does this administration have against working families? Why now, the first time in more than 60 years, are you going to undermine or assault or attack overtime pay for workers? Why? It just isn't right and it just isn't fair.

Look at what has happened in the recovery we have had, briefly, in the last several months. Let's look at how that recovery has affected workers and how it has affected the profits for companies. Here we have a chart that shows the difference between the recovery in the early 1990s and today's recovery. This chart reflects what the difference is between workers wages and corporate profit.

In the early 1990s, when you had a recovery in the 1990s, you found out that the workers participated in expansion of wages 87 percent and the corporate profits went up 13 percent. Here it is today. With today's recovery, it is 60 percent goes to corporate profits and 40 percent to wages. And company after

company, industry after industry is trying to cut that back in terms of wages.

Just look at some of the industries, what they requested in terms of this administration. I will illustrate with the restaurant association, but the list goes on.

The National Restaurant Association requests that DOL include chefs under creative professional categories as well as the learned professional category.

Then from the Federal Register, April 23: The Department concludes that to the extent a chef has a primary duty of work, requiring invention, imagination, originality, or talent—imagine telling a chef that he didn't have those, how long would he work in a restaurant; of course, it means all the chefs—such chef may be considered an exempt creative professional.

There is the request of the National Restaurant Association. There is the result.

Take the insurance companies. Here is their request, the National Association of Mutual Insurance Companies' letter to the Department of Labor: The National Association of Mutual Insurance Companies supports the section of the proposed regulations that provides that claims adjusters, including those working for insurance companies, satisfy the fair labor administrative exemption. Therefore, will not qualify for overtime.

From the Federal Register just 10 days ago: Insurance claim adjusters generally meet the duty requirements for the administrative exemption.

There is the request of the special interest; there is the result. I could take the rest of the afternoon. You could go industry by industry. We are talking about modernization, to make these regulations more understandable. This is what it is all about. It is the bottom line. The bottom line of those industries, taking it out of the pockets of the men and women who are working hard, working longer, as the first chart showed, more than any other industrial nation in the world, having a hard time making ends meet, paying for the education of the kids, affording the health care, paying for the prescription drugs. That is what this is all about.

Here are the various groups that are affected: nurses, nursery school teachers. Imagine this, nursery school teachers. I looked through the regulations. Imagine denying nursery school teachers. When we understand the importance, anyone who has had the opportunity to read ''From Neurons to Neighborhoods,'' Jack Shonkoff's brilliant book that summarized three Academy of Sciences studies that showed that the intervention in the early years make the greatest difference in terms of children.

We are concerned about education and we are going to make sure those nursery school teachers, even if they are qualified, even if they deserve it, no way, are they going to be excluded. The list goes on. The list goes on.

Finally, I want to mention this chart that shows what happens when you either have protections for overtime or you don't have protections. Protections meaning if you are required, you pay time and a half versus you don't pay time and a half, what is going to be the impact on workers.

Workers ought to listen to this. Workers ought to take a look at this chart. If you have overtime protection and you work more than 40 hours a week, only 19 percent of the workers are going to be required to work overtime. But if you don't, if the employer doesn't have to pay the overtime, it goes up to 44 percent, more than double. Workers beware. That is how you are going to end up. You are going to be required to work much more than the 40-hour workweek and you are not going to get compensated for it.

And it isn't only the 40-hour workweek. If you have a 50-hour week, you are three times as likely to work longer than if you have the coverage under overtime.

This can be summarized very easily as a continuation of this administration's war on working families. Working families are not asking for much. They want a decent job with decent pay and decent opportunities for the future. They have a sense of pride, and they want to do a good job in the job they are doing. And they want to work. We are stacking it against them. We are saying we will not increase the minimum wage, even though it is 7 years since the last time we saw an increase and even though its purchasing power is at an all-time low and that it affects 7 million Americans, fellow citizens who work hard, play by the rules, primarily janitors, teachers assistants, people who work in nursing homes. Those are the recipients of the minimum wage. And it is mostly women. This overtime issue is a women's issue. This overtime issue is a women's issue because we have seen the expansion and the growth of hours that women are putting in in the workplace.

This administration has been opposed to an increase in the minimum wage, opposed to unemployment compensation, and now opposed to overtime. It is basically wrong. It is unfair.

This Harkin amendment addresses the unfairness. Americans understand fairness and unfairness. This underlying proposal of the administration is unfair.

I ask unanimous consent to print in the RECORD an excellent summary by Eileen Appelbaum from Rutgers University that talks about reinvestment in the United States as a share of corporate profits has hit a postwar low.

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

It is not a lack of profits that has kept U.S. corporations from investing. As Figure 3 shows, the after-tax capital share is at its highest level in the post-War period. Indeed, the Wall Street Journal reports that 60 percent of U.S. companies and 70 percent of foreign-owned companies in the U.S. didn't pay ANY federal taxes for the years 1996 to 2000 (Wall Street Journal, April 6, 2004, p.1). Nevertheless profit reinvested in the U.S. as a share of corporate profits has hit a post-War low.

In 2003, corporate taxes fell to just 7.4 percent of federal tax receipts—its second lowest share since 1934. Further tax cuts for corporations are not likely to spur investment or create jobs. The problem is the overhang from overinvestment in IT and telecommunications during the latter half of the 1990s and the on-going restructuring of companies. This, combined with a lack of attention to strengthening manufacturing where nearly 40 percent of investment takes place, suggests that low rates of business investment are likely to be a drag on the economy and private sector job creation for several more years.

Investment has begun to rise over the last two quarters, but the growth in corporate profitability has been even more impressive. If companies continue to grab productivity gains and a larger slice of the economic pie for themselves, and profits continue to squeeze wages, consumption growth will not be able to continue to sustain the economy. Growth in investment is unlikely to be able to overcome the drag on the economy from giving workers a smaller slice of the economic pie.

Mr. KENNEDY. Make no mistake about it. What this is about is increasing the profits. Do we think those profits are going to be reinvested in the worker? There is no indication that they will be. This is about the bottom line.

The question is, Whose side are you on? Are you on the side of working families trying to make it in America or are you on the side of the companies trying to increase the bottom line? That is what the issue is.

I applaud the Senator from Iowa and hope the Senate will support that effort.

EXHIBIT 1

[From the Los Angeles Times Editorial, May 3, 2004]

TIMEOUT ON OVERTIME RULE

Overtime pay makes ends meet for many U.S. workers. But the federal regulations that determine who merits overtime are so complex that employers and employees end up in court way too often, Unfortunately, the new Labor Department overtime rule intended to clear things up just makes them murkier. A timeout is called for, if just to figure out who the winners and losers really are.

An earlier version of the new rule drew 80,000 comments from befuddled workers and employers alike. The final rule published in April—though a clear improvement—has provoked outright argument about what some of its provisions really mean.

Labor Secretary Elaine L. Chao maintains that, when the rule takes effect in four months, it will guarantee overtime protection to workers earning less than $23,660 a year and strengthen overtime rights for 6.7 million other American workers, including 1.3 million low-wage, white-collar workers who previously didn't qualify. Workers, though, aren't taking Chao's word for it.

Despite Chao's assurances that she's worked hard to ''get it right,'' the National Assn. of Police Organizations determined that ''while many police are protected, others are not.''

A former Department of Labor investigator last week told a House committee that

ambiguous wording threatens protection now afforded too many workers—including nursery school teachers, nurses, chefs, team leaders, outside sales people and financial service employees—who earn from $23,660 to $100,000 a year.

American workers have fueled recent productivity gains but failed to share in the newly created wealth because, as Alan Greenspan recently told the Senate, ''virtually all of the gains in productivity ended up in rising profit.''

The economy isn't spinning off jobs quickly enough to get the unemployed back to work, and young workers are frustrated by a minimum wage that hasn't budged since 1997. A panic about their overtime is the last thing workers need, even though the regulations surely do need some straightening out.

Rather than take Chao's word, Congress should order the Labor Department to delay implementation of the complex overtime regulations until everyone knows what really will happen to workers' paychecks. Get a think tank on the job.

Replacing one flawed set of regulations with another won't diminish lawsuits and may allow unscrupulous employers to take advantage of more workers. As Chao has noted, key portions of the rule hadn't been changed in more than 50 years. A few more weeks isn't going to matter.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Madam President, I wish to take a few minutes to talk about the overtime rules. I believe they are a marvelous step in the right direction. After 40 to 50 years of inaction and lack of review, I believe we are in a position to make some changes today. Secretary of Labor Elaine Chao is one of the finest members of this administration. She is a determined public servant. She advertised those changes. She solicited information from various groups and individuals and got 70,000 responses. They evaluated those responses and made the proposed rule changes that are before us. I think it is clearly a step in the right direction and will add to the number of people who are covered. The final rule updating part 541 of the Fair Labor Standards Act regulation is important.

When these rules were established, we used words and terms that don't really exist today. They used terms like ''gang leader.'' That has quite a different tone today than it did when that rule was set up. There was also ''linotype operator'' and overtime was guaranteed only for persons who made less than $8,060 a year. So this rule change improves the regulations in quite a significant way.

I had the personal experience of working as a lawyer and representing two individuals who had problems with overtime. I represented the first individual against a company. I had not studied the law that much, but I had been a Federal prosecutor and I knew the people. One was a friend from my high school days and he operated heavy equipment. He said: Jeff, I think I have been entitled to overtime. I worked extra hours. When the weather was good, we worked extra hours.

They saw him as a contractor and he saw himself as an employee. I began to look at the law and I thought he was right. We filed a lawsuit and the company knuckled under and paid him. I took a fee out of it, and I am sure the company paid their lawyers a fee for representing them. A pretty significant chunk of the man's overtime had to be paid on litigation fees.

I represented an administrative assistant. The group she worked for had meetings at night. She would be required to go take notes and keep records, but they didn't pay her overtime. We filed an action on that and, eventually, they agreed to pay her. Interestingly, that lady worked for a union. So the union wasn't paying one of its own employees overtime as they were required.

What we need is more clarity in this situation. We need a legal system that everybody can understand. When you know who is covered, then people can demand their overtime and they will get it. It is my experience that you will not have quite as many situations where people blatantly violate the law if they know what the law is. If the law is confusing, they will play in the gray areas and take advantage of people. If it is clear, people will tend to follow it—most employers will. I think that is what we are looking at here.

The Department of Labor did not prematurely propose this rule. It was after a great deal of work and effort and listening and evaluation and changing and updating and altering the proposal. I think they have done a terrific job. It meets the realistic needs of the modern workplace so much better than this 50-year-old rule that has not been changed since the beginning.

I have been disappointed that our friends in the labor movement leadership have sought to utilize this change as an opportunity to attempt to scare working Americans and cause them to believe they are somehow being taken advantage of in this process. That is not so. I was disappointed to learn that the AFL–CIO prepared ads attacking the rule, before it was even published. That is not the right way to do things. We all ought to be a part of the process. If you have a specific example of something that is wrong, bring it up with the Secretary of Labor, as many did, and as labor groups did, and they will evaluate it and make the changes that work.

This is an attempt—and a successful attempt—to make the rules simpler, fairer, and clearer. We have to do better than the current law. Under this final rule—and this is so significant—workers making $23,660 or less per year are absolutely guaranteed overtime. In the past, a worker making $14,000 annually could be classified as a manager and be denied overtime.

Under the new rules, that worker and 6.7 million others will be guaranteed overtime protection regardless of whether you call them a manager, a boss, or whatever you want to call them. If they make less than that, they are classified as eligible and have to be paid overtime if they work more than the 40 hours per week. This will cover the person at the print shop, the fast food place, and the laundry. Maybe they have been classified as a manager because they do the business and manage some. Under this, if they are paid less than $23,660, automatically they will be covered. That is 6.7 million workers who are going to be guaranteed overtime protection.

This is not something that is trying to harm the worker. I know my friend, Senator KENNEDY, is quite an advocate. But I have to tell you, I don't appreciate him saying that this rule change is a war on American workers. What kind of rhetoric is that? What kind of partisanship is that? What kind of collegiality and respect for the process is that? This is a good series of rules, not a war on the American worker.

He talks about college tuition, health care, prescription drugs, and all these issues he wants to talk about but not specifically what is wrong about this regulation. There is not anything wrong with it. It is a step forward. It is good for American workers and we need to do that.

I know he talked about a lot of things. One thing he did not suggest was that if we got a handle on the number of illegal workers in this country, there would be more jobs for American workers? We will get more people at that $18, $20, $25 range. That is where we want people to work at. He didn't talk about that.

There are lots of things we can do to improve the life of the working American man and women. One of them is to update the overtime rules. I believe this has been done openly and publicly by a Secretary of Labor who is a lady of integrity and great ability, who listened to the complaints and ideas and suggestions, and she has made progress.

For example, I believe Senator HARKIN mentioned law enforcement officers. The largest law enforcement group in America, a workers group, a labor group, the Fraternal Order of Police, has clearly supported this rule change. They participated in the process and they made their suggestions. They were happy when it was over. This is what the president of the Fraternal Order of Police, Chuck Canterbury, said when the Department of Labor issued the final regulation. He said it was ''an unprecedented victory for police officers and their families.'' These are America's first responders, the police, firemen, and EMTs.

He goes on to say that ''the Fraternal Order of Police is extremely grateful for the work of the Secretary of Labor, Elaine Chao, and Wage and Hour Administrator, Tammie McCutchen, to take into consideration and incorporate the views of the FOP in developing their final regulations.''

He goes on in great praise of them. It has also been repeated on the floor earlier today that somehow veterans are unhappy with this bill and it is going to hurt veterans.

But I have a letter from the Veterans of Foreign Wars. They are one of the

largest veterans groups. They say in a letter to Secretary Chao on April 22:

The Veterans of Foreign Wars of the United States appreciates your soliciting our comments and recommendations on the revision of the Fair Labor Standards Act to strengthen and clarify

That is how he referred to it, ''strengthen and clarify''—

the overtime protection provisions; particularly provision addressing veterans and the training they received while serving in the Armed Forces. Much confusion and erroneous misinformation was disseminated.

Boy, that is true. There has been so much misinformation.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. SESSIONS. Yes, for a question, without losing my right to the floor.

Mr. KENNEDY. I think the Senator is correct in the fact that the earlier provisions certainly apply to the training veterans received. I think my own reading of this is that they may very well apply to this group of veterans who have specialized training. Why didn't the administration add a line saying that anyone who received training in the Armed Forces would not be covered? That would have resolved the issue. If the Senator wanted to add that as an amendment, I would encourage the Senator from Iowa to accept that.

Mr. SESSIONS. I thank the Senator from Massachusetts for his comments. As a lawyer—and I know Senator KENNEDY is a lawyer—these things get pretty complicated. Sometimes making blanket rules like that can create unfairness in the system.

Let me go on and continue with what the Veterans of Foreign Wars said on April 22 about this legislation:

Much confusion and erroneous information was disseminated with respect to how the proposed regulations could adversely affect veterans. You and the staff of the Veterans Employment and Training Service and the Wage and Hour Division's willingness to engage the VFW and other Veterans Service Organizations in constructive dialog resulted in the removal of language pertaining to ''training in the Armed Forces,'' thus ensuring veterans would not be denied overtime as a result of such training. Again, the VFW appreciates your recognition of those who serve our Nation in war and peace.

The Disabled American Veterans, a good, strong group that does a lot of good work here:

Dear Secretary Chao: On behalf of the 1.2 million members of the Disabled American Veterans, I would like to express our gratitude for keeping us and other veterans' service organizations informed throughout the revision of rules governing overtime eligibility for workers under the Fair Labor Standards Act. We also commend your efforts to protect veterans by ensuring that a worker's status as a veteran cannot be used as a basis for exemption from overtime pay.

And from the American Legion—I suppose they know what is good for veterans. I certainly know they advocate for them on a daily basis. National Commander John Brieden III wrote to Secretary Chao, April 26, last week:

I am writing in support of the recently released regulatory changes to the Fair Labor Standards Act. The American Legion has a long history of advocating in support of veterans employment and training entitlements, and we are pleased with the Department of Labor's part 541 final regulations that seek to clarify overtime pay eligibility rules.

They are happy with them.

He goes on to write, recent assertions that the proposed regulatory changes target veterans who rely on overtime pay caused undue concern for those proud veterans who have successfully transitioned into the civilian workforce.

Who has been telling them all this misinformation? They are all saying that. How are they being told this? I am afraid the truth is, we are in a political season, and the Secretary of Labor stepped up to the plate to make some changes that needed to be made. They have not been changed in 50 years, and those who have a political agenda who want to try to embarrass President Bush, frankly, because Secretary Chao is a Cabinet Secretary in his administration are going to blame him for adversely harming workers, and it is not right. Listen to the people who were there:

Recent assertions that the proposed regulatory changes target veterans who rely on overtime pay caused undue concern for those proud veterans who have successfully transitioned into the civilian workforce. The removal of language referencing training in the Armed Forces will ensure that no worker will be unjustly penalized for their veteran status as a result of these regulatory changes. At a time in our history when American service members are answering the Nation's call—

Indeed they certainly are—

to arms in more than 130 countries worldwide, this country must ensure that all military and veterans entitlements are preserved rather than stripped away.

The American Legion supports the Department of Labor's efforts to clarify eligibility for overtime pay, and we applaud you, Madame Secretary, for ensuring that the employment rights of America's veterans are protected.

It is time for us to deal with this situation. These rules are better. A lot of people who have been called managers, who are making $18,000, $19,000, $20,000, $21,000, $22,000 a year and are being denied overtime because their employers crafted a job description that made them a manager, will be guaranteed overtime. If you make below $23,660, you are guaranteed overtime. If you make over $100,000, you are not. But for the others this will be guaranteed.

This is a step forward for clarity. It is going to reduce litigation. It is going to reduce class action lawsuits. It is going to reduce the excessive cost that comes from those lawsuits, and it will make lives better for American workers. That is our only goal. If I thought it harmed our American workers, I would not support it.

I believe the Secretary of Labor is on the right track. I ask our colleagues to oppose the Harkin amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Madam President, I wish to respond this afternoon to some of the statements that have been said, and also to rise in opposition to the Harkin amendment.

First, I wish to join in what the Senator from Alabama was saying about the outstanding leadership of our Secretary of Labor Elaine Chao. If there has ever been an American success story, she is it. She is a minority woman who has been in several very critical leadership positions, has always done a wonderful job, and she is showing real courage as Secretary of Labor. Anybody who would suggest she would be advocating positions or rules that would be antiwomen, I don't think there is any possibility that would be something she would do. I have a knowledge of her and a faith in the leadership she is providing.

She is trying to change rules that have not been touched in 50 years. Whatever they were 50 years ago, 40 years ago, 30 years ago, one would think they probably need some reconsideration and updating. That is what she is trying to do.

As far as being concerned about the low income and entry level of working Americans, I feel a real concern for that. My dad was a shipyard worker, a pipefitter, a union member. My mother taught school. She subsequently kept books because she could not make enough money teaching school. My son employs a lot of entry level, low-income, unwed mothers, and he worries about his need for insurance coverage.

I do not step aside for anybody as far as coming from a low-income, middle-income background. I want to make sure we do right by the low-income people and the entry level people.

In that connection, in talking about the economy and what is happening, I remind all Americans and my colleagues the economy is not perfect. The economy would never be as good as we would like for it to be. We would like it to be growing at 5, 6, 7, 8, 10 percent GDP and hope we can make that happen. I believe we in America can always make the pie bigger. We do not have to make the slices smaller. We can challenge every American to think about what the opportunities are that are being offered and try to take a part of the American dream. And we are moving in that direction. Productivity is up.

The point was made maybe it is going to the bottom line, the profit. I figured out if Litton Industries did not have a profit, my dad probably would not have had a job doing pipefitting in that shipyard.

Jobless claims are down, housing starts are at an all-time high, and the American dream of owning your own home is doing fantastically. I met last week with homebuilders from my home State. They are doing great. They are providing good quality, affordable housing like never before, probably because interest rates are low, historically low, and have been so. The markets are up.

When I hear, woe is me, the economy is not good—it is not perfect, but there are a lot of indicators going in the right direction.

Then when I hear our workers in America work more than people in France, are we now trying to imitate France? Pretty soon they will be down to working maybe 25 hours a week, and they have huge economic problems because they have not been able to bring themselves to address the difficulties they are getting into with all their pensions and all the stuff they are committed to they are not going to be able to pay for.

I do not want to follow France's example, for Heaven's sake. So what do we have in this particular instance? Again, we are trying to update the rules on overtime. It looks to me as though for low-income workers, they are going to be the beneficiaries. The Department estimates that few, if any, workers between $23,660 and $100,000 would lose their overtime. As a matter of fact, 1.3 million salaried workers who earn less than $23,660 would get the overtime, and they would not need to go to court or to try to deal with the difficulties of the vague language. They are going to clarify when these workers would be eligible for overtime.

Certainly, people who are making $23,000 or $24,000 ought to get overtime when they work extra hours. I think we ought to be commending the Secretary of Labor. She listened to us. She heard our complaints. Where there were weaknesses that were pointed out, they went back and tried to address those. These are not the same rules we were debating a year ago. They went back and raised the level that would be applied. The salaried level was $65,000. In the final version of rules, it is up to $100,000.

There are new provisions in the rules that specify certain classes of employees also, such as police officers and firefighters, as automatically eligible for overtime pay. Do we not want to make that clear? Do we not want to specify that firefighters and police officers would be entitled to get overtime pay?

It also declares that licensed practical nurses and certain veterans would be eligible for overtime pay. So there is a clarification with regard to the nurses. When one looks at what has happened, what they are trying to accomplish is to bring the rules up to date with the realities of employment today, and this is the first time we have done it in 50 years. As a matter of fact, low-income workers have certainty that they are going to get overtime. Specific groups such as firefighters, policemen, veterans, and licensed practical nurses will be guaranteed that they will get this overtime pay.

Now there are certain categories of people I am sure are defined in these rules who are executive or administrative in position. They may make over $100,000, $120,000, or $130,000 a year. They may have to work overtime. How many people in our offices work overtime? How many overtime hours do we work, 50, 60, 70, 80? We understand when we run for the Senate that we are not going to get overtime pay. I am not advocating that. That is my point. I do not expect it, and I work 70, 80 hours a week because of the opportunities, the way of honor and because of the understanding of what we would be paid.

I think these rules are the right thing to do. There is clarity about the fact that more people would be covered. I do not know how many people might actually have some risk of not getting overtime, but it would be in the higher brackets. The number is probably 107,000 workers earning more than this $100,000 might lose their overtime pay.

This effort has shifted the emphasis to the low-income people who have not been certain that they could get overtime. We should be commending the Secretary of Labor, not trying to pass the Harkin amendment that would block these changes.

I fear once again what we have is people wanting more. They are not satisfied that this is good enough. Good, maybe, yes, that maybe it is fine if it applies to first responders, nurses, blue collar workers, cooks, paralegals, public service inspectors, union contracts, and veterans. That is all good, but we want more. We are going to defeat the good in pursuit of the perfect.

It will not happen.

I urge my colleagues to vote against this Harkin amendment. Let us put these rules in place. It will not be the last pass at this. We are going to find that there are some weaknesses, or we should have maybe considered another group. The rules will be changed again.

I had to take a little time to talk about the facts with regard to Secretary of Labor Elaine Chao, to talk about the economy and talk about how these rules have been modified. They have moved in the right direction, and we should allow them to go into place and continue to work to make sure they are applied properly.

I yield the floor.

The PRESIDING OFFICER (Mr. CORNYN). The Senator from Montana.

Mr. BAUCUS. Mr. President, the Senator from Maine and the Senator from Oregon would each like to offer an amendment. I would like to get them in a queue for consideration after the Harkin amendment. I have cleared this with the majority manager.

I ask unanimous consent that the pending Harkin amendment be temporarily laid aside so that Senator COLLINS may offer an amendment; that after she has been able to do so and speak to her amendment the Collins amendment be temporarily laid aside, and that Senator WYDEN be recognized to offer his amendment.

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

The Senator from Maine.

AMENDMENT NO. 3108

Ms. COLLINS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS] proposes an amendment numbered 3108.

Ms. COLLINS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide for a manufacturer's jobs credit, and for other purposes)

On page 139, between lines 13 and 14, insert the following:

SEC. ___. MANUFACTURER'S JOBS CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits), as amended by this Act, is amended by adding at the end the following:

"SEC. 45S. MANUFACTURER'S JOBS CREDIT.

''(a) GENERAL RULE.—For purposes of section 38, in the case of an eligible taxpayer, the manufacturer's jobs credit determined under this section is an amount equal to the lesser of the following:

''(1) The excess of the W–2 wages paid by the taxpayer during the taxable year over the W–2 wages paid by the taxpayer during the preceding taxable year.

''(2) The W–2 wages paid by the taxpayer during the taxable year to any employee who is an eligible TAA recipient (as defined in section 35(c)(2)) for any month during such taxable year.

''(3) 22.4 percent of the W–2 wages paid by the taxpayer during the taxable year.

''(b) LIMITATION.—The amount of credit determined under subsection (a) shall be reduced by an amount which bears the same ratio to the amount of the credit (determined without regard to this subsection) as—

''(1) the excess of the W–2 wages paid by the taxpayer to employees outside the United States during the taxable year over such wages paid during the most recent taxable year ending before the date of the enactment of this section, bears to

''(2) the excess of the W–2 wages paid by the taxpayer to employees within the United States during the taxable year over such wages paid during such most recent taxable year.

''(c) ELIGIBLE TAXPAYER.—For purposes of this section, the term 'eligible taxpayer' means any taxpayer—

''(1) which has domestic production gross receipts for the taxable year and the preceding taxable year, and

''(2) which is not treated at any time during the taxable year as an inverted domestic corporation under section 7874.

''(d) DEFINITIONS.—For purposes of this section, W–2 wages and domestic production gross receipts shall be determined in the same manner as under section 199.

''(e) CERTAIN RULES MADE APPLICABLE.—For purposes of this section, rules similar to the rules of section 52 shall apply.

''(f) TERMINATION.—This section shall not apply to any taxable year beginning after December 31, 2005.''.

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (relating to current year business credit), as amended by this Act, is amended by striking ''plus'' at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting '', plus'', and by adding at the end the following:

''(31) the manufacturer's jobs credit determined under section 45S.''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding at the end the following:

''Sec. 45S. Manufacturer's jobs credit.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

On page 335, line 8, strike ''December 31, 2004,'' and insert ''the date of the enactment of this Act''.

Ms. COLLINS. Mr. President, before I turn to the subject matter of the amendment which I have just submitted, I rise to take a moment to thank my colleagues on both sides of the aisle for their courtesy, and in particular to thank the chairman and the ranking member of the Finance Committee and their staffs for their assistance in advancing this important legislation and in helping to bring this amendment to the Senate floor.

Over the past year, the American economy has emerged from a period of recession and slow growth into a period of economic recovery. The last half of 2003 saw the strongest growth in two decades and the growth continues to be strong, 4.2 percent in the first quarter of this year, a clear sign of a healthy and sustainable economic rebound.

There are hopeful signs on the job front, too. Last month, 308,000 new jobs were added to our Nation's payrolls. This is very good news, but the recovery has not affected all sectors equally. One sector in particular, manufacturing, is struggling to cope with the long-term decline that has cost so many workers their jobs.

Job losses in the manufacturing sector did not begin with the recent recession, nor with this administration. It is not a Democratic issue or a Republican issue. In each decade since World War II, employment in the manufacturing sector has declined as a share of total employment. In absolute terms, the number of American manufacturing jobs has fallen each year since the end of 1997. In fact, if one examines the past 84 months since March of 1997, the number of manufacturing jobs has declined each and every month except 7.

No State has been harder hit by the loss of manufacturing jobs than my home State of Maine. According to a study by the National Association of Manufacturers, on a percentage basis Maine has lost more manufacturing jobs than any State in the Nation. We have lost nearly 18,000 jobs during that period, good jobs that once provided lifelong employment to Mainers living in communities such as Millinocket, Brewer, Wilton, Waterville, Fort Kent, Dexter, Westbrook, and Sanford.

Many people are asking: Why are so many manufacturing jobs in this country disappearing?

According to a recent study conducted by the National Association of Manufacturers, one answer is the disparity in manufacturing costs in our country versus other countries. In fact, compared to other countries, it costs an average of 22 percent more to manufacture goods in the United States.

While it would surprise no one that U.S. manufacturers face a higher cost of doing business compared to manufacturers in countries such as China or Mexico, it would be a mistake to assume wage rates alone explain this difference. They do not. In fact, the productivity of the American worker is unrivaled, allowing American workers to receive more value in terms of wages for the goods they produce. As the NAM study states, if wages were the only factor, then:

U.S. manufacturers would be much more dominant . . . in the global markets than the current trade situation suggests.

It is other structural costs such as the high corporate tax rate we impose on manufacturers that make it much more expensive to manufacture goods here in the United States relative to the costs elsewhere. Indeed, the NAM study shows it is significantly cheaper to produce goods even in high-wage industrialized nations such as Japan and France. This fact illustrates the critical impact these high structural costs have on manufacturers in our country.

In essence, these costs have the same effect as imposing a 22-percent additional tax on making goods here, rather than overseas. To compete, American manufacturers must somehow do more with less, move operations overseas, or get out of manufacturing altogether. None of those is a good solution. The result is fewer jobs, a weaker economy, and a manufacturing sector in crisis.

Earlier this session I introduced legislation known as the Growing Our Manufacturing Employment Act. This legislation provides a 9-percent deduction for manufacturing income, and contains additional provisions benefiting the forest products industry, an industry critical to manufacturers and jobs, good jobs in my home State. I am very pleased the underlying bill we are considering, the JOBS Act, has already been amended to accelerate the deduction for manufacturing income and it contains these important forestry provisions. But I believe we need to go further to address the loss of these vital manufacturing jobs. For that reason, I am offering the final provisions of the Growing Our Manufacturing Jobs Act as an amendment to this bill. My amendment is aimed at reinvigorating the manufacturing sector, boosting the level of domestic manufacturing, and preventing the further loss of these important jobs.

My amendment would help to reduce the 22-percent cost differential American manufacturers face by providing a jobs tax credit to those manufacturers that increase their payrolls by hiring displaced workers who are receiving trade adjustment assistance. That would mean we would be providing an important incentive for manufacturers to rehire workers who have been laid off because of the impact of foreign competition.

In Maine alone, nearly 60 manufacturers are currently TAA-certified, and more than 4,200 Maine workers have been deemed eligible for benefits under TAA since the start of 2002. The credit I have suggested would provide a powerful incentive to hire these workers and help them get back to work.

This credit is very carefully targeted. For that reason, it carries a modest pricetag, which, thanks to the efforts of the Finance Committee, would be fully offset by other provisions included in the amendment.

Finally, this amendment is designed to ensure only those companies that are helping to build America's manufacturing base obtain the credit. It has both a carrot-and-a-stick approach. Companies that move jobs offshore will see their benefits reduced. Most important, companies that chose to reincorporate in offshore tax havens to avoid American taxes will not be eligible for this credit.

I am hopeful that by working together on this proposal and the important provisions of the underlying bill, we can take the important steps that are needed to strengthen American manufacturers, to preserve our manufacturing capacity and, most of all, to help ensure hard-working Americans have the jobs they need and deserve.

Let me once again thank the chairman and the ranking member for their ongoing efforts to advance this significant legislation. It has been a pleasure working with them to bring this proposal before the Senate. Few subjects the Senate will address this year are as important as creating and protecting good jobs, and few bills are as important to advancing that goal as the legislation before us today.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 3109

(Purpose: To provide trade adjustment assistance for service workers, and for other purposes)

Mr. WYDEN. Mr. President, I send an amendment to the desk on behalf of myself, Senator COLEMAN, Senator ROCKEFELLER, Senator BAUCUS, Senator DAYTON, Senator BROWNBACK, Senator DODD, and Senator SNOWE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. WYDEN] for himself, Mr. COLEMAN, Mr. ROCKEFELLER, Mr. BAUCUS, Mr. DAYTON, Mr. BROWNBACK, Mr. DODD, and Ms. SNOWE, proposes an amendment numbered 3109.

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

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

(The text of the amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. WYDEN. Mr. President, I see the Senator from Montana on the floor, and the Senator from Massachusetts,

both of whom have done so much for working families, as has the Senator from Maine.

I bring this bipartisan amendment to the floor tonight because I think it illustrates a point Senator LOTT expressed earlier when he talked about updating our laws to make sure they are fair and practical for the times.

The Trade Adjustment Assistance Act, which this amendment speaks to, has been a great asset to folks who have been laid off in the manufacturing sector. It was written more than three decades ago. Of course, that was the key sector in our economy and still is tremendously important today, but the fact is, the trade adjustment law today doesn't apply to about four-fifths of our workers, the folks who have been laid off in the service sector and in the high-technology sector. So what we have is millions of unemployed workers in the service sector and in the high-tech sector who are walking on an economic tightrope every single day, balancing their food costs against their fuel costs, and their fuel costs against the skyrocketing medical bills, as Senator KENNEDY has pointed out.

What this bipartisan amendment seeks to do is establish parity between folks in the service and technology sector and those in the manufacturing sector. So people who lose their jobs when their employer closes or lays them off because of import competition, people in the public and private sector who lose their jobs when their facility moves overseas, and secondary service workers who provide services to a primary firm where workers are eligible for trade adjustment and whose closure causes the layoff or closure at the secondary firm—when those people are in the high-tech and service sector of our economy, under our bipartisan amendment those people would be able to get benefits under the Trade Adjustment Assistance Act.

In effect, this bipartisan coalition wants to persuade the Senate to support it. It is a proposition that no matter where an American works, if you lose your job because of imports, because your job moves offshore, you ought to be able to get retraining, income support, and help with your health insurance.

Workers in the high-tech sector in my home State and across the country have taken a pounding in recent years. The American Electronics Association reported recently the tech sector lost 775,000 jobs in 2001 to 2003 and another 3.3 million jobs could be lost in the next decade. A Deloitte & Touche survey of telecommunication companies forecasts that well over 275,000 jobs, or 5 percent of the total workforce, will move offshore in the next 4 years and more than half of all Fortune 500 companies are outsourcing software development or expanding their own operations overseas.

The fact is when you have a software developer earning $6 an hour in Bangalore, India, and 10 times that amount in Beaverton, OR, every single day this critical sector of our economy—services and high technology—faces extraordinarily tough competition. When the starting salary of a software engineer in India is $5,000 and top level IT professionals earn $20,000 there, you can be sure the competition is intense. The question is, Who is going to stand up for these American workers in the high-technology and service sector that plays such a critical role in our economy?

Some argue increased trade is an overall plus to the United States because it lowers prices for consumers. There is no doubt about that. That is why I have consistently supported trade. But there are negative effects on some of our workers.

Exports of high-tech products from my home State jumped 18 percent from 2001 to 2002, but in the technology industry jobs fell 11 percent. The Oregon Employment Department reports in the 2001 to 2003 period, 3,300 computer systems and design jobs were lost, 5,300 professional and technical service jobs have been lost, and 1,400 architectural and engineering service jobs were lost. Many of these have been lost due to trade.

I say it is time to update—as Senator LOTT has said—this critical law, the Trade Adjustment Assistance Act, so millions of workers in the high-tech and services sector are not left without a safety net. They have a safety net in the trade adjustment law if they are in the manufacturing sector, and that has been a great benefit to those families. But for four-fifths of our workers, those in the high-tech and service sector, that safety net has not been there. This bipartisan amendment will restore it.

High-tech workers, as we know, have been the envy of the American workforce. Certainly during the dot-com boom of the late 1990s, they were responsible for a tremendous amount of economic growth. The ingenuity of these programmers, engineers, and designers helped drive our economy into the 21st century. The creativity of these workers generated an exceptional wave of economic prosperity. Trade agreements on services and intellectual property helped carry the fruit of these dedicated workers around the globe.

Globalization of technology is unquestionably globalizing the technology workforce. Geography is increasingly less important in determining where a job can be done. Globalization of information technology hardware production from 1995 to 2002 cut information technology hardware costs 10 to 30 percent, translating into higher productivity growth and adding hundreds of billions of dollars to the U.S. gross domestic product. Information technology became affordable to business sectors previously bypassed by the productivity boom, small-sized and mid-sized companies, health care and construction.

But as information technology hardware prices decline, the importance of information technology services and software increased, to almost 70 percent of information technology spending in 2001. One economist found offshoring reportedly saved most information technology organizations on the order of from 15 to 25 percent in the first year. With growth in software and services outpacing hardware spending by almost two to one, the demand for cheaper information technology services has lent strength to this ''offshoring tsunami'' and hammered many of our information technology workers in the process.

Certainly no one could have anticipated the shocking speed or scale of globalization in information technology. The American Electronics Association 2003 Cyberstates report found unemployment among computer programmers jumped from 4.5 percent in 2001 to 6.2 percent in 2003; that high-tech employment fell by 540,000 jobs to 6 million in 2002; and that a further loss of 234,000 jobs was expected in 2003.

Hardly a day goes by without a front-page story in virtually hundreds of communities across the country about an American programmer on his or her way out having to train a foreign worker who will replace them. It is a very rich irony that some of the same workers who launched the technology revolution have in fact become its victims.

The average American may think the Federal Government is helping technology and service workers displaced by trade, but it is not. That is because a law written in 1962, when so many of our workers were in the manufacturing sector, has not been updated. Now we have tens of thousands who have lost jobs in the services sector and the technology sector who are not eligible for the Trade Adjustment Assistance Act. The bipartisan amendment I offer today will open the Trade Adjustment Assistance Act door to these and other displaced services and technology sector workers.

The act is a lifeline for millions of these workers. It provides retraining, income support, a health insurance tax credit, and other benefits to workers who lose their jobs due to trade. It can also help secondary workers who supply parts and services who may lose their jobs when the facility or service shuts down due to import competition. This is exactly the type of help trade-displaced services workers need.

A self-described ''newly unemployed software engineer'' from Hillsboro, OR wrote in December: ''My job was moved to India where the company can pay Indians a fifth of what they pay Americans.''

Another wrote: ''As a 50-year-old high-tech manufacturing engineer with 26 years of experience, I was laid off in December 2002. I am sure the new factory the company is building in China will prevent my ever returning to the company. I can't even get hired into an

entry-level position anywhere because I am over-qualified.''

These unemployed Oregonians—and there are thousands of others who are employed in the information technology sector and the service sector who have lost their jobs—deserve to have this law, as our friend from Mississippi, Senator LOTT said, updated so they can get benefits in the safety net the Trade Adjustment Assistance Act offers. I have heard the distinguished Senator from Massachusetts champion this.

It is in effect a trampoline that allows individuals in our country who have been laid off through no fault of their own to get the training and the assistance and the kind of health care to in effect bounce back in our economy.

It seems to me workers reeling from the offshoring of service sector jobs cannot afford to wait for the higher skilled jobs that economists keep promising them are just around the corner. Higher value, higher paid systems integration jobs may come along, but I am telling you in my home State—and I think in communities across the country—a lot of unemployed information technology professionals think they are more likely to see Elvis than a sudden proliferation of help-wanted ads for new, highly skilled information technology jobs.

When a worker is displaced by trade, it should be irrelevant whether the person worked in services or technology or manufacturing. Every worker displaced by trade should be eligible for this very same benefit. This bipartisan amendment ensures that will be the case.

I again thank the distinguished Senator from Montana, my friend Senator BAUCUS. He has been so helpful to me on this and so many other matters during my service in the Senate.

I also thank the Senator from Minnesota who will be joining us. He has worked with the distinguished Senator from Montana and me on this bipartisan amendment.

The Senator from Minnesota has joined us. But we have colleagues who come from every part of the country who have joined us. Senator BROWNBACK has joined us, Senator SNOWE has joined us, Senator DODD has joined us, and Senator COLEMAN, Senator BAUCUS, and Senator ROCKEFELLER. * * * very hopeful that the Senate will resoundingly support this bipartisan amendment. This is about updating a law that is now more than three decades old, a law that does not cover services and high technology, to the detriment of millions of workers. We have a bipartisan proposal that allows that. I thank my good friend from Montana.

Mr. BAUCUS. Mr. President, I thank my friend from Oregon. He has worked very hard on this issue. It is, frankly, a very bright spot in this whole bill. That is, it is a major way to help people who need help. It has been worked out very aggressively and thoroughly by an awful lot of Senators.

The real leader is the Senator from Oregon, Mr. WYDEN. He has done a wonderful job talking with lots of different Senators and working out the different points of view to come together with this amendment.

The PRESIDING OFFICER. The Senator from Massachusetts.

PRESCRIPTION DRUG CARD

Mr. KENNEDY. Mr. President, the Bush administration drug cards do not pass the truth in advertising test. They are no solution to sky-high drug prices, and there will not be a solution until we have a President and Congress who care about fairness for patients instead of higher profits for pharamaceutical companies. The drug companies keep gouging all Americans on exorbitant drug prices, and the Bush administration keeps cheering them on. It is no accident that the drug companies are working ''hand in pocket'' with the administration in hyping these cards and keeping prices high.

The Bush administration has a perfect batting average on providing information to the American public about Medicare—they are misleading every single time, and the drug cards are no exception. In the great tradition of suppressed cost estimates and false advertising comes the new revelation that the administration cannot even give the public honest figures about prices for drugs under the new cards.

The millions of taxpayer dollars that the Bush administration is spending to peddle its plan cannot disguise the fact that seniors would get a better deal taking a bus to Canada to buy drugs at fair prices there.

The drug cards will offer small discounts from already inflated prices. It is like used car dealers who raise prices just before customers come to the lot, so they can offer phony discounts and make it sound like a bargain. Studies show that the savings from the cards are not significantly better than those provided by already existing discount programs.

Unfortunately, there is no lemon law for these drug cards. If seniors sign up for a card that does not deliver the promised discounts, too bad. They are stuck with it. The card companies can change their discounts every week, but seniors are locked in for a year on the card they choose. The card companies don't even have to pass all the discounts from drug companies along to patients. They can keep their kickbacks and let seniors foot the bill.

Let's end these deceptive tricks and find honest solutions to the crisis of excessive costs for prescription drugs. Americans should be able to buy safe drugs from abroad at the same fair prices that Canadians or Europeans pay. Medicare should be able to use the purchasing power of 40 million beneficiaries to negotiate the same low prices on prescription drugs that the Veteran's Administration negotiates for veterans. But the Bush administration won't allow that. Why not? Because it is joined at the wallet with drug companies and their armies of lobbyists and tens of millions of dollars in campaign contributions.

Senior citizens want a real Medicare prescription drug benefit. Americans want fair prices for prescription drugs. The Bush administration and Republicans in Congress offer slick advertisements, a well-oiled public relations machine, and lots of promises, but no performance. It is time for a change.

I will share with the Senate exactly what these cards will do and what they will not do. This chart is entitled, ''The Medicare Drug Cards: No substitute for real cost savings.'' This is the cost of a 1-month supply of the top 10 drugs which seniors most often use. This line represents the U.S. Federal supply schedule, $587. That is the cost under the VA system through the negotiation. It is $596 for the same 1-month supply of the top 10 drugs for Canada; $972 at Walgreens. RXSavings is $1,046, with $1,061 for the PCA, the two Medicare drug cards.

If we had in the Medicare bill the ability for the Secretary of HHS to negotiate the prices down, we would be at $587 or the $596. Instead, it is the higher figure.

This next chart shows the same thing. These prices available to Medicare beneficiaries are well below the prices available with the new Medicare discount cards. Again, the price for the market basket of the top 10 drugs, drugstore.com, $959. This is without any annual fee. The annual fees can go up to $30 in Medicare. You cannot go above $30. Under Costco.com, $990 with no fee. Total cost is $959 and $990. Under Walgreens, it is $972. The annual fee of $20 puts it at $992. Pharmacy RXSavings is $1,046 with a $30 annual fee, to put it at $1,076. At Pharmacy Care Alliance, $1,061, plus $19 for the annual fee, and that equals $1,080.

This is what could be received today. It clearly reflects no savings on this. The other chart showed the difference if we had in the Medicare bill the ability for real negotiations. We would have the savings reflected in the VA or as it is in Canada.

The administration now is pulling out all the stops in terms of what it is going to do for the seniors. This does not pass the truth in advertising test. It is not effective savings at all. Our seniors are able to receive better pricing through drugstore.com and Costco.com.

This is a continuation of the kind of challenge we are facing. Hopefully, before the end of this session we will have the opportunity to get back to doing something about real negotiations on prescription drugs.

SUDAN

Mr. President, I commend the Foreign Relations Committee for its action last week in reporting a resolution urging action by the United States and the international community to respond to the ongoing ethnic violence in Sudan. The Senate should act on this resolution as soon as possible.

It has been 10 years since the Rwanda genocide. A decade ago, 8,000 Rwandans were being killed every day, yet the international community was silent. We did not stop the deaths of 800,000 Tutsis and politically moderate Hutu, in spite of our commitment that genocide must never again darken the annals of human history.

Sadly, we may now be repeating the same mistake in Sudan.

In 1998, President Clinton made a special visit to Kigali, Rwanda's capital, ''partly,'' he said, ''in recognition of the fact that we in the United States and the world community did not do as much as we could have and should have done to try to limit what occurred'' in Rwanda. His visit and strong words remind us that we must not hesitate to act, when the horror is clear and when so many lives may be lost.

Over the past few weeks, reports of severe ethnic violence have come from Darfur, a region of western Sudan. We have heard accounts of thousands or even tens of thousands of people murdered, of widespread rape, and of people's homes burned to the ground.

The Sudanese government has refused to allow full access to western Sudan. International monitors and humanitarian workers have been prevented from reaching the area. We need immediate access to gather more information on what is happening and to provide urgent humanitarian relief to the one million people the United Nations reports have been displaced internally in Sudan or across the border to Chad.

Many of us hoped that the humanitarian cease-fire and agreement earlier this month between the Sudanese Government and rebel forces in western Sudan would end the many months of violence against entire communities. It has not. The bombing of villages by the Sudanese Air Force continues, and so does the mayhem by the paramilitary forces unleashed by the Government of Sudan.

The burning of homes and crops of desperately poor villagers has left in its ashes a humanitarian disaster. Without immediate relief, experts predict deaths in the hundreds of thousands. The cruelty of the Government of Sudan and its paramilitary allies against other ethnic groups raises the very real specter of genocide.

The United States and the international community need to act now, to stop this brutality, to save lives.

President Bush should make a strong public statement alerting the world to the violence in Darfur. He should call the international community to action, and increase pressure on the Sudanese Government. Doing so would send a strong signal that the international community will not accept these continuing atrocities. Sudan has been seeking better relations with the United States. It must be told that our Nation will have no relations with a genocidal government.

The United States should propose a resolution in the United Nations Security Council to condemn the violations of international law being committed in Darfur, particularly the indiscriminate targeting of civilians and the obstruction of humanitarian aid by the government. The U.N. should demand immediate international access to the region to assess the full scale of the need for assistance. The U.N. should also insist on adequate support for international human rights monitors and for monitors of the cease-fire agreement reached last week.

The international community must demand that Sudan stop the violence now, and give full humanitarian access to Darfur without question or qualification.

To minimize the suffering of those affected by the violence, we should immediately identify funds and food aid to meet at least the traditional U.S. share of the $110 million appeal from the U.N. Office for the Coordination of Humanitarian Affairs to support urgently needed assistance for internally displaced persons and refugees. These internally displaced persons and refugees must also be allowed by the Sudanese Government and militias to return safely to their homes, to rebuild their lives and communities, as soon as possible.

The European community, African countries and the rest of the international community should use their considerable influence to pressure Sudan to end the violence in Darfur, and end it now.

If the international community fails to act—and to act now—the consequences will be dire.

United Nations Secretary General Kofi Annan was eloquent in his statement at the commemoration of the 10th anniversary of the Rwanda genocide. He said that he would not permit Darfur to become the first genocide of the 21st century.

There will be discussion in Washington and around the world about whether the ethnic violence in Darfur is, in fact, genocide, but we cannot allow the debate over definitions obstruct our ability to act as soon as possible.

It is a matter of the highest moral responsibility for each of us individually, for Congress, for the United States, and for the global community to do all we can to stop the violence against innocents in Darfur. We must act, because thousands of people's lives will be lost if we don't.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I see Senator COLEMAN of Minnesota on the floor. I want to say how much I deeply appreciate all the effort he has undertaken on behalf of the pending amendment. He is one of the two or three who worked mightily to get this amendment in shape. I want the people in Minnesota and our Senators to know how much he has done. I am very honored to have been a part of his team in working with him as he has crafted and offered this amendment we are now debating.

I thank the Senator.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. COLEMAN. Mr. President, first, I thank my friend and colleague from Montana for his kind words and for giving me the opportunity to work with him in a bipartisan manner on this important amendment. Actually, earlier this year, I was able to join with my friend, Senator BAUCUS, the ranking member of the Finance Committee, in introducing legislation to extend trade adjustment assistance to American service sector workers. I call that good Minnesota commonsense legislation.

Today I rise to join Senators WYDEN and BAUCUS to offer a modified version of this important legislation as an amendment to the JOBS bill. Our amendment not only extends trade adjustment assistance to service sector workers, but also improves and strengthens the TAA program for all American workers.

I say to my colleagues, if you care about the issue of offshoring and outsourcing and are searching for a positive, constructive, forward-looking way of addressing these challenges, this is it. I say to my colleagues, if you support trade and expanding trade opportunities, but recognize that along the way there are going to be some workers who are going to be hurt as we grow and expand—and we need to grow and expand; and trade is part of that—we can address that.

I am a strong supporter of trade adjustment assistance because trade adjustment assistance is critical to achieving a balance: the expansion of trade but meeting the needs of those workers who are negatively impacted.

Earlier when Senator WYDEN, my colleague from Oregon, spoke, he talked about the bipartisan support this amendment appreciates and enjoys. Senator SMITH has supported this legislation, and Senator SNOWE, Senator BROWNBACK, and many others.

It is also important to note this legislation has received industry support—most notably support from the Information Technology Industry Association and the Business Roundtable—for extending TAA to service sector workers.

The TAA program has a history that dates back more than 40 years. The program was created in the early 1960s, and it is fascinating to go back and review the speeches President Kennedy and Members of Congress made on this same topic more than 4 decades ago.

We often assume issues such as globalization and the offshoring and outsourcing of jobs are new issues, but it is striking to note how some of the arguments we hear being made today were made 40 years ago. Of course, some of the terms used, such as ''globalization,'' are of recent vintage. But the underlying desire to address the needs of these who are harmed by

trade is almost identical to those discussed 40 years ago.

At that time, the President and Congress agreed to go forward in the pursuit of free trade, but they also agreed to provide financial support to workers who lose their jobs and to provide retraining benefits to assist them in finding new jobs.

Over the years, some of the specifics of the program have changed. Some initiatives have worked and others have not worked so well. The TAA program has evolved as we have learned more and faced new challenges.

The most comprehensive effort to update TAA was in the Trade Act of 2002. In much the same way they had 40 years ago, the President and Congress decided to pursue a policy to go forward, seeking the benefits of free trade, and decided to build a comprehensive program to deal with the needs of those harmed by trade.

I will not try to list every single amendment to TAA made in that legislation; There are simply too many to mention. But in the 2 years that have passed, we have seen things that have worked and seen things that need improvement. Addressing the shortcomings is the impetus for the amendment we are offering now.

This amendment may not address all the problems with regard to TAA. In a number of areas, such as the new program for farmers, the solution may simply be more vigorous congressional oversight to ensure the program lives up to the law. The Court of International Trade has criticized some of the administrative decisions made in implementing the program. This may be a place where Congress should step in to see that the ideas it put into legislation become a reality.

Our amendment makes at least one commonsense fix to a problem our dairy farmers are having with the program. We worked closely with the National Milk Producers Federation on a solution to this problem.

I would add that although President Kennedy advocated TAA for farmers some 40 years ago, it did not come about until a couple years ago, and probably never would have come about but for the hard work and efforts of the chairman of the Finance Committee, Senator GRASSLEY. Senator GRASSLEY said at that time:

> I am very concerned that if we lose farm support for free trade it will be very hard for us to win congressional support for new trade deals when they are concluded.

Some good food for thought for the folks who administer this program: We have to make this program work for the farm industry.

With regard to the taconite workers in my State, I believe vigorous oversight can help the Department of Labor find ways to use TAA to address their concerns. Here again, we have made one legislative modification in hopes of putting this issue to bed for good. This is good news for the Iron Range in Minnesota.

In other areas, new problems requiring legislation have become apparent. There have been numerous newspaper stories in recent months covering the tragedy of computer programmers and others who have seen their jobs move to India and elsewhere. From reading these stories, one might think these are obvious cases for TAA, but most of these computer workers have been denied TAA because they produce ''services'' and TAA presently only covers ''goods.'' Since the overwhelming majority of working Americans are officially classified as service workers, this is an enormously significant distinction.

I note that in conversation with many of my colleagues, I am not sure they are even aware the current law does not cover service workers. There was a sense, when we passed TAA, that we covered the needs of those who were impacted negatively by trade. But the reality is, 80 percent of the workers are service workers. They are not currently protected. This amendment would do that.

This is an area where I understand some litigation is underway, but we do not have to wait for a court to decide. It seems obvious that workers employed as computer programmers are just as unemployed as workers in a textile factory when they lose their jobs. They should be entitled to the same benefits. Splitting hairs in defining services and goods misses the undeniable point that service workers deserve no less than workers in the ''goods'' sector.

Specifically this amendment would make three important changes to the TAA program to ensure service workers are treated fairly.

First, in cases in which service workers lose their jobs because of service imports, these workers are made eligible for TAA. The best known example of a situation similar to this is the case of Mexican trucking firms which are striving to carry freight within the United States. U.S. truck drivers that might lose their jobs to such competition would be eligible for TAA under this amendment.

Second, service workers who lose their jobs when the facility they work in moves out of the United States—the problem we have read about in recent months—would be eligible for TAA. Thus, under this amendment, if a call center or computer programming facility moves from Minneapolis to India, the workers would be eligible for TAA.

Finally, in those cases where the service workers provide services to a plant or facility that closes, moves, or reduces employment, these workers are eligible for TAA if the primary plant or facility is eligible for TAA. This simply parallels the so-called secondary workers provisions now in the law for workers producing goods.

For example, under present law, if a U.S. plant producing lawnmowers closes due to import competition, the workers at the plant and the workers at the facilities that supply lawnmower parts to the manufacturing plant would be eligible for TAA. But if the closed lawnmower plant contracted for janitorial services, the janitorial workers that lose their jobs would not be covered. This amendment eliminates this obvious inequity and treats the workers that provide services to the lawnmower plant just as it does those who assemble lawnmower motors.

The issue of TAA has special significance to airline workers from my State and around the country. Last night members of the Aircraft Mechanics Fraternal Association flew from Minnesota to Washington to share their stories and the stories of workers they represent from all around the country with some of my colleagues who represent their membership. These folks represent service workers who, when they lose their jobs, receive little if any help in getting back on their feet. Folks like George Sleva of Forest Lake, MN, and Kurt Kulschar from Lakeville, MN, are just some of the airline mechanics left out in the cold under the current TAA program. One of the guys described it this way:

> I worked hard. I was a great taxpayer. Everything was going well. And then the table turned and now I'm in a world of hurt.

Our amendment would take some of the sting out of this world of hurt that thousands like George and Kurt have had to go through.

The second major feature of this amendment provides TAA benefits to all workers who lose their jobs when the plant or facility that employs them closes and moves out of the United States, regardless of where the plant moves. Thus, if the lawnmower plant closed and moved out of the country, its workers and those supplies would be covered regardless of whether the plant moved to Canada or to China or to India. I was disappointed to learn recently that the 2002 law apparently requires that if a factory closes and moves to Mexico, its workers are automatically eligible for TAA, but if the same plant moves to China, they are not. This is one of those things that Lincoln talked about, a ''skunks giving their own publicity'' kind of thing. It doesn't make sense. It is obvious to make the change, and this amendment makes that kind of change.

But we can clear up the air, if you will, or any ambiguity by rewriting the law to clearly state that all workers who lose their jobs when their employers leave the country are eligible for TAA regardless of the country they move to. That makes sense. That is what this amendment does. I want to applaud President Bush's strong leadership in this area. I appreciate the administration's shared goal that TAA coverage should be expanded to include workers affected by shifts in production to any country, not just Mexico or Canada.

One of the most valuable portions of the 2002 act was the extension of a tax credit for health insurance to TAA

workers. Without some assistance to gain health insurance for themselves and their families, it is hard to imagine that workers could really take advantage of TAA. The amendment we are offering improves this health insurance provision in several important ways. First, it makes a series of technical amendments to ensure that TAA recipients get a meaningful opportunity to really obtain health insurance. The most important provision on this topic, however, raises the percentage of health insurance costs covered by the program from 65 percent in existing law to 75 percent. This is the same level of health insurance premium assistance that workers in the private sector receive.

I understand this was the provision when TAA was passed in 2002 that the Senate advocated at 75 percent. Affordability of health insurance is a problem for everyone, but for people who have lost their jobs, it is of particular hardship. This amendment improves affordability of health insurance, which will improve access to care, a goal we all can agree upon.

One of the problems that have limited the effectiveness of the current health care system is dislocated workers have had difficulty finding the 35 percent of the health insurance bill that must come out of their pocket. I am sure that for many workers it will still be a challenge to find 25 percent as required under this amendment, but our amendment will make it a little bit easier.

I know that some will say that including health care provisions in TAA is controversial, but it is important for all Senators to understand that this concept was originally advanced by a bipartisan Trade Deficit Review Commission, a bipartisan group with some very prominent Republican members, including Ambassador Robert Zoellick, Secretary of Defense Donald Rumsfeld, and former President Bush's Trade Representative Carla Hills. I emphasize that the recommendation for transitional health insurance was supported unanimously by the Commission.

Finally, this amendment would allow wage insurance to be extended to workers who are 40 years of age or older. The current law only applies to workers over 50. In my opinion, wage insurance makes sense for workers over 50, but I think it also makes sense for workers who are 20 years old. It may be that traditional retraining will also benefit workers in their 20s just as it might workers in their 50s, but I think that is a decision best left to the individual worker and not one best made by government.

Given the fact that we are still building a record on wage insurance, this amendment only lowers the requirement to 40 years of age. This is certainly a step in the right direction and is likely to allow many workers to make choices with where they want to go in their career and how best to prepare for their new jobs.

Also I note the maximum cost of wage insurance under the law is less than the maximum cost of traditional TAA under current law. In other words, wage insurance might also be a cheap approach to retraining. We should make it available to as many TAA recipients as possible for their own good and to limit the burden on the Federal budget.

There are many other good ideas for improvement in the TAA program, but this amendment makes some important steps forward and deserves the support of the Senate.

In my opinion, TAA is an honest, responsible, productive way to directly address the needs of those harmed by trade and globalization. There are real needs out there as evidenced by the hundreds of applications from my home State of Minnesota alone, hundreds of which have been certified and probably nearly as many denied for the reasons this amendment today seeks to address.

When I was mayor of St. Paul, I used to point out that the best welfare program was a job; the best housing program was a job. Access to health care often comes with a job. Putting people back to work in a job is exactly what TAA is designed to do. Of course, there is no single solution to all the problems, but TAA is a real solution not just a snake oil suggestion.

It is a real chance to address the needs of workers, and as such it can do a great deal to help Americans adjust and prosper through the challenges of globalization and offshoring. TAA is not free. It will require an investment of resources to make it work. But if it can help all Americans grow and prosper in a competitive global economy, it is money well spent. I note in this regard that we have identified a full budget offset for our amendment, an offset recognized by Treasury and OMB as saving about $5.7 billion over the course of 10 years.

America cannot turn its back on trade. To do so would be bad policy. But America must not turn its back on our working men and women either. To do so would be wrong. Trade adjustment assistance is a way to embrace both trade and our Nation's hard-working men or women. It is the right thing do.

I urge my colleagues to support this important amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, first, I thank, again, my good friends from Minnesota and Oregon, Senators COLEMAN and WYDEN, for their very strong work on this amendment. I support this very strongly for a special reason. I have the privilege of representing the State of Montana. About 20 years ago, Montana lost a lot of copper miners and smelter workers. Why? Because of foreign competition. At the time it was probably employment overseas—in Chile, for example—and, in addition, it was the subsidized smelter operations north of the border in Canada. These folks worked very hard, and it affected the lives of a lot of these men, and sometimes women, who held these jobs for a few generations. We had created trade adjustment assistance for these workers.

I can tell you a lot of people who lost their jobs on account of trade were able to get some retraining, get a lifeline thrown to them because they had no place else to go. Many of them were 45, 50, 55 years old. They didn't know what to do. There were no other jobs around. Those were good-paying jobs, very good-paying jobs. We had TAA. I remember that I had to do battle with the Department of Labor to get the Montanans who were laid off; in this case, they were smelter workers. Finally, we got a little relief from the Department of Labor at the time when trade adjustment assistance was granted—not in very large measure, but it was granted to smelter workers particularly in Montana. You could see it was just enough to keep them from being totally despondent. Those were the early days of TAA. The retraining provisions really didn't work terribly well. But based upon my experience with TAA in Montana, I see the great need for training.

Now, clearly, the need for retraining workers who lose their jobs on account of trade is even greater than it was back then. It is much greater now for a few reasons. No. 1, the United States is much more engaged in a global economy. We are so interrelated worldwide. It is much more likely, therefore, that the actions taken by a headquarters in Tokyo, or in any other country around the world, has a direct affect on workers in the United States, and vice versa. American global companies, or multinational companies, have to compete vigorously in order to stay in existence. It is a very competitive world.

Other countries have very aggressive ways to help their companies. We know many of them are subsidized in ways that are not available in the United States. Other companies are helped by their host countries. In many ways, American companies are not helped by America. It is basically because we have much more of a free enterprise system. Our Founding Fathers came over from England years ago and wanted freedom and independence—''go West young man,'' and sending a man to the Moon. We are an entrepreneurial country. We like freedom. We like doing things more on our own. It is probably one of the main reasons the United States has become such a great country. That is why we are, in some respects, the biggest and strongest and wealthiest country in the world.

Global competition has been very good for the United States. I think that is probably because we are a little more entrepreneurial. We try a little harder and we are probably a little more creative. It is because of the nature of what it is to be an American. At

the same time, clearly, the jobs in America are in greater jeopardy as a consequence than they were 20 or 30 years ago. It is because of this competition. You will also find that a category of jobs is in greater jeopardy today, and those are service industry jobs. Why? Because of the unbelievable advances in technology, particularly communications technology. Information is now digitized. We have much more broadband capability worldwide. So a lot of services, whether financial services, medical services, or many kinds of services, can be sent by wire or by speed of light anyplace in the world. People around the world are taking advantage of that. They are training people maybe at a lower wage, so the American jobs that otherwise were here can go overseas, and vice versa. All countries are finding that their employees are losing jobs on account of trade. All the major countries are finding that. Germany is finding that, as are France, Japan, and others.

We are also finding that we are all losing jobs due to outsourcing, offshoring. In effect, jobs are going overseas. But on a net effect, we are still creating many more jobs than we are losing.

Having said all that, the purpose of this amendment is to address one part of the competitiveness problem. That is, what do we do about the people who lose jobs through no fault of their own? Clearly, we should come up with something. The answer in this bill is trade adjustment assistance. It is expanding the current trade adjustment assistance program that applies only to manufacturing workers to also service industry workers who lose their jobs. We have heard some describe some additional provisions of this trade adjustment assistance amendment. It is attractive in some cases and has good health benefits. That is important, too, because the current trade adjustment assistance hasn't been working terribly well. One reason is because the health provisions don't work well. The lingo is the ''uptake,'' or whatever it is. What it comes down to is, how many people who theoretically qualify for health insurance benefits under trade adjustment assistance actually take them? The answer is a very low percentage, 2 or 3 percent. It is because there are so many bureaucratic hurdles, procedural hurdles, and it is so difficult.

We made a lot of changes in this bill so that more people who lose their jobs on account of trade also are able to get not only retrained, but get health insurance benefits, where they pay 25 percent and the Government will pay the rest for a certain period of time. As we all know, when you lose your job, you often lose your health insurance. If you lose your health insurance, it is a double whammy. Not only have you lost your job, but you cannot pay the medical bills.

This throws in a lifeline and helps people who lose jobs on account of trade. As has been stated, it is totally bipartisan. We are working on both sides of the aisle. Why is it bipartisan? It is because it is that important, it makes that much common sense, and it is very much the right thing to do. I am very proud to be associated and working with the Senator from Oregon and the Senator from Minnesota. I thank them very much for their good effort.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, I see my colleagues still in the Chamber. I thank the Senator from Montana and the Senator from Minnesota, especially as the Senator from Montana touched on the issue of health insurance costs for people who have been laid off in high-tech and the manufacturing sector. As we heard earlier, these are folks who are getting hit by a wrecking ball with respect to health care. They literally have nowhere to turn. Many of them are not old enough for Medicare, not poor enough for Medicaid. They don't fit into a lot of the categories—these boxes by which you get health care in our country.

So what we did in these bipartisan negotiations—and the Senator from Minnesota was particularly helpful, but I also commend the Senator from West Virginia, Mr. ROCKEFELLER, who is very much involved in this effort to get a bipartisan agreement with respect to a 75-percent allocation of the coverage—we were able to add critical benefits for spouses, which is something that was so important to help people where there was an interruption in coverage.

So what the Senator from Montana has outlined with respect to health care issues was exactly, in my view, how the Senate ought to move to deal with a very real problem but to do it in a bipartisan way. As we began those discussions, we had some folks who wanted to go even higher than the number we set out. Some people said you cannot go there at all because of the deficit.

But we made the judgment on a bipartisan basis that you could not afford not to cover these people because if, for example, as has been documented in the Finance Committee, these people cannot get coverage on an outpatient basis, what will happen again and again is they will face the need to have more extensive and much more expensive medical services. I was very glad the Senator from Montana brought up the bipartisan agreement as it related to the health care issue.

The Senator from Minnesota and the Senator from West Virginia, Mr. ROCKEFELLER, were especially helpful in the efforts led by the distinguished Senator from Montana.

Mr. BAUCUS. Mr. President, might I ask my friend a question? Is it also true that other Senators have contributed to portions of this legislation, such as Senator BINGAMAN who added a provision with respect to trade adjustment assistance on communities; is that not correct?

Mr. WYDEN. The Senator from Montana is absolutely right. A lot of Senators have been at this issue for many of years. Senator BINGAMAN's contribution with respect to community services in the health care area is very important. I heard my colleague from Oregon, Senator SMITH, talk about the health care needs of folks laid off in the high-tech and service areas. He has been supportive as well.

The Senator from Montana is absolutely right. There have been a lot of Senators who have been at it with respect to this issue. It is a bipartisan proposal, but right at the heart of that is dealing with the health care issue. Health care, as we all know, has been the toughest issue for the Senate to deal with for some time. This is an area where there has been a real breakthrough with respect to health care. It had to be bipartisan—the Senator from Montana is right—or a lot of Senators would not be involved.

Mr. BAUCUS. Might I also ask a question of my good friend from Minnesota? This amendment adds new dollars for retraining. Doesn't the Senator agree that the new jobs in the future are going to have to be, for want of a better expression, smarter jobs; that is, even someone who repairs automobiles today has to understand computers? You do not just have a wrench and a screwdriver these days to build and repair cars; you have to learn computer skills, maybe programming skills. Isn't it true, if we are going to compete in the world, that we have to spend a lot of time and effort on retraining because of the additional needs in the future, and that is another reason for supporting this amendment?

Mr. COLEMAN. Mr. President, my friend, the ranking member of the Finance Committee, is absolutely correct. We have the strongest economy in the world. The way we are going to keep that strong economy and keep moving forward is if we have the best training and the best skilled workers.

The reality is the jobs of yesterday may not be the jobs of today or tomorrow. So my friend from Montana is correct in what this amendment does. It provides opportunity for those who may be impacted by a job that may be a job of yesterday, to give them an opportunity to have a job of tomorrow to take care of their families.

I also note in response to the Senator from Oregon, Mr. WYDEN, in talking about the health insurance provisions, we are talking about a tax credit. This is a tax credit. I think that is important. I support tax credits. I think that is a very fiscally responsible way to provide opportunities.

I also note that under the existing TAA, I believe less than 5 percent of those eligible are using this tax credit. The Senate originally intended to do better than that. I was not here in 2002. I am still relatively new in this body, but I have to believe that my colleagues, when they enacted the tax credit, the health insurance provision,

anticipated that more folks would take advantage of it. The reality is they have not. What we are doing here is providing an opportunity to make use of something that I believe was the intention of my colleagues.

As I noted earlier, I found it fascinating in talking with many of my colleagues about the idea that we should extend this to service workers that many of them actually presumed they were included. I think there was an intention in extending TAA 2002 to cover those impacted. What this amendment does is expand it.

I ask a question of my colleague from Oregon, and Oregon is a State known as one of the high-tech centers of this country, is it correct, as I understand, that both the Business Roundtable representing employers and the High-Tech Council have indicated their support of extending TAA to service workers?

Mr. WYDEN. The Senator is right. In addition to the bipartisan support in the Senate, there has been very significant bipartisan support in the business community. There are an awful lot of business leaders who have been looking for these kinds of ideas that the Senator from Minnesota has really touched on. This is a question of updating our law. I don't think anybody got up in the morning years ago and said: Let's be rotten to service workers. That was not what happened at all. I think people just did not really see what a critical role service and high technology were going to play in the economy. The business organizations that the Senator from Minnesota has mentioned do. They get it. They understand it is absolutely critical to not leave something like four-fifths of the workers behind.

I join with the Senator from Minnesota and commend him and thank him for his support.

Mr. COLEMAN. If the Senator will yield for another question, in addition to updating this law, would it be fair to say it would make it easier for folks to use? Today, for instance, current law makes it automatic that you get TAA if it is with a country that has an agreement with the United States. So Mexico and Canada fit into that law. As we read the papers, so many jobs we are talking about today that negatively impact workers are jobs that may be lost to China and India. Would it be fair to say in addition to updating, we make it easier for workers negatively impacted to take advantage of provisions under law?

Mr. WYDEN. The Senator is right. I think it is fair to say that the certification process today for the workers is almost a kind of bureaucratic water torture. It involves essentially a different process with different countries.

What we tried to do in our bipartisan discussions is to try to streamline the process, make it worker friendly. I think this is really going to expedite the processing, expedite the certification.

Obviously when these families are hurting—and we are talking about people who have been laid off after years and years of employment—they are on this economic tightrope trying to figure out how to balance and pay for essentials. The last thing they need to do is jump through hoop after bureaucratic hoop to get these benefits. The Senator from Minnesota is right, that is a significant improvement as well.

Nobody knows more about this subject than the Senator from Montana because he and his staff have worked on this issue at length. Streamlining is very helpful.

Mr. COLEMAN. Mr. President, again I thank the Senator from Oregon and the Senator from Montana for the opportunity I had to work with them on this amendment. I am pleased we are able to include Senator SNOWE's TAA for communities bill and Senator ALLEN's Homestead Act that will protect dislocated workers' mortgages and their homes. Those are also included. I think it adds to the broad bipartisan support this amendment enjoys.

I thank the Chair.

Mr. WYDEN. Mr. President, at one time I had the floor. I yield at this point and again hope the Senate will support the bipartisan initiative that has involved many months of work and is critically needed in the economic challenges we face today.

I yield the floor.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Montana.

Mr. BAUCUS. Mr. President, we have made good progress today. The Senate has had good debate on the Harkin overtime amendment, finally. Senator COLLINS has proposed an amendment on manufacturing jobs credit. Senator WYDEN and Senator COLEMAN have offered their amendment on trade adjustment assistance. I am hopeful the Senate will be able to vote in relation to these amendments tomorrow afternoon.

We are also looking forward to Senators DORGAN and MIKULSKI having an opportunity to offer their amendment on runaway plants tomorrow. Thereafter, we hope to continue to work through other amendments as they become available. We hope to continue to make good progress with amendments and completion of this bill on a fairly timely basis.

Again, I thank my colleagues very much for the work we have done today. We are off to a very good start.

I just feel that we are going to make our way through this bill this week. At least that is my hope. I thank my colleagues.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. What is the status of the Senate at this time?

The PRESIDING OFFICER. The Harkin amendment is pending to S. 1637.

Mr. REID. I ask unanimous consent that I be allowed to speak as in morning business.

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

A POSITIVE PRESIDENTIAL CAMPAIGN

Mr. REID. Mr. President, I am very happy for all Nevadans today that Senator KERRY is now beginning a message of positive accomplishments in the State of Nevada. We have waited some time for this. The Democratic nominee was really selected the first part of March. During the 60 days since then, Senator KERRY has been obligated to get his campaign in order after the very difficult and hectic primary.

Of course, during this period of time there has been $70 million spent to try to define him in a way that was very negative. Senator KERRY's message beginning today is one of a very positive message. It, of course, talks about his being a combat veteran and having received a number of awards for heroism during the time he fought in the jungles of southeast Asia. Senator KERRY not only was decorated for his bravery, but some of those acts of bravery occurred during a time when he was injured.

One time when he was injured, he directed fire to protect somebody who had been knocked off his swift boat into the water, and Senator KERRY himself brought this man to safety even though Senator KERRY himself was injured at the time.

The message to the people of Nevada is that he cares about people, especially the middle class. He is a man of principle. I have served with Senator KERRY now in Congress for some 22 years. He has had extensive experience in State government. He has served the people of Massachusetts now for 30 years. I believe he is a man of integrity and that he will establish to the people of this country that he believes in a stronger America. I am very happy the message that is being pronounced today in the State of Nevada and other places in the country is one of a positive nature. I think we need that.

I hope this campaign for the Presidency of the United States can talk about the positive of each of the two men running for President. I can remember when I first ran for public office, no one would ever consider a negative campaign ad. You searched for what was in your record that you could give to the people, in my instance the State of Nevada, and sometimes as a young man it was very hard to find things because you had not had much experience. But these two men now are very mature and both should run on what they can give the American people and not try to downgrade and belittle the other. I repeat that I hope the campaign will be kept on that high basis. There is no reason it should not. The American people, I think, are tired of negative campaigning.

I see my friend is here. I had a longer statement, but I can work on that

later. I don't know if the Senator is wishing to close this body this evening? I am waiting for him to do so.

The PRESIDING OFFICER. The Senator from Kentucky.

MORNING BUSINESS

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

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

HONORING OUR ARMED FORCES

TRIBUTE TO PAT TILLMAN

Mr. MCCONNELL. Mr. President, in November of 1864, when the ''awful universe of battle'' raged across America, President Abraham Lincoln paused to write a letter to one Mrs. Bixby, the mother of five sons serving in the Civil War.

Dear Madame, I have been shown in the files of the War Department a statement of the Adjutant General of Massachusetts that you are the mother of five sons who have died gloriously on the field of battle.

I feel how weak and fruitless must be any words of mine that should attempt to beguile you from the grief of a loss so overwhelming.

But I cannot refrain from tendering to you the consolation that may be found in the thanks of the Republic they died to save.

I pray our heavenly Father may assuage the anguish of your bereavement, and leave you only the cherished memory of the loved and lost, and the solemn pride that must be yours to have laid so costly a sacrifice upon the altar of freedom.

In the face of tragic death, it is beyond my capacity to conceive of the words that could justify the cause of freedom.

Yet with President Lincoln's words of 140 years ago, I cannot conceive of any better words to consecrate the cause of freedom in the face of such tragedy.

As long as freedom last, these words are immortal.

Every President and every leader in the free world since who has had to call upon their soldiers to defend freedom knows of Abe Lincoln's letter to widow Bixby.

Upon hearing of the death in combat of any of our fine young men and women in uniform, all leaders of freedom have searched for the right words and likely returned to those used by the Great Emancipator almost a century and a half ago for inspiration.

Eleven days ago, another costly sacrifice was laid upon the altar of freedom.

Today the people of San Jose, CA will gather to remember one of their honored fallen.

Pat Tillman was no different than any other soldier who served. Those who survive Pat Tillman grieve no differently than the survivors of any other soldier killed in freedom's cause.

Yet Pat Tillman embodies to a Nation the honor and duty of all those who serve in uniform.

Not every soldier is like Pat Tillman, but in each soldier, we find a little of the likes of Pat Tillman.

In my home state of Kentucky, the sacrifice for freedom is real and painful with the loss of too many fine young men.

On April 7, Staff Sergeant George S. Rentschler, 31, of Louisville was lost in action with the 1st Armored Division in Baghdad.

Marine Corporal Nicholas Dieruf, 21, of Lexington was killed in action in Husaybah on April 8.

Sergeant Major Michael B. Stack, 48, of Fort Campbell, serving with the 5th Special Forces Group was lost on April 11 in the al Anbar Province.

And 1st Lieutenant Robert L. Henderson II, 33, of Alvaton, serving with the Kentucky National Guard was killed in Diwaniyah on April 17.

Each of these heroes volunteered knowing that one day they might be called upon for the ultimate sacrifice for freedom.

Like Sergeant Rentschler, Corporal Dieruf, Sergeant Major Stack and Lieutenant Henderson, Pat Tillman heard the call and paid the sacrifice.

With our fallen Kentucky natives, he joins that band of brothers, that noble breed of volunteer militia who so long ago picked up the musket so that freedom might find one sanctuary here on Earth.

Where his forefathers put down their hoe in a cornfield, he put down his helmet on a football field and walked onto the battlefield of freedom.

In dedicating the final resting place of those who died at Gettysburg, President Lincoln stated

But in a large sense we cannot dedicate, we cannot consecrate, we cannot hallow this ground. The brave men, living and dead, who struggled here, have consecrated it far above our poor power to add or detract.

President Lincoln concluded:

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 their 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.

Mr. President, the sacrifice of Pat Tillman—like all those who serve and perish in our Nation's duty, has consecrated the cause of freedom far greater than our words could ever do.

From the last full measure of devotion he gave for a new birth of freedom, it is we who must dedicate ourselves to the unfinished business of government of the people, by the people, and for the people.

THE PROPER ROLE OF THE UNITED NATIONS IN IRAQ

Mr. MCCONNELL. Mr. President, for many months the President's critics have asserted the situation in Iraq would improve if only the administration would cede control over the reconstruction and democratization of Iraq to the United Nations.

While the presumptive Democratic nominee, Senator Kerry, has yet to offer a detailed plan for Iraq, he has made it abundantly clear it involves transferring a significant measure of authority to the U.N. In fact, on December 3rd of last year, he noted:

Our best option for success is to go back to the United Nations and leave no doubt that we are prepared to put the United Nations in charge of the reconstruction and governance-building processes. I believe the prospects for success on the ground will be far greater if Ambassador Bremer and the Coalition Provisional Authority are replaced by a U.N. Special Representative for Iraq.

The U.N. is an immensely valuable organization, and America's significant contributions to the U.N. are a worthwhile investment. The U.N. is often the only entity that can bring international humanitarian relief to needy and impoverished societies across the globe, and its employees and volunteers deserve the highest praise for their selfless acts to bring comfort to the downtrodden.

When civil authorities in dysfunctional states collapse, the U.N. has sometimes averted humanitarian disaster. It can bring relief to failed states in isolated backwaters of the world where the major powers are unlikely to intervene themselves.

The U.N. in such cases plays a critical role and deserves our support for its important efforts. But the United Nations is not a blue-helmeted knight here to slay the dragons of aggression and evil. When the stakes are high and the threat of violence is real, the United States is too often helpless in the face of danger.

Before I turn my attention to the specific reason that Americans should be wary of abandoning Iraq to the United Nations, let me dispel a myth about the administration's foreign policy.

The President's critics often refer to America's efforts in Iraq as unilateralist. This politically expedient fix is an insult to the thousands of men and women from the 30-plus countries who are risking their lives to bring peace and democracy to the people of Iraq. If the President's critics still believe his policy to be a go-it-alone approach, let them repeat that assertion to the families of the Italian, Spanish, Polish, British, Danish, Ukrainian, Bulgarian, Thai, Estonian, South Korean, Japanese, and Salvadoran soldiers and aid workers who have given their lives in Iraq.

Some say United Nations oversight in Iraq would confer legitimacy to the coalition's occupation and reconstruction of that country. I find that hard to believe. Given its role in sustaining the Saddam Hussein regime via the alleged mismanagement of the Oil for Food Program and the refusal to enforce its own resolutions, the United Nations is not in a position to lend legitimacy to a free Iraq. In fact, I think it could be

argued it would take away legitimacy from a free Iraq. The only thing that can confer legitimacy in Iraq is a series of national elections. However, these elections must not occur too soon as democracy cannot be turned on at the flip of a switch. But they will come in due time. If we stay the course, by December of next year the Iraqis will likely elect the most representative government in the Arab world.

I might say to put that in context it was 12 years between the Declaration of Independence and the United States Constitution being adopted.

So the Iraqis will have gone from liberation to election in under 1,000 days and even though we have 24-hour television these days, that is still a remarkably fast evolution from dictatorship, brutal dictatorship to representative government.

The Oil for Food scandal highlights another reason we should not rush to put the United Nations in charge of Iraq's reconstruction. Although we do not yet know the full story, we can draw some initial lessons.

First, an organization that apparently so mismanaged the Oil for Food Program cannot be trusted to manage a $34 billion budget for Iraqi reconstruction.

Second, the alleged corruption of some United Nations officials and member states raises a serious concern about the U.N.'s commitment to its stated mission. Instead of sanctioning Saddam Hussein's regime, a number of United Nations officials and foreign diplomats may have used the Oil for Food Program as a slush fund to enrich themselves while allowing profits and goods to be diverted away from needy Iraqis and toward the Saddam Hussein regime.

Free Iraqis have ample reason to be wary of entrusting their future to those who allegedly had no qualms about doing illicit business with their oppressor.

United Nations control will not stop the violence in Iraq. Quite frankly, the United Nations is not capable of managing the security situation in Iraq. Terrorists do not respect blue-helmeted peacekeepers because the U.N. has proven itself to lack either the firepower or the will to quell violent uprisings. In Somalia, when Aidid's thugs took to the streets, United Nations peacekeepers stayed in camp while American troops fought to restore order.

How can we expect United Nations forces that fled from Somalia's untrained gangs to confront the professional fedayeen and suicidal radicals behind this insurgency in Iraq? Few seriously believe the U.N. can be trusted to provide security for the Iraqi people. Indeed, the United Nations has demonstrated its inability to provide security even for itself. The U.N.'s own scathing report on the bombing of its headquarters in Baghdad last summer documented the culture of complacency and poor planning within the U.N.'s security forces. The United Nations has already cut and run in Iraq in the wake of the August bombings of its headquarters. How can the Iraqis trust the U.N. not to abandon them yet again to the lawless insurgents who seek to derail the democratic process?

There is a further problem subjugating American foreign policy authority to the United Nations Security Council. The veto-wielding permanent members of the security council were chosen because they were simply the world's major powers at the time the United Nations was established. It therefore does not accurately reflect the distribution of world power today, and its composition discriminates against the current major powers that share principles of democracy and of freedom.

For example, Communist China is a permanent member, but democratic Japan, the world's second largest economy, is not. Newly democratic Russia is a member, but neither Canada nor Spain, democracies with twice the size of Russia's economy, is a member; nor is Italy, with an economy four times as large as that of Russia; nor is India, the world's largest democracy.

Even France, although democratic, often has different strategic and political interests than the United States. As evidenced by the Oil for Food scandal, it is possible that France, sometimes a more zealous competitor than an ally, had a significant financial stake in the continuation of the Saddam Hussein regime.

When the security council deliberates, there are often too many cooks in the kitchen and all of them have different tastes.

If the United Nations takes a larger role in Iraq, so too will the general assembly. I am not convinced that will be a good thing. There are, to be sure, responsible nations in the general assembly but, frankly, they are few and very far between.

The irony that so many authoritarian regimes are represented in such a democratic body is often lost on American politicians who so desperately seek approval of our foreign policy from this very body. The general assembly, in fact, provides funds for despotic member states to pour sand onto the clogs of international peace and stability. These regimes are unremittingly hostile to the United States and to democracy, and they will continue to exploit their authority at the U.N. to halt freedom's progress.

Sudan, Syria, and Iran did not oppose the liberation of Iraq because they wanted to peacefully resolve the growing international crisis. They opposed the war because they didn't want to see a precedent whereby their own tyrannies could be undermined.

The ability of rogue states to thwart the U.N.'s efforts to do the right thing is exemplified by the United Nations Human Rights Commission whose members include—listen to this, the United Nations Human Rights Commission whose members include Cuba, China, Pakistan, Saudi Arabia, and Sudan, among others.

Joanna Weschler of Human Rights Watch has called the commission a rogue's gallery of human rights abusers—that is the Commission on Human Rights at the United Nations—and correctly noted ''an abusive country cannot honestly pass judgment on other abusive countries.''

So does Senator KERRY really want to give these nations a say in Iraq's future? Does he expect them to share America's interest in a free and stable Iraq, even though a democratic Iraq would undermine their own authoritarian rule? Why do some American politicians want the fox to guard the henhouse?

If the President's critics still believe that authority in Iraq should be transferred to the U.N., then we should have waited for the United Nations' approval before liberating Iraq. Let them explain to the American people why they have such trust in the UN.

Let them explain why China, France, or Russia deserves a veto over U.S. foreign policy.

Let them explain why the very countries that allegedly negotiated clandestine oil leases with Saddam Hussein deserve a say in the reconstruction of Iraq.

Let them explain how an organization that cannot manage its own finances deserves to manage those of the Iraqis.

Let them explain why an organization that cannot provide for its own security should be entrusted with stabilizing Iraq. There are many things the United Nations can do well, but I don't believe managing Iraq's fragile transition to democracy is one of them. I wish the United Nations could be helpful on issues that are critical to American security, but it is unsuited to that mission.

I support the United Nations. I hope it can reform itself and prevent the worst abusers of human rights from sabotaging its laudable efforts to protect the rights and dignity of mankind. I want the United Nations to play a role in Iraq's reconstruction, and I hope it will send humanitarian teams and election monitors to assist in building democracy on the ruins of tyranny.

But the United Nations is not a collective security organization, and it cannot replace America as a defender of liberty and democracy in conflicts that are important to American security because too many of its Members share neither our principles nor our interests.

Entrusting democracy in Iraq to the blue-helmeted bureaucrats at the United Nations is not a plan, it is a fantasy.

Mr. REID. If the Senator will yield the floor for me to make a couple of statements.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. First of all, Mr. President, the quote the Senator from Kentucky gave of Abraham Lincoln is one of my favorites. I have a little book called ''A Book of 100 Poems.'' In that book, in addition to the poem, is the letter President Lincoln wrote to Mrs. Bixby. It is not a poem but is as beautiful as any poem written.

I have, over the years, taken those words, ''assuage the anguish of your bereavement'' and I have used that phrase in letters that I write to many people who have suffered deaths in their families.

I say to my friend from Kentucky, that is a beautiful letter that President Lincoln wrote. In my ''Book of 100 Poems,'' the letter is copied that he wrote in hand to Mrs. Bixby.

I appreciate the Senator reading that most magnificent letter, the words of President Lincoln.

Of course, talking about Pat Tillman makes everyone understand a little better the sacrifices being made in Iraq.

In response to my friend from Kentucky, the distinguished assistant Republican leader, in the first war, I voted for it. I was the first Democrat to announce it publicly. For the first President Bush's excursion into Iraq, over 90 percent of the costs of that war were borne by other countries. The casualties were not all U.S. casualties in that first war.

In this war, more than 90 percent of the costs of the war are borne by American taxpayers. More than 95 percent of the casualties in Iraq are Americans. That number is now approaching 800. Twenty-one Americans were killed on Saturday and Sunday in Iraq.

My friend, the senior Senator from Kentucky, talks disparagingly—whether he means to or not—about the United Nations. The President cannot have it both ways. At his press conference he was asked what his plan was. He said he was waiting to hear from the envoy of the United Nations in Iraq. He and his administration continually refers to Brahimi as a person who is beginning to bring some degree of stability to the plan.

The reason the President answered the question that way is the United Nations brings some sense of legitimacy to what is going on there. More importantly than that, if the plan goes forward as some anticipate, there would be others coming to help. It would take the burden off of the U.S. taxpayer and especially the men and women of our armed services.

We are bearing a tremendous burden, not only with our Regular Army, Navy, and Air Force but with our Reserve Forces, a tremendous burden on our Reserve and Guard. Those, including the President, obviously, who refer to Mr. Brahimi are thinking about the need to cut some slack there to the United States.

The United Nations is an organization we helped create. We are the largest donor to that organization. It is an imperfect organization, I would be the first to recognize that. However, it must play a role. It is one of the only ways that I can see that we can move forward with more of the support of the American people, which is being lost.

I voted for the resolution to go to Iraq the first time—you have already heard me say that—and the second time. We cannot cut and run in Iraq. We have to do what we have to do to bring stability to that very unstable part of the world.

However, let's not run down the United Nations. We need them to help bring in others so we do not bear 95 percent of the casualties and more than 90 percent of the costs of what is going on there. There are other countries there and I appreciate them being there, but as far as numbers of troops, we have 135,000 troops; the British have 10,000. The next largest contingency of troops we have is hired security guards. We need to do better than what we are doing in Iraq. This is not in any way to take away from the valor of the men and women serving in that country.

Just last night, somebody lobbed a mortar shell into a military compound there. The soldiers are running around thinking that is all of it and in comes another one and kills five or six of them. These soldiers, these servicemen of ours serving in Iraq, every minute of every day are fearing for their lives, whether they are carrying a gun or driving a truck. We need to have this matter resolved in a way that is not happening now.

I cannot give a blueprint of what needs to be done, but I am grateful the President is recognizing Mr. Brahimi can do some good there. That may not be the only answer, but it is an answer. I hope we can move forward in this matter and bring peace and stability to an area that needs it. I recognize if we could bring peace and stability to Iraq, it would help the whole Middle East. If we could help establish a democracy in Iraq, it would add to the democracy we already have in that area, Israel. It could set a system where other countries would have to focus on how they treat their people. I am all in favor of our bringing about a better situation in Iraq than certainly existed under the regime of Saddam Hussein.

I appreciate the comments of my colleague from Kentucky. I know his heart is in the right place. Hopefully, we can join in moving forward on this most important issue.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I had not come to the floor to debate my good friend from Nevada, but let me add a couple of words before we adjourn.

I certainly agree with him, we need more forces in Iraq. Where they need to come from is from the Iraqi people. General Petraeus, the Commander of the famed 101st Airborne who took that unit into Iraq and stationed it in northern Iraq around Mosul for about a year, has now been given his next assignment. His next assignment is to go back to Iraq—and he is there now—to help the Iraqi people develop a military that can deal with the threat.

In the end, the area will be secure only if the Iraqi military and Iraqi police have both the skill and the desire to protect their country from these terrorists.

So, far from hoping we will get additional troops from around the world, even though we have 20,000 troops there from other countries now, the key to additional military in Iraq is in Iraq itself—Iraqi soldiers, well trained, fighting for their own country. And that training is well underway under the skilled leadership of General Petraeus.

With regard to the U.N., I readily concede there are a few things they can do well. They can put on elections. They can hand out humanitarian aid. But they do not have an army. And they are discredited in Iraq because of their involvement in the oil-for-food scandal which robbed Iraqis, for 10 years, of the opportunity to eat while this deal was enriching Saddam Hussein and his henchmen.

So the U.N. does not have a great reputation in Iraq, with good reason. We hope the U.N. will be able to play a useful role in moving Iraq from where it is today to a representative government, where it will be by the end of 2005.

SPACE DAY 2004

Mr. REID. Mr. President, I rise today to congratulate Mervin Iverson Elementary School's Erin Berkey, Sarah Boyer, and Carissa Buckley on their selection as one of the 18 Stellar Design Challenges teams for Space Day 2004. I also want to recognize their teacher Katheryn Grimes for her strong instruction and guidance of the student team.

Space Day is an international celebration of the accomplishments and opportunities of space exploration aimed at promoting student interest in math, science, and technology. It reaches hundreds of thousands of teachers and millions of students around the world.

Developed by the Challenger Center for Space Science Education, Design Challenges is a national competition that encourages students to create innovative solutions to the challenges of space exploration. The 18 Stellar Design Challenges teams were selected from more than 300 teams who participated in the competition.

The Iverson Elementary School team designed a tool to help explorers on Europa, one of Jupiter's moons. The tool is designed to drill into ice ridges on Europa that have already been discovered by the NASA spacecraft Galileo.

The remotely operated tool would also collect samples of ice and water, analyze their chemical compositions, measure temperatures of the surface

ice and hypothesized ocean water underneath, and relay this data back to Earth. The team's project included scale drawings of the tool, and a science fiction story highlighting the tool being used by explorers on Europa.

As a Stellar Design Challenges Team, the Iverson students will attend the national Space Day 2004 ceremony and meet former Senator John Glenn and NASA Administrator Sean O'Keefe. They will also have the opportunity to share their knowledge by displaying their project to more than 1,200 sixth graders in the Washington, DC, area on Space Day.

Their efforts reflect a lot of hard work, dedication and creativity as well as Iverson Elementary School's strong commitment to academic excellence. Please join me in congratulating Iverson Elementary School and its Stellar Design Challenges team on their impressive accomplishment.

100TH ANNIVERSARY OF THE AMERICAN LUNG ASSOCIATION

Mr. REID. Mr. President, I congratulate the American Lung Association as it celebrates its centennial year.

The American Lung Association, established in 1904 as the National Association for the Study and Prevention of Tuberculosis, was the first nationwide, voluntary health organization aimed at conquering a specific disease.

While still committed to its initial cause, the Lung Association has expanded its research, education, and advocacy to combat other challenges to the respiratory health of the American people.

In the 1950s, the ALA realized that it was becoming increasingly difficult to concentrate on the eradication of tuberculosis without paying attention to other related illnesses. So it expanded its program goals to include the elimination of all forms of lung disease and their causes.

In 1960, long before the dangers of smoking were understood, the ALA established a link between cigarette smoking and lung cancer. It subsequently began an aggressive campaign to educate the public—especially young people and those with chronic respiratory disease—about the hazards of cigarette smoking.

In the 1970s, the ALA sought to reduce the harmful effects of air pollution and played a major role in the adoption of the landmark Clean Air Act.

More recently, the ALA has partnered with schools to provide education programs for children with asthma and public information campaigns to prevent smoking among America's youth.

Today, more than 35 million Americans are living with chronic lung disease, and every year, close to 344,000 Americans die of lung disease, making it the Nation's No. 3 killer.

In Nevada, which has one of the highest rates of lung cancer in the Nation, nearly 1,300 people died of the disease last year, and another 1,500 new cases were diagnosed. These numbers underscore the importance of the ALA's goal of a world free of lung disease.

I salute the thousands of volunteers and staff of the American Lung Association for their tireless work in fighting lung disease over the last century, and extend my best wishes for a successful future.

ADDITIONAL STATEMENTS

20TH ANNIVERSARY OF PUBLIC SERVICE RECOGNITION WEEK

● Mr. AKAKA. Mr. President, today marks the beginning of Public Service Recognition Week, which has been celebrated annually since 1985. It is a time in which we honor the hundreds of thousands of public servants who perform the essential services that Americans depend on every day.

This year marks the 20th anniversary of this event, and I thank my colleagues for their support in passing, under unanimous consent, legislation I introduced to commend public servants for their dedication and continued service to the Nation during Public Service Recognition Week. The resolution, which was cosponsored by the leadership of the Senate Governmental Affairs Committee, Senators COLLINS, LIEBERMAN, FITZGERALD, DURBIN, VOINOVICH, LEVIN, and COLEMAN, as well as Senator MURRAY, the ranking member of the Transportation, Treasury, and General Government Appropriations Subcommittee, was introduced on April 8, 2004.

Public Service Recognition Week provides us with an opportunity to acknowledge the work that public servants perform and their commitment to community and country. The work they do affects all of us. Public servants include teachers, members of the Armed Forces, civilian defense workers, postal employees, food inspectors, law enforcement officers, firemen, social workers, crossing guards, and road engineers.

These men and women are the backbone of what makes America great. They deserve our respect and gratitude; and yet for too long, public servants have not been given the recognition they deserve. We must do all we can to foster a better understanding of public service among all Americans and promote public service as an option for young people. As a former educator, I believe it is time to call on a new generation of Americans to consider public service, which is why I am pleased that some schools are now requiring a period of public service in order to graduate.

The Federal Government should be viewed as an employer of choice, not as a safe harbor in times of economic weakness. But to attract, retain, and train the best and the brightest, Federal agencies must have adequate funding for Federal employee incentive programs, such as the repayment of student loans. I call on my colleagues to ensure that Congress plays an active role in supporting the Federal workforce. Eliminating funding for these programs does not benefit Federal employees or the ultimate end user: the American taxpayer.

In closing, I wish to pay particular attention to the men and women who serve in our Armed Forces and the civilian employees who support military missions. All are key to the security and defense of our Nation. From the war against terrorism to the ongoing conflict in Iraq, our military and civilian support staff show courage in the face of adversity. As with the country's Armed Forces, Federal employees are ready, willing, and able to make the world safe.

As we begin Public Service Recognition Week, I ask my colleagues to join me in saluting our Nation's public servants and thanking them for the jobs they do.●

NATIONAL TIRE SAFETY WEEK

● Mr. DEWINE. Mr. President, today I wish to talk about tire safety. Just last week, we recognized National Tire Safety Week. Now in its third year, National Tire Safety Week is sponsored by the Rubber Manufacturers Association, and supported by numerous other organizations, to help educate consumers about the importance of tire safety.

Combined with safer roads and more responsible drivers, improved vehicle safety is essential to help reduce the tragic number of motor vehicle injuries and fatalities that occur each year. Tire pressure and tread depth are critical safety components of any automobile. Under-inflated tires and worn or damaged tread can cause tire blowouts and hydroplaning—both of which can lead to devastating accidents on our highways. The Rubber Manufacturers Association estimates that only 15 percent of drivers properly check their tire pressure, and only 30 percent of all drivers know how to tell when their tires are ''bald.'' Tire safety week is an important means to improve these numbers.

The goal of National Tire Safety Week is to raise public awareness of tire safety and provide consumers with simple, common sense, and inexpensive ways to help increase the safety of their tires and vehicles. Consumers can greatly maximize the safety of their vehicles by properly checking tire pressure, maintaining proper alignment and rotation of their tires, and replacing worn tires. These simple procedures can greatly reduce an individual's risk of a motor vehicle accident—and in some cases, save lives.

I thank the Rubber Manufacturers Association, as well as tire and auto service dealers and innovators in the tire safety community for participating in this important week and for

their sustained effort to increase automobile safety. I also encourage them to continue their significant progress on the development of safer tires and improved consumer awareness. Working together, we can all enhance tire safety and save lives.●

WE THE PEOPLE CIVIC EDUCATION PROGRAM

● Mr. DODD. Mr. President, today, and over the weekend, more than 1,200 students from across the United States came to Washington to take part in the national finals of ''We the People: The Citizen and the Constitution,'' the most extensive educational program in the country developed to educate our youth about the Constitution and the Bill of Rights. Administered by the Center for Civic Education, the We the People program is funded by the U.S. Department of Education through the No Child Left behind Act, passed into law just 2 years ago.

I am proud to announce that a group of students from Trumbull, CT are in our Nation's Capital to represent my home State in this prestigious national event. These outstanding students, through their knowledge of the U.S. Constitution, won their statewide competition and earned the chance to come to Washington and compete at the national level.

Modeled after hearings in Congress, the ''We the People National Finals Competition'' gives students an opportunity to demonstrate their knowledge of the Constitution and Bill of Rights before a panel of adult judges. Students evaluate, take and defend constitutional positions on relevant historical and contemporary issues, and are subject to a barrage of questions designed to further probe their depth of understanding as it relates to our ''founding documents.''

Last year, Russell Berg, a student from Trumbull, testified at a Congressional hearing on civic education mentioning his participation in the ''We the People'' program. Russell said that civic education ''is the key to comprehending, appreciating and eventually participating in our democratic process.'' I could not think of a greater endorsement for civic education in our schools. Clearly, an understanding of history and civics is critical to our ability as a nation to continue as a thriving, functioning democracy.

Our Constitution is a great document, but it is neither a simple nor self-implementing one. For it to work, it requires an educated populace, and a populace that understands that American citizenship brings with it both great benefits and great responsibility. If we want to ensure that our society remains faithful to democracy, and its underlying ideals, we must teach our children what those ideals are. ''We the People'' does just that.

I applaud the achievements of all the students who qualified for this year's competition and all of those students who participated in local and State rounds of competition. We should all be proud that these students are learning and advocating the fundamental ideals that identify us as a people and bind us together as a nation.●

HONORING THE LIFE OF JEREMIAH GUMBS

● Mr. JOHNSON. Mr. President, I rise today to publicly pay tribute to Jeremiah Gumbs. Jeremiah Gumbs was a patriot of both the United States and Anguilla, West Indies. Gumbs served in the U.S. Army in World War II and was a successful businessman in New Jersey, owning Gumbs Fuelers. He went back to his native Anguilla, opened a popular resort on beautiful Rendezvous Bay, and helped Anguilla become less dependent on Britain. Jeremiah and his wife Lydia educated their four children in the U.S.

I am pleased to submit for the RECORD, Jeremiah Gumbs obituary of his remarkable life, which appeared in the New York Times on April 10, 2004:

> Jeremiah Gumbs, a hotel keeper who became a hero in Anguilla when that sliver of sand upended Britain's postcolonial design for the Caribbean islands known as the Lesser Antilles, died there on Thursday, his family announced. He was 91.

Mr. Gumbs, an institution on an island that today has a population of 12,000 people, reached a world audience in 1967 when he went before the United Nations with the islanders' objections to a British plan that lumped Anguilla's 35 square miles into a self-governing state, St. Kitts-Nevis-Anguilla, associated with Britain.

Considering the 70 miles of blue waters between Anguilla, the northernmost of the Leeward Islands, and the new authorities in St. Kitts, not to mention the many different flags that flew on the islands in between, such as St. Martin and St. Barthelemy, the Anguillans balked.

''After 300 years of neglect as a British Colony,'' Mr. Gumbs told the United Nations, ''the people feel they are able to take care of their own affairs.'' Indeed, he said Anguillans wanted independence.

The people of Anguilla voted for it, 1,813 to 5, but Britain did not recognize either the referendum or Mr. Gumbs as a leader of the secessionist movement. But a special United Nations subcommittee on colonialism listened to his formal arguments for Anguilla.

It was a ''natural paradise,'' Mr. Gumbs said of the island, but had been left undeveloped under British rule, without running water, electricity, phones, or a decent road. A new highway, built with European aid, has recently been named for Mr. Gumbs.

The British protested United Nations involvement, while other Caribbean commonwealth islands sought to mediate.

Britain asserted that the island was ''completely dominated by a gangster-type element,'' referring to Mr. Gumbs and the chosen leader of the rebellion, James Ronald Webster. It sent a troop of London's Metropolitan Police force to keep order and stop the secession movement.

But efforts to patch the link to St. Kitts failed. In the end, Anguilla got part of what it wanted, becoming a self-governing British dependent territory with its own elected officials, an arrangement codified in 1971 and brought up to date with Anguilla's new constitution in 1982.

Jeremiah Gumbs was born in Anguilla, the youngest of nine children; his mother was a baker and his father, a fisherman. He started school in Anguilla, but economic hardship drove him as a boy to work the cane fields in the Dominican Republic. Starting at age 15, he worked for 2 years in oil refineries in Aruba and Curacao before returning to Anguilla to teach himself tailoring.

At age 25, he went to live with a sister in Brooklyn and took night classes at City College on a scholarship. He hoped to become a dentist, but was drafted into the Army in 1941 and was given American citizenship at the time.

After the war, he married Lydia Gibbs of Perth Amboy, NJ, and, using his G.I. bill money, trained as a furnace installer. He started his own company in Perth Amboy, Gumbs Fuelers, and made a success of it.

When he took Lydia to show her Anguilla, it was she who planted the idea for another venture-tourism on the island's untouched beaches. They bought 14 acres, later doubling the amount, and in 1959 started building Anguilla's first beach resort with their own hands.

They rented the first rooms in 1962, opening what has become the Rendezvous Bay Hotel and Villas, a cornerstone of the island's growing tourism industry. As a businessman with local roots and a civic leader acquainted with the ways of the world, Jeremiah Gumbs became a natural choice to serve as the island's roving ambassador during the Anguillan revolution of 1967–1969.

He managed the hotel until about 5 years ago and remained a jovial host after that. Lydia Gumbs died about 3 years ago. Jeremiah Gumbs is survived by three sons, J. Alan, the managing director and owner of the Rendezvous Bay; Clyde, of Atlanta; and Duane, of Edison, NJ; a daughter, Una, of Edison and Anguilla; and seven grandchildren.

It is my honor to share Jeremiah Gumbs impressive life with my colleagues.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages

from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE DURING ADJOURNMENT

ENROLLED BILLS SIGNED

Under authority of the order of the Senate of January 7, 2003, the Secretary of the Senate, on April 30, 2004, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills:

S. 1904. An act to designate the United States courthouse located at 400 North Miami Avenue in Miami, Florida, as the ''Wilkie D. Ferguson, Jr. United States Courthouse''.

S. 2043. An act to designate a Federal building in Harrisburg, Pennsylvania, as the ''Ronald Reagan Federal Building''.

H.R. 4219. An act to provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

Under the authority of the order of January 7, 2003, the enrolled bills were signed by the President pro tempore (Mr. STEVENS) during the adjournment of the Senate, on April 30, 2004.

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar.

H.R. 4181. To amend the Internal Revenue Code of 1986 to permanently extend the marriage penalty relief provided under the Economic Growth and Tax Relief Reconciliation Act of 2001.

S. 2370. A bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on April 30, 2004, she had presented to the President of the United States the following enrolled bills:

S. 1904. an act to designate the United States courthouse located at 400 North Miami Avenue in Miami, Florida, as the ''Wilkie D. Ferguson, Jr. United States Courthouse''.

S. 2043. An act to designate a Federal building in Harrisburg, Pennsylvania, as the ''Ronald Reagan Federal Building''.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–7296. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Sweet Onions in the Walla Walla Valley of Southeast Washington and Northeast Oregon; Establishment of Special Purpose Shipping Regulations and Modifications of Reporting Requirements'' (Doc. No. FV04–956–1) received on April 29, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7297. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Milk in the Northeast and Other Marketing Orders—Interim Orders'' (Doc. No. AO–14–A72) received on April 29, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7298. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Pistachios Grown in California; Order Regulating Handling'' (Doc. No. AO–F&V–983–2) received on April 29, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7299. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Cranberries Grown in the States of Massachusetts, et al.; Order Amending Marketing Agreement and Order No. 929'' (Doc. No. AO–341–46) received on April 29, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7300. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Nectarines and Peaches Grown in California; Revision of Handling Requirements for Fresh Nectarines and Peaches'' (Doc. No. FV04–916/917–02) received on April 29, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7301. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Almonds Grown in California; Decreased Assessment Rate'' (Doc. No. FV04–981–1) received on April 29, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7302. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Raisins Produced from Grapes Grown in California; Final Free and Reserve Percentages for 2003–04 Crop Natural (sun-dried) Seedless Raisins'' (Doc. No. FV04–989–1) received on April 29, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7303. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Grapes Grown in a Designated Area of Southeastern California; Establishment or Reporting Requirements'' (Doc. No. FV0–925–1) received on April 29 , 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7304. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Melons Grown in South Texas; Increased Assessment Rate'' (Doc. No. FV04–979–1) received on April 29, 2004; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7305. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination for the position of Deputy Under Secretary of Defense for Acquisition and Technology, received on April 29, 2004; to the Committee on Armed Services.

EC–7306. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination for the position of Under Secretary of the Navy, Department of Defense, received on April 29, 2004; to the Committee on Armed Services.

EC–7307. A communication from the Under Secretary of Defense for Acquisition, Technology, and Logistics, Department of Defense, transmitting, pursuant to law, a report relative to the Evolved Launch Vehicle major defense acquisition program; to the Committee on Armed Services.

EC–7308. A communication from the Under Secretary of Defense for Personnel and Readiness, Department of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–7309. A communication from the Under Secretary of Defense for Personnel and Readiness, Department of Defense, transmitting, pursuant to law, the report of a retirement; to the Committee on Armed Services.

EC–7310. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, the report of a rule entitled ''16 CFR Part 305—Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act'' (RIN3084–AA74) received on April 29, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7311. A communication from the Chief Counsel, St. Lawrence Seaway Development Corporation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Tariff of Tolls'' (RIN2135–AA19) received on April 29, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7312. A communication from the Trial Attorney, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Confidential Business Information'' (RIN2127–AJ24) received on April 29, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7313. A communication from the Acting Assistant Secretary for Communications and Information, National Telecommunications and Information Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Technology Opportunities Program'' received on April 29, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7314. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, transmitting, pursuant to law, the report of a rule entitled ''Notice of Guideline Harvest Level for the Guided Sport Halibut Fishery'' received on April 29, 2004; to the Committee on Commerce, Science, and Transportation.

EC–7315. A communication from the Assistant Secretary for Fish, Wildlife, and Parks, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Safe Harbor Agreements and Candidate Conservation Agreements with Assurances; Revisions to the Regulations'' (RIN1018–AI85) received on April 29, 2004; to the Committee on Energy and Natural Resources.

EC–7316. A communication from the Acting Assistant Secretary, Land and Minerals Management, Department of the Interior,

transmitting, pursuant to law, the report of a rule entitled ''Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Relief or Reduction in Royalty Rates—Deep Gas Provisions'' (RIN101–AD01) received on April 29, 2004; to the Committee on Energy and Natural Resources.

EC–7317. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Comprehensive Procurement Guideline IV for Procurement of Products Containing Recovered Materials'' (FRL#7655–2) received on April 29, 2004; to the Committee on Environment and Public Works.

EC–7318. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Educational Outreach and Baseline Assessment of Existing Exposure and Risks of Exposure to Lead Poisoning of Tribal Children; Notice of Funds Availability'' (FRL#7351–5) received on April 29, 2004; to the Committee on Environment and Public Works.

EC–7319. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Health and Safety Data Reporting; Addition of Certain Chemicals'' (FRL#7322–8) received on April 29, 2004; to the Committee on Environment and Public Works.

EC–7320. A communication from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled ''Stock Basis After a Group Structure Change'' (RIN1545–BC28) received on April 29, 2004; to the Committee on Finance.

EC–7321. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the certification of a proposed license for the manufacture and export of defense articles or defense services sold commercially under a contract in the amount of $25,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–7322. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled ''Neurological Devices; Technical Amendment'' received on April 27, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–7323. A communication from the Director, Regulations Policy and Management Staff, transmitting, pursuant to law, the report of a rule entitled ''Biological Products; Bacterial Vaccines Toxoids; Implementation of Efficacy Review; Correction'' (Doc. No. 1980N–0208) received on April 27, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–7324. A communication from the Director, Regulations Policy and Management Staff, transmitting, pursuant to law, the report of a rule entitled ''Medical Devices: Cardiovascular Devices: Reclassification of Arrhythmia Detector and Alarm; Correction'' (Doc. No. 1980N–0208) received on April 27, 2004; to the Committee on Health, Education, Labor, and Pensions.

EXECUTIVE REPORT OF COMMITTEE (REPRINT)

The following executive report of Foreign Relations Committee was submitted on Thursday, April 29, 2004:

*Scott H. DeLisi, of Minnesota, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Eritrea.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge the information contained in this report is complete and accurate.)

Nominee: Scott H. DeLisi.

Post: Eritrea.

Contributions, Amount, Date, and Donee:

1. Self: 0.
2. Spouse: 0.
3. Children and Spouses: 0.
4. Parents: Joseph S. DeLisi, 0; Gloria A. DeLisi, 0.
5. Grandparents: Deceased prior to 1999.
6. Brothers and Spouses: 0.
7. Sisters and Spouses: 0.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 2375. A bill to amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from retirement plans during the period that a military reservist or national guardsman is called to active duty for an extended period, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BROWNBACK (for himself, Mr. ALLEN, Mr. BUNNING, Mr. CORNYN, Mr. CRAPO, Mr. DURBIN, Mr. FITZGERALD, Mr. HATCH, Mr. LOTT, Mr. MILLER, Mr. ROBERTS, Mr. SPECTER, Mr. ENSIGN, Mr. COCHRAN, Mr. SESSIONS, Mr. BURNS, Mr. BYRD, Mr. ALEXANDER, Mr. DOMENICI, Mr. LEVIN, and Mr. SANTORUM):

S. Res. 348. A resolution to protect, promote, and celebrate motherhood; to the Committee on the Judiciary.

By Mr. BROWNBACK (for himself and Mr. ROBERTS):

S. Con. Res. 102. A concurrent resolution to express the sense of the Congress regarding the 50th anniversary of the Supreme Court decision in Brown v. Board of Education of Topeka; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 68

At the request of Mr. INOUYE, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 68, a bill to amend title 38, United States Code, to improve benefits for Filipino veterans of World War II, and for other purposes.

S. 640

At the request of Mr. LEAHY, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 640, a bill to amend subchapter III of chapter 83 and chapter 84 of title 5, United States Code, to include Federal prosecutors within the definition of a law enforcement officer, and for other purposes.

S. 950

At the request of Mr. ENZI, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 950, a bill to allow travel between the United States and Cuba.

S. 976

At the request of Mr. WARNER, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 976, a bill to provide for the issuance of a coin to commemorate the 400th anniversary of the Jamestown settlement.

S. 1197

At the request of Mr. ENZI, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 1197, a bill to amend the Public Health Service Act to ensure the safety and accuracy of medical imaging examinations and radiation therapy treatments.

S. 1335

At the request of Mr. GRASSLEY, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1335, a bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs.

S. 1368

At the request of Mr. LEVIN, the names of the Senator from Virginia (Mr. ALLEN) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 1368, a bill to authorize the President to award a gold medal on behalf of the Congress to Reverend Doctor Martin Luther King, Jr. (posthumously) and his widow Coretta Scott King in recognition of their contributions to the Nation on behalf of the civil rights movement.

S. 1380

At the request of Mr. SMITH, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1380, a bill to distribute universal service support equitably throughout rural America, and for other purposes.

S. 1381

At the request of Ms. SNOWE, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1381, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 1557

At the request of Mr. MCCONNELL, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1557, a bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Armenia.

S. 1645

At the request of Mr. CRAIG, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as

a cosponsor of S. 1645, a bill to provide for the adjustment of status of certain foreign agricultural workers, to amend the Immigration and Nationality Act to reform the H–2A worker program under that Act, to provide a stable, legal agricultural workforce, to extend basic legal protections and better working conditions to more workers, and for other purposes.

S. 1773

At the request of Mr. SANTORUM, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1773, a bill to permit biomedical research corporations to engage in certain equity financings without incurring limitations on net operating loss carryforwards and certain built-in losses, and for other purposes.

S. 1889

At the request of Mrs. LINCOLN, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 1889, a bill to amend titles XIX and XXI of the Social Security Act to permit States to cover low-income youth up to age 23 with an enhanced matching rate.

S. 1909

At the request of Mr. COCHRAN, the names of the Senator from California (Mrs. BOXER), the Senator from Kentucky (Mr. BUNNING), the Senator from Delaware (Mr. CARPER), the Senator from New Jersey (Mr. CORZINE), the Senator from Minnesota (Mr. DAYTON) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 1909, a bill to amend the Public Health Service Act to improve stroke prevention, diagnosis, treatment, and rehabilitation.

S. 2065

At the request of Mr. JOHNSON, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2065, a bill to restore health care coverage to retired members of the uniformed services, and for other purposes.

S. 2166

At the request of Mrs. BOXER, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2166, a bill to amend title 10, United States Code, to exempt abortions of pregnancies in cases of rape and incest from a limitation on use of Department of Defense funds.

S. 2192

At the request of Mr. LEAHY, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2192, a bill to amend title 35, United States Code, to promote cooperative research involving universities, the public sector, and private enterprises.

S. 2212

At the request of Ms. COLLINS, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of S. 2212, a bill to amend title VII of the Tariff Act of 1930 to provide that the provisions relating to countervailing duties apply to nonmarket economy countries.

S. 2237

At the request of Mr. LEAHY, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2237, a bill to amend chapter 5 of title 17, United States Code, to authorize civil copyright enforcement by the Attorney General, and for other purposes.

S. 2275

At the request of Ms. MIKULSKI, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 2275, a bill to amend the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) to provide for homeland security assistance for high-risk nonprofit organizations, and for other purposes.

S. 2292

At the request of Mr. VOINOVICH, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from Maine (Ms. COLLINS), the Senator from Alaska (Mr. STEVENS) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 2292, a bill to require a report on acts of anti-Semitism around the world.

S. 2309

At the request of Mr. DORGAN, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 2309, a bill to amend the Internal Revenue Code of 1986 to provide for a refundable wage differential credit for activated military reservists.

S. 2311

At the request of Ms. SNOWE, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 2311, a bill to provide for various energy efficiency programs and tax incentives, and for other purposes.

S. 2321

At the request of Mr. BYRD, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of S. 2321, a bill to amend title 32, United States Code, to rename the National Guard Challenge Program and to increase the maximum Federal share of the costs of State programs under that program, and for other purposes.

S.J. RES. 30

At the request of Mr. ALLARD, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S.J. Res. 30, a joint resolution proposing an amendment to the Constitution of the United States relating to marriage.

S.J. RES. 34

At the request of Mrs. DOLE, her name was added as a cosponsor of S.J. Res. 34, a joint resolution designating May 29, 2004, on the occasion of the dedication of the National World War II Memorial, as Remembrance of World War II Veterans Day.

S.J. RES. 36

At the request of Mrs. FEINSTEIN, the names of the Senator from California (Mrs. BOXER) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S.J. Res. 36, a joint resolution approving the renewal of import restrictions contained in Burmese Freedom and Democracy Act of 2003.

At the request of Mr. MCCONNELL, the names of the Senator from Alaska (Mr. STEVENS) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S.J. Res. 36, supra.

S. CON. RES. 90

At the request of Mr. LEVIN, the names of the Senator from Rhode Island (Mr. REED) and the Senator from Maryland (Mr. SARBANES) were added as cosponsors of S. Con. Res. 90, a concurrent resolution expressing the Sense of the Congress regarding negotiating, in the United States-Thailand Free Trade Agreement, access to the United States automobile industry.

S. CON. RES. 99

At the request of Mr. BROWNBACK, the names of the Senator from Florida (Mr. GRAHAM), the Senator from Indiana (Mr. LUGAR) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of S. Con. Res. 99, a concurrent resolution condemning the Government of the Republic of the Sudan for its participation and complicity in the attacks against innocent civilians in the impoverished Darfur region of western Sudan.

S. CON. RES. 100

At the request of Mr. ALEXANDER, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. Con. Res. 100, a concurrent resolution celebrating 10 years of majority rule in the Republic of South Africa and recognizing the momentous social and economic achievements of South Africa since the institution of democracy in that country.

S. RES. 198

At the request of Mr. BROWNBACK, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. Res. 198, a resolution expressing sympathy for the victims of the devastating earthquake that struck Algeria on May 21, 2003.

S. RES. 269

At the request of Mr. LEVIN, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. Res. 269, a resolution urging the Government of Canada to end the commercial seal hunt that opened on November 15, 2003.

AMENDMENT NO. 2649

At the request of Mr. BAYH, the names of the Senator from North Carolina (Mrs. DOLE), the Senator from Pennsylvania (Mr. SPECTER) and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of amendment No. 2649 intended to be proposed to S. 1637, a bill to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, to reform

and simplify the international taxation rules of the United States, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 2375. a bill to amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from retirement plans during the period that a military reservist or national guardsman is called to active duty for an extended period, and for other purposes; to the Committee on Finance.

Mr. HATCH. Mr. President, I rise today to introduce legislation to allow penalty-free withdrawals from retirement plans during the period that a military reservist or a National Guardsman is called to active duty. Specifically, the provision would allow individuals who are called to active duty for at least 179 days between September 11, 2001, and September 15, 2005, to avoid the 10-percent penalty tax that is normally imposed on early distributions.

This bill passed the House of Representatives by unanimous consent late last month, and it is my hope that this important and appropriate legislation will receive the same resounding support by my colleagues in the Senate.

Nearly 3,000 reservists and Guard members from my home State of Utah have been called to active duty and are currently stationed in the Persian Gulf and Afghanistan. I believe it is safe to say that when many of these brave young men and women were informed by their commanding officers they would be placed on full-time active duty, they were not only concerned with the extended time period they would be called away from their families, but also with the reality that by temporarily leaving behind their full-time civilian jobs, many of them would leave behind a higher paycheck. Many reservists are suddenly faced with the prospect that their income may no longer cover all of the expenses for themselves and their families.

Some may say that allowing reservists to make withdrawals from their retirement accounts without incurring a penalty is too small a step and not worthy of our time. But to many reservists and Guard members, these retirement accounts can be a significant resource in helping to alleviate some of their financial stress. Providing our soldiers with an additional option to support their families certainly seems like a worthwhile cause to me.

The cost of this bill to the U.S. Treasury is estimated to be only $4 million over 10 years. I think we can all agree this cost is minimal considering the tremendous sacrifices that our reservists, Guard members, and their families are making each day. In addition, there is a provision in this bill that would allow our soldiers to repay any amount withdrawn, without penalty, for 2 years after leaving active duty.

There is no doubt that there are many additional much needed improvements to our policies that each of us must work together towards to ensure the financial peace of mind for our Guard and Reserve members and their families. It is imperative for each of us to give our soldiers not only all of the tools, armor, and technology to fight those who seek to destroy peace, but we must also do everything within our power to give our soldiers every appropriate resource to make it easier to care for their loved ones they have left behind.

I urge my colleagues to give serious consideration to this bill, and it is my hope that it can be passed by unanimous consent. I am confident that President Bush would have no hesitation in signing this important bill into law, if we can pass it in the Senate and send it to him.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 348—TO PROTECT, PROMOTE, AND CELEBRATE MOTHERHOOD

Mr. BROWNBACK (for himself, Mr. ALLEN, Mr. BUNNING, Mr. CORNYN, Mr. CRAPO, Mr. DURBIN, Mr. FITZGERALD, Mr. HATCH, Mr. LOTT, Mr. MILLER, Mr. ROBERTS, Mr. SPECTER, Mr. ENSIGN, Mr. COCHRAN, Mr. SESSIONS, Mr. BURNS, Mr. BYRD, Mr. ALEXANDER, Mr. DOMENICI, Mr. LEVIN, and Mr. SANTORUM) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 348

Whereas the second Sunday of May is observed as Mother's Day;

Whereas motherhood and childhood are entitled to special assistance;

Whereas mothers have a unique bond with their children;

Whereas the work of mothers is of paramount importance, but often undervalued and demeaned;

Whereas mothers' concerns about their children and their education should be supported by the national agenda;

Whereas a child's healthy relationship with the mother predicts higher self-esteem and resiliency in dealing with life events;

Whereas the complementary roles and contributions of fathers and mothers should be recognized and encouraged;

Whereas mothers have an indispensable role in building and transforming society to build a culture of life; and

Whereas mothers along with their husbands, form an emotional template for a child's future relationships: Now therefore, be it

Resolved, That the Senate—

(1) recognizes the importance of mothers to a healthy society; and

(2) calls on the people of the United States to observe Mother's Day by considering how society can better respect and support motherhood.

SENATE CONCURRENT RESOLUTION 102—TO EXPRESS THE SENSE OF THE CONGRESS REGARDING THE 50TH ANNIVERSARY OF THE SUPREME COURT DECISION IN BROWN V. BOARD OF EDUCATION OF TOPEKA

Mr. BROWNBACK (for himself and Mr. ROBERTS) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 102

Whereas Oliver L. Brown is the namesake of the landmark United States Supreme Court decision of 1954, Brown v. Board of Education (347 U.S. 483, 1954);

Whereas Oliver L. Brown is honored as the lead plaintiff in the Topeka, Kansas case which posed a legal challenge to racial segregation in public education;

Whereas by 1950, African-American parents began to renew their efforts to challenge State laws that only permitted their children to attend certain schools, and as a result, they organized through the National Association for the Advancement of Colored People (the NAACP), an organization founded in 1909 to address the issue of the unequal and discriminatory treatment experienced by African-Americans throughout the country;

Whereas Oliver L. Brown became part of the NAACP strategy led first by Charles Houston and later by Thurgood Marshall, to file suit against various school boards on behalf of such parents and their children;

Whereas Oliver L. Brown was a member of a distinguished group of plaintiffs in cases from Kansas (Brown v. Board of Education), Delaware (Gebhart v. Belton), South Carolina (Briggs v. Elliot), and Virginia (Davis v. County School Board of Prince Edward County) that were combined by the United States Supreme Court in Brown v. Board of Education, and in Washington, D.C. (Bolling v. Sharpe), considered separately by the Supreme Court with respect to the District of Columbia;

Whereas with respect to cases filed in the State of Kansas—

(1) there were 11 school integration cases dating from 1881 to 1949, prior to Brown v. Board of Education in 1954;

(2) in many instances, the schools for African-American children were substandard facilities with out-of-date textbooks and often no basic school supplies;

(3) in the fall of 1950, members of the Topeka, Kansas chapter of the NAACP agreed to again challenge the ''separate but equal'' doctrine governing public education;

(4) on February 28, 1951, the NAACP filed their case as Oliver L. Brown et al. v. The Board of Education of Topeka Kansas (which represented a group of 13 parents and 20 children);

(5) the district court ruled in favor of the school board and the case was appealed to the United States Supreme Court;

(6) at the Supreme Court level, the case was combined with other NAACP cases from Delaware, South Carolina, Virginia, and Washington, D.C. (which was later heard separately); and

(7) the combined cases became known as Oliver L. Brown et al. v. The Board of Education of Topeka, et al.;

Whereas with respect to the Virginia case of Davis et al. v. Prince Edward County Board of Supervisors—

(1) one of the few public high schools available to African-Americans in the State of Virginia was Robert Moton High School in Prince Edward County;

(2) built in 1943, it was never large enough to accommodate its student population;

(3) the gross inadequacies of these classrooms sparked a student strike in 1951;

(4) the NAACP soon joined their struggles and challenged the inferior quality of their school facilities in court; and

(5) although the United States District Court ordered that the plaintiffs be provided with equal school facilities, they were denied access to the schools for white students in their area;

Whereas with respect to the South Carolina case of Briggs v. R.W. Elliott—

(1) in Clarendon County, South Carolina, the State NAACP first attempted, unsuccessfully and with a single plaintiff, to take legal action in 1947 against the inferior conditions that African-American students experienced under South Carolina's racially segregated school system;

(2) by 1951, community activists convinced African-American parents to join the NAACP efforts to file a class action suit in United States District Court;

(3) the court found that the schools designated for African-Americans were grossly inadequate in terms of buildings, transportation, and teacher salaries when compared to the schools provided for white students; and

(4) an order to equalize the facilities was virtually ignored by school officials, and the schools were never made equal;

Whereas with respect to the Delaware cases of Belton v. Gebhart and Bulah v. Gebhart—

(1) first petitioned in 1951, these cases challenged the inferior conditions of 2 African-American schools;

(2) in the suburb of Claymont, Delaware, African-American children were prohibited from attending the area's local high school, and in the rural community of Hockessin, Delaware, African-American students were forced to attend a dilapidated 1-room schoolhouse, and were not provided transportation to the school, while white children in the area were provided transportation and a better school facility;

(3) both plaintiffs were represented by local NAACP attorneys; and

(4) though the State Supreme Court ruled in favor of the plaintiffs, the decision did not apply to all schools in Delaware;

Whereas with respect to the District of Columbia case of Bolling, et al. v. C. Melvin Sharpe, et al.—

(1) 11 African-American junior high school students were taken on a field trip to Washington, D.C.'s new John Philip Sousa School for white students only;

(2) the African-American students were denied admittance to the school and ordered to return to their inadequate school; and

(3) in 1951, a suit was filed on behalf of the students, and after review with the Brown case in 1954, the United States Supreme Court ruled that segregation in the Nation's capital was unconstitutional;

Whereas on May 17, 1954, at 12:52 p.m., the United States Supreme Court ruled that the discriminatory nature of racial segregation ''violates the 14th Amendment to the Constitution, which guarantees all citizens equal protection of the laws'';

Whereas the decision in Brown v. Board of Education set the stage for dismantling racial segregation throughout the country;

Whereas the quiet courage of Oliver L. Brown and his fellow plaintiffs asserted the right of African-American people to have equal access to social, political, and communal structures;

Whereas our country is indebted to the work of the NAACP Legal Defense and Educational Fund, Inc., Howard University Law School, the NAACP, and the individual plaintiffs in the cases considered by the Supreme Court;

Whereas Reverend Oliver L. Brown died in 1961, and because the landmark United States Supreme Court decision bears his name, he is remembered as an icon for justice, freedom, and equal rights; and

Whereas the national importance of the Brown v. Board of Education decision had a profound impact on American culture, affecting families, communities, and governments by outlawing racial segregation in public education, resulting in the abolition of legal discrimination on any basis: Now therefore be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) the Congress recognizes and honors the 50th anniversary of the Supreme Court decision in Brown v. Board of Education of Topeka;

(2) the Congress encourages all people of the United States to recognize the importance of the Supreme Court decision in Brown v. Board of Education of Topeka; and

(3) by celebrating the 50th anniversary of the Brown v. Board of Education of Topeka, the Nation will be able to refresh and renew the importance of equality in society.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3107. Mr. HARKIN (for himself, Mr. KENNEDY, Mr. AKAKA, Mr. BINGAMAN, Mrs. BOXER, Mr. BYRD, Ms. CANTWELL, Mrs. CLINTON, Mr. CORZINE, Mr. DASCHLE, Mr. DAYTON, Mr. DURBIN, Mr. EDWARDS, Mr. FEINGOLD, Mr. GRAHAM, of Florida, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Ms. MIKULSKI, Mrs. MURRAY, Mr. NELSON of Florida, Mr. PRYOR, Mr. REED, Mr. REID, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SCHUMER, and Ms. STABENOW) proposed an amendment to the bill S. 1637, to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, to reform and simplify the international taxation rules of the United States, and for other purposes.

SA 3108. Ms. COLLINS proposed an amendment to the bill S. 1637, supra.

SA 3109. Mr. WYDEN (for himself, Mr. COLEMAN, Mr. ROCKEFELLER, Mr. BAUCUS, Mr. DAYTON, Mr. BROWNBACK, Mr. DODD, and Ms. SNOWE) proposed an amendment to the bill S. 1637, supra.

TEXT OF AMENDMENTS

SA 3107. Mr. HARKIN (for himself, Mr. KENNEDY, Mr. AKAKA, Mr. BINGAMAN, Mrs. BOXER, Mr. BYRD, Ms. CANTWELL, Mrs. CLINTON, Mr. CORZINE, Mr. DASCHLE, Mr. DAYTON, Mr. DURBIN, Mr. EDWARDS, Mr. FEINGOLD, Mr. GRAHAM of Florida, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Ms. MIKULSKI, Mrs. MURRAY, Mr. NELSON of Florida, Mr. PRYOR, Mr. REED, Mr. REID, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SCHUMER, and Ms. STABENOW) proposed an amendment to the bill S. 1637, to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, to reform and simplify the international taxation rules of the United States, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. ___. PROTECTION OF OVERTIME PAY.

Section 13 of the Fair Labor Standards Act of 1938 (29 U.S.C. 213) is amended by adding at the end the following:

''(k) Notwithstanding the provisions of subchapter II of chapter 5 and chapter 7 of title 5, United States Code (commonly referred to as the Administrative Procedures Act) or any other provision of law, any portion of the final rule promulgated on April 23, 2004, revising part 541 of title 29, Code of Federal Regulations, that exempts from the overtime pay provisions of section 7 any employee who would not otherwise be exempt if the regulations in effect on March 31, 2003 remained in effect, shall have no force or effect and that portion of such regulations (as in effect on March 31, 2003) that would prevent such employee from being exempt shall remain in effect. Notwithstanding the preceding sentence, the increased salary requirements provided for in such final rule at section 541.600 of such title 29, shall remain in effect.''.

SA 3108. Ms. COLLINS proposed an amendment to the bill S. 1637, to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, to reform and simplify the international taxation rules of the United States, and for other purposes; as follows:

On page 139, between lines 13 and 14, insert the following:

SEC. ___. MANUFACTURER'S JOBS CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits), as amended by this Act, is amended by adding at the end the following:

''SEC. 45S. MANUFACTURER'S JOBS CREDIT.

''(a) GENERAL RULE.—For purposes of section 38, in the case of an eligible taxpayer, the manufacturer's jobs credit determined under this section is an amount equal to the lesser of the following:

''(1) The excess of the W–2 wages paid by the taxpayer during the taxable year over the W–2 wages paid by the taxpayer during the preceding taxable year.

''(2) The W–2 wages paid by the taxpayer during the taxable year to any employee who is an eligible TAA recipient (as defined in section 35(c)(2)) for any month during such taxable year.

''(3) 22.4 percent of the W–2 wages paid by the taxpayer during the taxable year.

''(b) LIMITATION.—The amount of credit determined under subsection (a) shall be reduced by an amount which bears the same ratio to the amount of the credit (determined without regard to this subsection) as—

''(1) the excess of the W–2 wages paid by the taxpayer to employees outside the United States during the taxable year over such wages paid during the most recent taxable year ending before the date of the enactment of this section, bears to

''(2) the excess of the W–2 wages paid by the taxpayer to employees within the United States during the taxable year over such wages paid during such most recent taxable year.

''(c) ELIGIBLE TAXPAYER.—For purposes of this section, the term 'eligible taxpayer' means any taxpayer—

''(1) which has domestic production gross receipts for the taxable year and the preceding taxable year, and

''(2) which is not treated at any time during the taxable year as an inverted domestic corporation under section 7874.

''(d) DEFINITIONS.—For purposes of this section, W–2 wages and domestic production gross receipts shall be determined in the same manner as under section 199.

''(e) CERTAIN RULES MADE APPLICABLE.—For purposes of this section, rules similar to the rules of section 52 shall apply.

''(f) TERMINATION.—This section shall not apply to any taxable year beginning after December 31, 2005.''.

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (relating to current year business credit), as amended by this Act, is amended by striking ''plus'' at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting '', plus'', and by adding at the end the following:

''(31) the manufacturer's jobs credit determined under section 45S.''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding at the end the following:

''Sec. 45S. Manufacturer's jobs credit.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

On page 335, line 8, strike ''December 31, 2004,'' and insert ''the date of the enactment of this Act''.

SA 3109. Mr. WYDEN (for himself, Mr. COLEMAN, Mr. ROCKEFELLER, Mr. BAUCUS, Mr. DAYTON, Mr. BROWNBACK, Mr. DODD, and Ms. SNOWE) proposed an amendment to the bill S. 1637, to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, to reform and simplify the international taxation rules of the United States, and for other purposes; as follows:

At the end of the bill, add the following:

TITLE IX—TRADE ADJUSTMENT ASSISTANCE

Subtitle A—Service Workers

SEC. 911. SHORT TITLE.

This subtitle may be cited as the ''Trade Adjustment Assistance Equity For Service Workers Act of 2004''.

SEC. 912. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE TO SERVICES SECTOR.

(a) ADJUSTMENT ASSISTANCE FOR WORKERS.—Section 221(a)(1)(A) of the Trade Act of 1974 (19 U.S.C. 2271(a)(1)(A)) is amended by striking ''firm)'' and inserting ''firm, and workers in a service sector firm or subdivision of a service sector firm or public agency)''.

(b) GROUP ELIGIBILITY REQUIREMENTS.—Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''agricultural firm)'' and inserting ''agricultural firm, and workers in a service sector firm or subdivision of a service sector firm or public agency)'';

(B) in paragraph (1), by inserting ''or public agency'' after ''of the firm''; and

(C) in paragraph (2)—

(i) in subparagraph (A)(ii), by striking ''like or directly competitive with articles produced'' and inserting ''or services like or directly competitive with articles produced or services provided''; and

(ii) by striking subparagraph (B) and inserting the following:

''(B)(i) there has been a shift, by such workers' firm, subdivision, or public agency to a foreign country, of production of articles, or in provision of services, like or directly competitive with articles which are produced, or services which are provided, by such firm, subdivision, or public agency; or

''(ii) such workers' firm, subdivision, or public agency has obtained or is likely to obtain such services from a foreign country.'';

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''agricultural firm)'' and inserting ''agricultural firm, and workers in a service sector firm or subdivision of a service sector firm or public agency)'';

(B) in paragraph (2), by inserting ''or service'' after ''related to the article''; and

(C) in paragraph (3)(A), by inserting ''or services'' after ''component parts'';

(3) in subsection (c)—

(A) in paragraph (2), by adding at the end the following:

''(C) Taconite pellets produced in the United States shall be considered to be an article that is like or directly competitive with imports of semifinished steel slab.''.

(B) in paragraph (3)—

(i) by inserting ''or services'' after ''value-added production processes'';

(ii) by striking ''or finishing'' and inserting '', finishing, or testing'';

(iii) by inserting ''or services'' after ''for articles''; and

(iv) by inserting ''(or subdivision)'' after ''such other firm''; and

(C) in paragraph (4)—

(i) by striking ''for articles'' and inserting '', or services, used in the production of articles or in the provision of services''; and

(ii) by inserting ''(or subdivision)'' after ''such other firm''; and

(4) by adding at the end the following new subsection:

''(d) BASIS FOR SECRETARY'S DETERMINATIONS.—

''(1) INCREASED IMPORTS.—For purposes of subsection (a)(2)(A)(ii), the Secretary may determine that increased imports of like or directly competitive articles or services exist if the workers' firm or subdivision or customers of the workers' firm or subdivision accounting for not less than 20 percent of the sales of the workers' firm or subdivision certify to the Secretary that they are obtaining such articles or services from a foreign country.

''(2) OBTAINING SERVICES ABROAD.—For purposes of subsection (a)(2)(B)(ii), the Secretary may determine that the workers' firm, subdivision, or public agency has obtained or is likely to obtain like or directly competitive services from a firm in a foreign country based on a certification thereof from the workers' firm, subdivision, or public agency.

''(3) AUTHORITY OF THE SECRETARY.—The Secretary may obtain the certifications under paragraphs (1) and (2) through questionnaires or in such other manner as the Secretary determines is appropriate.''.

(c) TRAINING.—Section 236(a)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2296(a)(2)(A)) is amended by striking ''$220,000,000'' and inserting ''$440,000,000''.

(d) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) in paragraph (1)—

(A) by inserting ''or public agency'' after ''of a firm''; and

(B) by inserting ''or public agency'' after ''or subdivision'';

(2) in paragraph (2)(B), by inserting ''or public agency'' after ''the firm'';

(3) by redesignating paragraphs (8) through (17) as paragraphs (9) through (18), respectively; and

(4) by inserting after paragraph (6) the following:

''(7) The term 'public agency' means a department or agency of a State or local government or of the Federal Government.

''(8) The term 'service sector firm' means an entity engaged in the business of providing services.''.

(e) TECHNICAL AMENDMENT.—Section 245(a) of the Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by striking '', other than subchapter D''.

SEC. 913. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS AND INDUSTRIES.

(a) FIRMS.—

(1) ASSISTANCE.—Section 251 of the Trade Act of 1974 (19 U.S.C. 2341) is amended—

(A) in subsection (a), by inserting ''or service sector firm'' after ''(including any agricultural firm'';

(B) in subsection (c)(1)—

(i) in the matter preceding subparagraph (A), by inserting ''or service sector firm'' after ''any agricultural firm'';

(ii) in subparagraph (B)(ii), by inserting ''or service'' after ''of an article''; and

(iii) in subparagraph (C), by striking ''articles like or directly competitive with articles which are produced'' and inserting ''articles or services like or directly competitive with articles or services which are produced or provided''; and

(C) by adding at the end the following:

''(e) BASIS FOR SECRETARY DETERMINATION.—

''(1) INCREASED IMPORTS.—For purposes of subsection (c)(1)(C), the Secretary may determine that increases of imports of like or directly competitive articles or services exist if customers accounting for not less than 20 percent of the sales of the workers' firm certify to the Secretary that they are obtaining such articles or services from a foreign country.

''(2) AUTHORITY OF THE SECRETARY.—The Secretary may obtain the certifications under paragraph (1) through questionnaires or in such other manner as the Secretary determines is appropriate. The Secretary may exercise the authority under section 249 in carrying out this subsection.''.

(2) AUTHORIZATION OF APPROPRIATIONS.—Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking ''$16,000,000'' and inserting ''$32,000,000''.

(3) DEFINITION.—Section 261 of the Trade Act of 1974 (19 U.S.C. 2351) is amended—

(A) by striking ''For purposes of'' and inserting ''(a) FIRM.—For purposes of''; and

(B) by adding at the end the following:

''(b) SERVICE SECTOR FIRM.—For purposes of this chapter, the term 'service sector firm' means a firm engaged in the business of providing services.''.

(b) INDUSTRIES.—Section 265(a) of the Trade Act of 1974 (19 U.S.C. 2355(a)) is amended by inserting ''or service'' after ''new product''.

SEC. 914. MONITORING AND REPORTING.

Section 282 of the Trade Act of 1974 (19 U.S.C. 2393) is amended—

(1) in the first sentence—

(A) by striking ''The Secretary'' and inserting ''(a) MONITORING PROGRAMS.—The Secretary'';

(B) by inserting ''and services'' after ''imports of articles'';

(C) by inserting ''and domestic provision of services'' after ''domestic production'';

(D) by inserting ''or providing services'' after ''producing articles''; and

(E) by inserting '', or provision of services,'' after ''changes in production''; and

(2) by adding at the end the following:

''(b) COLLECTION OF DATA AND REPORTS ON SERVICES SECTOR.—

''(1) SECRETARY OF LABOR.—Not later than 3 months after the date of the enactment of the Trade Adjustment Assistance Equity For

Service Workers Act of 2004, the Secretary of Labor shall implement a system to collect data on adversely affected service workers that includes the number of workers by State, industry, and cause of dislocation of each worker.

''(2) SECRETARY OF COMMERCE.—Not later than 6 months after such date of enactment, the Secretary of Commerce shall, in consultation with the Secretary of Labor, conduct a study and report to the Congress on ways to improve the timeliness and coverage of data on trade in services, including methods to identify increased imports due to the relocation of United States firms to foreign countries, and increased imports due to United States firms obtaining services from firms in foreign countries.''.

SEC. 915. ALTERNATIVE TRADE ADJUSTMENT ASSISTANCE.

IN GENERAL.—Section 246(a)(3) of the Trade Act of 1974 (19 U.S.C. 2318(a)(3)) is amended to read as follows:

''(3) ELIGIBILITY.—A worker in the group that the Secretary has certified as eligible for the alternative trade adjustment assistance program may elect to receive benefits under the alternative trade adjustment assistance program if the worker—

''(A) is covered by a certification under subchapter A of this chapter;

''(B) obtains reemployment not more than 26 weeks after the date of separation from the adversely affected employment;

''(C) is at least 40 years of age;

''(D) earns not more than $50,000 a year in wages from reemployment;

''(E) is employed on a full-time basis as defined by State law in the State in which the worker is employed; and

''(F) does not return to the employment from which the worker was separated.''.

(b) CONFORMING AMENDMENTS.—(1) Subparagraphs (A) and (B) of section 246(a)(2) of the Trade Act of 1974 (19 U.S.C. 2318(a)(2) (A) and (B)) are amended by striking ''paragraph (3)(B)'' and inserting ''paragraph (3)'' each place it appears.

(2) Section 246(b)(2) of such Act is amended by striking ''subsection (a)(3)(B)'' and inserting ''subsection (a)(3)''.

SEC. 916. CLARIFICATION OF MARKETING YEAR AND OTHER PROVISIONS.

(a) IN GENERAL.—Section 291(5) of the Trade Act of 1974 (19 U.S.C. 2401(5)) is amended by inserting before the end period the following: '', or in the case of an agricultural commodity that has no officially designated marketing year, in a 12-month period for which the petitioner provides written request''.

(b) FISHERMEN.—Notwithstanding any other provision of law, for purposes of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) fishermen who harvest wild stock shall be eligible for adjustment assistance to the same extent and in the same manner as a group of workers under such chapter 2.

SEC. 917. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this subtitle shall take effect on October 1, 2004.

(b) SPECIAL RULE FOR CERTAIN SERVICE WORKERS.—A group of workers in a service sector firm, or subdivision of a service sector firm, or public agency (as defined in section 247 (7) and (8) of the Trade Act of 1974, as added by section 912(d) of this Act) who—

(1) would have been certified eligible to apply for adjustment assistance under chapter 2 of title II of the Trade Act of 1974 if the amendments made by this Act had been in effect on November 4, 2002, and

(2) file a petition pursuant to section 221 of such Act within 6 months after the date of enactment of this Act,

shall be eligible for certification under section 223 of the Trade Act of 1974 if the workers' last total or partial separation from the firm or subdivision of the firm or public agency occurred on or after November 4, 2002 and before October 1, 2004.

(c) SPECIAL RULE FOR TACONITE.—A group of workers in a firm, or subdivision of a firm, engaged in the production of taconite pellets who—

(1) would have been certified eligible to apply for adjustment assistance under chapter 2 of title II of the Trade Act of 1974 if the amendments made by this Act had been in effect on November 4, 2002, and

(2) file a petition pursuant to section 221 of such Act within 6 months after the date of enactment of this Act,

shall be eligible for certification under section 223 of the Trade Act of 1974 if the workers' last total or partial separation from the firm or subdivision of the firm occurred on or after November 4, 2002 and before October 1, 2004.

Subtitle B—Data Collection

SEC. 921. SHORT TITLE.

This subtitle may be cited as the ''Trade Adjustment Assistance Accountability Act''.

SEC. 922. DATA COLLECTION; STUDY; INFORMATION TO WORKERS.

(a) DATA COLLECTION; EVALUATIONS.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 is amended by inserting after section 249, the following new section:

''SEC. 250. DATA COLLECTION; EVALUATIONS; REPORTS.

''(a) DATA COLLECTION.—The Secretary shall, pursuant to regulations prescribed by the Secretary, collect any data necessary to meet the requirements of this chapter.

''(b) PERFORMANCE EVALUATIONS.—The Secretary shall establish an effective performance measuring system to evaluate the following:

''(1) PROGRAM PERFORMANCE.—A comparison of the trade adjustment assistance program before and after the effective date of the Trade Adjustment Assistance Reform Act of 2002 with respect to—

''(A) the number of workers certified and the number of workers actually participating in the trade adjustment assistance program;

''(B) the time for processing petitions;

''(C) the number of training waivers granted;

''(D) the coordination of programs under this chapter with programs under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);

''(E) the effectiveness of individual training providers in providing appropriate information and training;

''(F) the extent to which States have designed and implemented health care coverage options under title II of the Trade Act of 2002, including any difficulties States have encountered in carrying out the provisions of title II;

''(G) how Federal, State, and local officials are implementing the trade adjustment assistance program to ensure that all eligible individuals receive benefits, including providing outreach, rapid response, and other activities; and

''(H) any other data necessary to evaluate how individual States are implementing the requirements of this chapter.

''(2) PROGRAM PARTICIPATION.—The effectiveness of the program relating to—

''(A) the number of workers receiving benefits and the type of benefits being received both before and after the effective date of the Trade Adjustment Assistance Reform Act of 2002;

''(B) the number of workers enrolled in, and the duration of, training by major types of training both before and after the effective date of the Trade Adjustment Assistance Reform Act of 2002;

''(C) earnings history of workers that reflects wages before separation and wages in any job obtained after receiving benefits under this Act;

''(D) reemployment rates and sectors in which dislocated workers have been employed;

''(E) the cause of dislocation identified in each petition that resulted in a certification under this chapter; and

''(F) the number of petitions filed and workers certified in each congressional district of the United States.

''(c) STATE PARTICIPATION.—The Secretary shall ensure, to the extent practicable, through oversight and effective internal control measures the following:

''(1) STATE PARTICIPATION.—Participation by each State in the performance measurement system established under subsection (b).

''(2) MONITORING.—Monitoring by each State of internal control measures with respect to performance measurement data collected by each State.

''(3) RESPONSE.—The quality and speed of the rapid response provided by each State under section 134(a)(2)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(a)(2)(A)).

''(d) REPORTS.—

''(1) REPORTS BY THE SECRETARY.—

''(A) INITIAL REPORT.—Not later than 6 months after the date of enactment of the Trade Adjustment Assistance Accountability Act, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report that—

''(i) describes the performance measurement system established under subsection (b);

''(ii) includes analysis of data collected through the system established under subsection (b); and

''(iii) provides recommendations for program improvements.

''(B) ANNUAL REPORT.—Not later than 1 year after the date the report is submitted under subparagraph (A), and annually thereafter, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report that includes the information collected under clause (ii) of subparagraph (A).

''(2) STATE REPORTS.—Pursuant to regulations prescribed by the Secretary, each State shall submit to the Secretary a report that details its participation in the programs established under this chapter, and that contains the data necessary to allow the Secretary to submit the report required under paragraph (1).

''(3) PUBLICATION.—The Secretary shall make available to each State, and other public and private organizations as determined by the Secretary, the data gathered and evaluated through the performance measurement system established under subsection (b).''.

(b) CONFORMING AMENDMENTS.—

(1) COORDINATION.—Section 281 of the Trade Act of 1974 (19 U.S.C. 2392) is amended by striking ''Departments of Labor and Commerce'' and inserting ''Departments of Labor, Commerce, and Agriculture''.

(2) TRADE MONITORING SYSTEM.—Section 282 of the Trade Act of 1974 (19 U.S.C. 2393) is amended by striking ''The Secretary of Commerce and the Secretary of Labor'' and inserting ''The Secretaries of Commerce, Labor, and Agriculture''.

(3) TABLE OF CONTENTS.—The table of contents for title II of the Trade Act of 1974 is

amended by inserting after the item relating to section 249, the following new item:

''Sec. 250. Data collection; evaluations; reports.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004.

Subtitle C—Trade Adjustment Assistance for Communities

SEC. 931. SHORT TITLE.

This subtitle may be cited as the ''Trade Adjustment Assistance for Communities Act of 2004''.

SEC. 932. PURPOSE.

The purpose of this subtitle is to assist communities negatively impacted by trade with economic adjustment through the integration of political and economic organizations, the coordination of Federal, State, and local resources, the creation of community-based development strategies, and the provision of economic transition assistance.

SEC. 933. TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES.

Chapter 4 of title II of the Trade Act of 1974 (19 U.S.C. 2371 et seq.) is amended to read as follows:

''CHAPTER 4—TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES

''SEC. 271. DEFINITIONS.

''In this chapter:

''(1) AFFECTED DOMESTIC PRODUCER.—The term 'affected domestic producer' means any manufacturer, producer, service provider, farmer, rancher, fisherman or worker representative (including associations of such persons) that was affected by a finding under the Antidumping Act of 1921, or by an antidumping or countervailing duty order issued under title VII of the Tariff Act of 1930.

''(2) AGRICULTURAL COMMODITY PRODUCER.—The term 'agricultural commodity producer' has the same meaning as the term 'person' as prescribed by regulations promulgated under section 1001(5) of the Food Security Act of 1985 (7 U.S.C. 1308(5)).

''(3) COMMUNITY.—The term 'community' means a city, county, or other political subdivision of a State or a consortium of political subdivisions of a State that the Secretary certifies as being negatively impacted by trade.

''(4) COMMUNITY NEGATIVELY IMPACTED BY TRADE.—A community negatively impacted by trade means a community with respect to which a determination has been made under section 273.

''(5) ELIGIBLE COMMUNITY.—The term 'eligible community' means a community certified under section 273 for assistance under this chapter.

''(6) FISHERMAN.—

''(A) IN GENERAL.—The term 'fisherman' means any person who—

''(i) is engaged in commercial fishing; or

''(ii) is a United States fish processor.

''(B) COMMERCIAL FISHING, FISH, FISHERY, FISHING, FISHING VESSEL, PERSON, AND UNITED STATES FISH PROCESSOR.—The terms 'commercial fishing', 'fish', 'fishery', 'fishing', 'fishing vessel', 'person', and 'United States fish processor' have the same meanings as such terms have in the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1802).

''(7) JOB LOSS.—The term 'job loss' means the total or partial separation of an individual, as those terms are defined in section 247.

''(8) SECRETARY.—The term 'Secretary' means the Secretary of Commerce.

''SEC. 272. COMMUNITY TRADE ADJUSTMENT ASSISTANCE PROGRAM.

''(a) ESTABLISHMENT.—Within 6 months after the date of enactment of the Trade Adjustment Assistance for Communities Act of 2004, the Secretary shall establish a Trade Adjustment Assistance for Communities Program at the Department of Commerce.

''(b) PERSONNEL.—The Secretary shall designate such staff as may be necessary to carry out the responsibilities described in this chapter.

''(c) COORDINATION OF FEDERAL RESPONSE.—The Secretary shall—

''(1) provide leadership, support, and coordination for a comprehensive management program to address economic dislocation in eligible communities;

''(2) coordinate the Federal response to an eligible community—

''(A) by identifying all Federal, State, and local resources that are available to assist the eligible community in recovering from economic distress;

''(B) by ensuring that all Federal agencies offering assistance to an eligible community do so in a targeted, integrated manner that ensures that an eligible community has access to all available Federal assistance;

''(C) by assuring timely consultation and cooperation between Federal, State, and regional officials concerning economic adjustment for an eligible community; and

''(D) by identifying and strengthening existing agency mechanisms designed to assist eligible communities in their efforts to achieve economic adjustment and workforce reemployment;

''(3) provide comprehensive technical assistance to any eligible community in the efforts of that community to—

''(A) identify serious economic problems in the community that are the result of negative impacts from trade;

''(B) integrate the major groups and organizations significantly affected by the economic adjustment;

''(C) access Federal, State, and local resources designed to assist in economic development and trade adjustment assistance;

''(D) diversify and strengthen the community economy; and

''(E) develop a community-based strategic plan to address economic development and workforce dislocation, including unemployment among agricultural commodity producers, and fishermen;

''(4) establish specific criteria for submission and evaluation of a strategic plan submitted under section 274(d);

''(5) establish specific criteria for submitting and evaluating applications for grants under section 275;

''(6) administer the grant programs established under sections 274 and 275; and

''(7) establish an interagency Trade Adjustment Assistance for Communities Working Group, consisting of the representatives of any Federal department or agency with responsibility for economic adjustment assistance, including the Department of Agriculture, the Department of Education, the Department of Labor, the Department of Housing and Urban Development, the Department of Health and Human Services, the Small Business Administration, the Department of the Treasury, the Department of Commerce, and any other Federal, State, or regional department or agency the Secretary determines necessary or appropriate.

''SEC. 273. CERTIFICATION AND NOTIFICATION.

''(a) CERTIFICATION.—Not later than 45 days after an event described in subsection (c)(1), the Secretary of Commerce shall determine if a community described in subsection (b)(1) is negatively impacted by trade, and if a positive determination is made, shall certify the community for assistance under this chapter.

''(b) DETERMINATION THAT COMMUNITY IS ELIGIBLE.—

''(1) COMMUNITY DESCRIBED.—A community described in this paragraph means a community with respect to which on or after October 1, 2004—

''(A) the Secretary of Labor certifies a group of workers (or their authorized representative) in the community as eligible for assistance pursuant to section 223;

''(B) the Secretary of Commerce certifies a firm located in the community as eligible for adjustment assistance under section 251;

''(C) the Secretary of Agriculture certifies a group of agricultural commodity producers (or their authorized representative) in the community as eligible for adjustment assistance under section 293;

''(D) an affected domestic producer is located in the community; or

''(E) the Secretary determines that a significant number of fishermen in the community is negatively impacted by trade.

''(2) NEGATIVELY IMPACTED BY TRADE.—The Secretary shall determine that a community is negatively impacted by trade, after taking into consideration—

''(A) the number of jobs affected compared to the size of workforce in the community;

''(B) the severity of the rates of unemployment in the community and the duration of the unemployment in the community;

''(C) the income levels and the extent of underemployment in the community;

''(D) the outmigration of population from the community and the extent to which the outmigration is causing economic injury in the community; and

''(E) the unique problems and needs of the community.

''(c) DEFINITION AND SPECIAL RULES.—

''(1) EVENT DESCRIBED.—An event described in this paragraph means one of the following:

''(A) A notification described in paragraph (2).

''(B) A certification of a firm under section 251.

''(C) A finding under the Antidumping Act of 1921, or an antidumping or countervailing duty order issued under title VII of the Tariff Act of 1930.

''(D) A determination by the Secretary that a significant number of fishermen in a community have been negatively impacted by trade.

''(2) NOTIFICATION.—The Secretary of Labor, immediately upon making a determination that a group of workers is eligible for trade adjustment assistance under section 223, (or the Secretary of Agriculture, immediately upon making a determination that a group of agricultural commodity producers is eligible for adjustment assistance under section 293, as the case may be) shall notify the Secretary of Commerce of the determination.

''(d) NOTIFICATION TO ELIGIBLE COMMUNITIES.—Immediately upon certification by the Secretary of Commerce that a community is eligible for assistance under subsection (b), the Secretary shall notify the community—

''(1) of the determination under subsection (b);

''(2) of the provisions of this chapter;

''(3) how to access the clearinghouse established by the Department of Commerce regarding available economic assistance;

''(4) how to obtain technical assistance provided under section 272(c)(3); and

''(5) how to obtain grants, tax credits, low income loans, and other appropriate economic assistance.

''SEC. 274. STRATEGIC PLANS.

''(a) IN GENERAL.—An eligible community may develop a strategic plan for community economic adjustment and diversification.

''(b) REQUIREMENTS FOR STRATEGIC PLAN.—A strategic plan shall contain, at a minimum, the following:

''(1) A description and justification of the capacity for economic adjustment, including the method of financing to be used.

''(2) A description of the commitment of the community to the strategic plan over the long term and the participation and input of groups affected by economic dislocation.

''(3) A description of the projects to be undertaken by the eligible community.

''(4) A description of how the plan and the projects to be undertaken by the eligible community will lead to job creation and job retention in the community.

''(5) A description of how the plan will achieve economic adjustment and diversification.

''(6) A description of how the plan and the projects will contribute to establishing or maintaining a level of public services necessary to attract and retain economic investment.

''(7) A description and justification for the cost and timing of proposed basic and advanced infrastructure improvements in the eligible community.

''(8) A description of how the plan will address the occupational and workforce conditions in the eligible community.

''(9) A description of the educational programs available for workforce training and future employment needs.

''(10) A description of how the plan will adapt to changing markets and business cycles.

''(11) A description and justification for the cost and timing of the total funds required by the community for economic assistance.

''(12) A graduation strategy through which the eligible community demonstrates that the community will terminate the need for Federal assistance.

''(c) GRANTS TO DEVELOP STRATEGIC PLANS.—The Secretary, upon receipt of an application from an eligible community, may award a grant to that community to be used to develop the strategic plan.

''(d) SUBMISSION OF PLAN.—A strategic plan developed under subsection (a) shall be submitted to the Secretary for evaluation and approval.

''SEC. 275. GRANTS FOR ECONOMIC DEVELOPMENT.

''(a) IN GENERAL.—The Secretary, upon approval of a strategic plan from an eligible community, may award a grant to that community to carry out any project or program that is certified by the Secretary to be included in the strategic plan approved under section 274(d), or consistent with that plan.

''(b) ADDITIONAL GRANTS.—

''(1) IN GENERAL.—Subject to paragraph (2), in order to assist eligible communities to obtain funds under Federal grant programs, other than the grants provided for in section 274(c) or subsection (a), the Secretary may, on the application of an eligible community, make a supplemental grant to the community if—

''(A) the purpose of the grant program from which the grant is made is to provide technical or other assistance for planning, constructing, or equipping public works facilities or to provide assistance for public service projects; and

''(B) the grant is 1 for which the community is eligible except for the community's inability to meet the non-Federal share requirements of the grant program.

''(2) USE AS NON-FEDERAL SHARE.—A supplemental grant made under this subsection may be used to provide the non-Federal share of a project, unless the total Federal contribution to the project for which the grant is being made exceeds 80 percent and that excess is not permitted by law.

''(c) RURAL COMMUNITY PREFERENCE.—The Secretary shall develop guidelines to ensure that rural communities receive preference in the allocation of resources.

''SEC. 276. GENERAL PROVISIONS.

''(a) REGULATIONS.—The Secretary shall prescribe such regulations as are necessary to carry out the provisions of this chapter. Before implementing any regulation or guideline proposed by the Secretary with respect to this chapter, the Secretary shall submit the regulation or guideline to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives for approval.

''(b) SUPPLEMENT NOT SUPPLANT.—Funds appropriated under this chapter shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide economic development assistance for communities.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $100,000,000 for each of fiscal years 2005 through 2008, to carry out this chapter. Amounts appropriated pursuant to this subsection shall remain available until expended.''.

SEC. 934. CONFORMING AMENDMENTS.

(a) TERMINATION.—Section 285(b) of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by adding at the end the following new paragraph:

''(3) ASSISTANCE FOR COMMUNITIES.—Technical assistance and other payments may not be provided under chapter 4 after September 30, 2008.''.

(b) TABLE OF CONTENTS.—The table of contents for title II of the Trade Act of 1974 is amended by striking the items relating to chapter 4 of title II and inserting after the items relating to chapter 3 the following new items:

''CHAPTER 4—TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES

''Sec. 271. Definitions.
''Sec. 272. Community Trade Adjustment Assistance Program.
''Sec. 273. Certification and notification.
''Sec. 274. Strategic plans.
''Sec. 275. Grants for economic development.
''Sec. 276. General provisions.''.

(c) JUDICIAL REVIEW.—Section 284(a) of the Trade Act of 1974 (19 U.S.C. 2395(a)) is amended by striking ''section 271'' and inserting ''section 273''.

SEC. 935. EFFECTIVE DATE.

The amendments made by this subtitle shall take effect on October 1, 2004.

Subtitle D—Office of Trade Adjustment Assistance

SEC. 941. SHORT TITLE.

This subtitle may be cited as the ''Trade Adjustment Assistance for Firms Reorganization Act''.

SEC. 942. OFFICE OF TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Chapter 3 of title II of the Trade Act of 1974 (19 U.S.C. 2341 et seq.) is amended by inserting after section 255 the following new section:

''SEC. 255A. OFFICE OF TRADE ADJUSTMENT ASSISTANCE.

''(a) ESTABLISHMENT.—Not later than 90 days after the date of enactment of the Trade Adjustment Assistance for Firms Reorganization Act, there shall be established in the International Trade Administration of the Department of Commerce an Office of Trade Adjustment Assistance.

''(b) PERSONNEL.—The Office shall be headed by a Director, and shall have such staff as may be necessary to carry out the responsibilities of the Secretary of Commerce described in this chapter.

''(c) FUNCTIONS.—The Office shall assist the Secretary of Commerce in carrying out the Secretary's responsibilities under this chapter.''.

(b) CONFORMING AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by inserting after the item relating to section 255, the following new item:

''Sec. 255A. Office of Trade Adjustment Assistance.''.

SEC. 943. EFFECTIVE DATE.

The amendments made by this subtitle shall take effect on the earlier of—

(1) the date of the enactment of this Act; or

(2) October 1, 2004.

TITLE X—IMPROVEMENT OF CREDIT FOR HEALTH INSURANCE COSTS OF ELIGIBLE INDIVIDUALS

SEC. 1001. EXPEDITED REFUND OF CREDIT FOR PRORATED FIRST MONTHLY PREMIUM AND SUBSEQUENT MONTHLY PREMIUMS PAID PRIOR TO CERTIFICATION OF ELIGIBILITY FOR THE CREDIT.

Section 7527 of the Internal Revenue Code of 1986 (relating to advance payment of credit for health insurance costs of eligible individuals) is amended by adding at the end the following:

''(e) EXPEDITED PAYMENT OF PREMIUMS PAID PRIOR TO ISSUANCE OF CERTIFICATE.—The program established under subsection (a) shall provide for payment to a certified individual (or to any person or entity designated by the certified individual, under guidelines developed by the Secretary to achieve the purposes of this section) of an amount equal to the percentage specified in section 35(a) of the premiums paid by such individual for coverage of the taxpayer and qualifying family members under qualified health insurance for eligible coverage months (as defined in section 35(b)) occurring prior to the issuance of a qualified health insurance costs credit eligibility certificate not later than 30 days after receipt by the Secretary of evidence of such payment by the certified individual.''.

SEC. 1002. TAA PRE-CERTIFICATION PERIOD RULE FOR PURPOSES OF DETERMINING WHETHER THERE IS A 63-DAY LAPSE IN CREDITABLE COVERAGE.

(a) ERISA AMENDMENT.—Section 701(c)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)) is amended by adding at the end the following:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual potentially is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 605(b)(4)(C).''.

(b) PHSA AMENDMENT.—Section 2701(c)(2) of the Public Health Service Act (42 U.S.C. 300gg(c)(2)) is amended by adding at the end the following:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the

Secretary) that the individual potentially is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 2205(b)(4)(C).''.

(c) IRC AMENDMENT.—Section 9801(c)(2) of the Internal Revenue Code of 1986 (relating to not counting periods before significant breaks in creditable coverage) is amended by adding at the end the following:

''(D) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date which is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual potentially is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 4980B(f)(5)(C)(iv).''.

SEC. 1003. CLARIFICATION OF ELIGIBILITY OF SPOUSE OF CERTAIN INDIVIDUALS ENTITLED TO MEDICARE.

(a) IN GENERAL.—Subsection (b) of section 35 of the Internal Revenue Code of 1986 (defining eligible coverage month) is amended by adding at the end the following:

''(3) SPECIAL RULE FOR SPOUSE OF INDIVIDUAL ENTITLED TO MEDICARE.—Any month which would be an eligible coverage month with respect to a taxpayer (determined without regard to subsection (f)(2)(A)) shall be an eligible coverage month for any spouse of such taxpayer.''.

(b) CONFORMING AMENDMENT.—Section 173(f)(5)(A)(i) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(5)(A)(i)) is amended by inserting ''(including with respect to any month for which the eligible individual would have been treated as such but for the application of paragraph (7)(B)(i))'' before the comma.

SEC. 1004. IMPROVEMENT OF THE AFFORDABILITY OF THE CREDIT.

(a) IN GENERAL.—Section 35(a) of the Internal Revenue Code of 1986 (relating to credit for health insurance costs of eligible individuals) is amended by striking ''65'' and inserting ''75''.

(b) CONFORMING AMENDMENT.—Section 7527(b) of such Code (relating to advance payment of credit for health insurance costs of eligible individuals) is amended by striking ''65'' and inserting ''75''.

(c) EFFECTIVE DATE.—The amendments made by this section apply to taxable years beginning after December 31, 2004.

SEC. 1005. EXTENSION OF NATIONAL EMERGENCY GRANTS TO FACILITATE ESTABLISHMENT OF GROUP COVERAGE OPTION AND TO PROVIDE INTERIM HEALTH COVERAGE FOR ELIGIBLE INDIVIDUALS IN ORDER TO QUALIFY FOR GUARANTEED ISSUE AND OTHER CONSUMER PROTECTIONS; CLARIFICATION OF REQUIREMENT FOR GROUP COVERAGE OPTION.

(a) IN GENERAL.—Section 173(f) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) USE OF FUNDS.—

''(A) HEALTH INSURANCE COVERAGE FOR ELIGIBLE INDIVIDUALS IN ORDER TO OBTAIN QUALIFIED HEALTH INSURANCE THAT HAS GUARANTEED ISSUE AND OTHER CONSUMER PROTECTIONS.—Funds made available to a State or entity under paragraph (4)(A) of subsection (a) may be used to provide an eligible individual described in paragraph (4)(C) and such individual's qualifying family members with health insurance coverage for the 3-month period that immediately precedes the first eligible coverage month (as defined in section 35(b) of the Internal Revenue Code of 1986) in which such eligible individual and such individual's qualifying family members are covered by qualified health insurance that meets the requirements described in clauses (i) through (iv) of section 35(e)(2)(A) of the Internal Revenue Code of 1986 (or such longer minimum period as is necessary in order for such eligible individual and such individual's qualifying family members to be covered by qualified health insurance that meets such requirements).

''(B) ADDITIONAL USES.—Funds made available to a State or entity under paragraph (4)(A) of subsection (a) may be used by the State or entity for the following:

''(i) HEALTH INSURANCE COVERAGE.—To assist an eligible individual and such individual's qualifying family members in enrolling in health insurance coverage and qualified health insurance.

''(ii) ADMINISTRATIVE EXPENSES AND START-UP EXPENSES TO ESTABLISH GROUP COVERAGE OPTIONS FOR QUALIFIED HEALTH INSURANCE.—To pay the administrative expenses related to the enrollment of eligible individuals and such individuals' qualifying family members in health insurance coverage and qualified health insurance, including—

''(I) eligibility verification activities;

''(II) the notification of eligible individuals of available health insurance and qualified health insurance options;

''(III) processing qualified health insurance costs credit eligibility certificates provided for under section 7527 of the Internal Revenue Code of 1986;

''(IV) providing assistance to eligible individuals in enrolling in health insurance coverage and qualified health insurance;

''(V) the development or installation of necessary data management systems; and

''(VI) any other expenses determined appropriate by the Secretary, including start-up costs and on going administrative expenses, in order for the State to treat the coverage described in subparagraph (C), (D), (E), or (F)(i) of section 35(e)(1) of the Internal Revenue Code of 1986, or, only if the coverage is under a group health plan, the coverage described in subparagraph (F)(ii), (F)(iii), (F)(iv), (G), or (H) of such section, as qualified health insurance under that section.

''(iii) OUTREACH.—To pay for outreach to eligible individuals to inform such individuals of available health insurance and qualified health insurance options, including low cost options, outreach consisting of notice to eligible individuals of qualified health insurance options made available after the date of enactment of this clause, and direct assistance to help potentially eligible individuals and such individual's qualifying family members qualify and remain eligible for the credit established under section 35 of the Internal Revenue Code of 1986 and advance payment of such credit under section 7527 of such Code.

''(iv) BRIDGE FUNDING.—To assist potentially eligible individuals purchase qualified health insurance coverage prior to issuance of a qualified health insurance costs credit eligibility certificate under section 7527 of the Internal Revenue Code of 1986 and commencement of advance payment, and receipt of expedited payment, under subsections (a) and (e), respectively, of that section.

''(C) RULE OF CONSTRUCTION.—The inclusion of a permitted use under this paragraph shall not be construed as prohibiting a similar use of funds permitted under subsection (g).''; and

(2) by striking paragraph (2) and inserting the following:

''(2) QUALIFIED HEALTH INSURANCE.—For purposes of this subsection and subsection (g), the term 'qualified health insurance' has the meaning given that term in section 35(e) of the Internal Revenue Code of 1986.''.

(b) FUNDING.—Section 174(c)(1) of the Workforce Investment Act of 1998 (29 U.S.C. 2919(c)(1)) is amended—

(1) in the paragraph heading, by striking ''AUTHORIZATION AND APPROPRIATION FOR FISCAL YEAR 2002'' and inserting ''APPROPRIATIONS''; and

(2) by striking subparagraph (A) and inserting the following:

''(A) to carry out subsection (a)(4)(A) of section 173—

''(i) $10,000,000 for fiscal year 2002; and

''(ii) $300,000,000 for the period of fiscal years 2004 through 2006; and''.

(c) REPORT REGARDING FAILURE TO COMPLY WITH REQUIREMENTS FOR EXPEDITED APPROVAL PROCEDURES.—Section 173(f) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)) is amended by adding at the end the following:

''(8) REPORT FOR FAILURE TO COMPLY WITH REQUIREMENTS FOR EXPEDITED APPROVAL PROCEDURES.—If the Secretary fails to make the notification required under clause (i) of paragraph (3)(A) within the 15-day period required under that clause, or fails to provide the technical assistance required under clause (ii) of such paragraph within a timely manner so that a State or entity may submit an approved application within 2 months of the date on which the State or entity's previous application was disapproved, the Secretary shall submit a report to Congress explaining such failure.''.

(d) CLARIFICATION OF REQUIREMENT TO ESTABLISH GROUP COVERAGE OPTION.—Subsection (g) of section 35 of the Internal Revenue Code of 1986 (relating to special rules) is amended—

(1) by redesignating paragraph (9) as paragraph (10); and

(2) by inserting after paragraph (8) the following:

''(9) REQUIREMENT TO ESTABLISH GROUP COVERAGE OPTION.—

''(A) IN GENERAL.—If any State has not elected to have treated as qualified health insurance under this section at least—

''(i) the coverage described in subparagraph (C), (D), (E), or (F)(i) of subsection (e)(1), or

''(ii) only if the coverage is under a group health plan and the plan satisfies the applicable requirements of section 9802, the coverage described in subparagraph (F)(ii), (F)(iii), (F)(iv), (G), or (H) of subsection (e)(1),

the State, not later than 2 years after the date of the enactment of this paragraph, shall develop in consultation with representatives of eligible individuals and their qualifying family members, coverage options that are to be treated as qualified health insurance under this section and that include at least one of the coverage options described in clause (i) or (ii).

''(B) OPM.—In the case of any State that fails to satisfy the requirement of subparagraph (A), the Director of the Office of Personnel Management is authorized to establish group health plan options, including low cost options, for eligible individuals and qualifying family members of such individuals in the State that shall be treated as qualified health insurance under this section.''.

(e) TECHNICAL AMENDMENT.—Effective as if included in the enactment of the Trade Act of 2002 (Public Law 107–210; 116 Stat. 933), subsection (f) of section 203 of that Act is repealed.

SEC. 1006. ALIGNMENT OF COBRA COVERAGE WITH TAA PERIOD FOR TAA-ELIGIBLE INDIVIDUALS.

(a) ERISA.—Section 605(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1165(b)) is amended—

(1) in the subsection heading, by inserting ''AND COVERAGE'' after ''ELECTION''; and

(2) in paragraph (2)—

(A) in the paragraph heading, by inserting ''AND PERIOD'' after ''COMMENCEMENT'';

(B) by striking ''and shall'' and inserting '', shall''; and

(C) by inserting '', and in no event shall the maximum period required under section 602(2)(A) be less than the period during which the individual is a TAA-eligible individual'' before the period at the end.

(b) INTERNAL REVENUE CODE OF 1986.—Section 4980B(f)(5)(C) of the Internal Revenue Code of 1986 is amended—

(1) in the subparagraph heading, by inserting ''AND COVERAGE'' after ''ELECTION''; and

(2) in clause (ii)—

(A) in the clause heading, by inserting ''AND PERIOD'' after ''COMMENCEMENT'';

(B) by striking ''and shall'' and inserting '', shall''; and

(C) by inserting '', and in no event shall the maximum period required under paragraph (2)(B)(i) be less than the period during which the individual is a TAA-eligible individual'' before the period at the end.

(c) PUBLIC HEALTH SERVICE ACT.—Section 2205(b) of the Public Health Service Act (42 U.S.C. 300bb–5(b)) is amended—

(1) in the subsection heading, by inserting ''AND COVERAGE'' after ''ELECTION''; and

(2) in paragraph (2)—

(A) in the paragraph heading, by inserting ''AND PERIOD'' after ''COMMENCEMENT'';

(B) by striking ''and shall'' and inserting '', shall''; and

(C) by inserting '', and in no event shall the maximum period required under section 2202(2)(A) be less than the period during which the individual is a TAA-eligible individual'' before the period at the end.

SEC. 1007. EXTENSION OF FUNDING FOR OPERATION OF STATE HIGH RISK HEALTH INSURANCE POOLS.

(a) EXTENSION OF SEED GRANTS.—Section 2745 of the Public Health Service Act (42 U.S.C. 300gg–45) is amended—

(1) in subsection (a), in the subsection heading by inserting ''EXTENSION OF'' before ''SEED''; and

(2) in subsection (c)(1), by striking ''$20,000,000'' and all that follows through ''2003'' and inserting ''$15,000,000 for the period of fiscal years 2004 and 2005''.

(b) FUNDS FOR OPERATIONS.—Section 2745 of the Public Health Service Act (42 U.S.C. 300gg–45) is amended—

(1) in subsection (b)—

(A) in the subsection heading by striking ''MATCHING''; and

(B) by striking paragraph (2) and inserting the following:

''(2) ALLOTMENT.—The amounts appropriated under subsection (c)(2) for a fiscal year shall be made available to the States (or the entities that operate the high risk pool under applicable State law) as follows:

''(A) An amount equal to 50 percent of the appropriated amount for the fiscal year shall be allocated in equal amounts among each eligible State that applies for assistance under this subsection.

''(B) An amount equal to 25 percent of the appropriated amount for the fiscal year shall be allocated among the States so that the amount provided to a State bears the same ratio to such available amount as the number of uninsured individuals in the State bears to the total number of uninsured individuals in all States (as determined by the Secretary).

''(C) An amount equal to 25 percent of the appropriated amount for the fiscal year shall be allocated among the States so that the amount provided to a State bears the same ratio to such available amount as the number of individuals enrolled in health care coverage through the qualified high risk pool of the State bears to the total number of individuals so enrolled through qualified high risk pools in all States (as determined by the Secretary).''; and

(2) in subsection (c)(2), by striking ''$40,000,000'' and all that follows through the period and inserting ''$75,000,000 for each of fiscal years 2005 through 2009 to make allotments under subsection (b)(2).''.

(c) DEFINITIONS.—Section 2745 of the Public Health Service Act (42 U.S.C. 300gg–45) is amended—

(1) in subsection (d), by inserting after ''2744(c)(2)'' the following: '', except that with respect to subparagraph (A) of such section a State may elect to provide for the enrollment of eligible individuals through an acceptable alternative mechanism,''; and

(2) by adding at the end the following:

''(e) STANDARD RISK RATE.—In subsection (b)(1)(A), the term 'standard risk rate' means a rate—

''(1) determined under the State high risk pool by considering the premium rates charged by other health insurers offering health insurance coverage to individuals in the insurance market served;

''(2) that is established using reasonable actuarial techniques; and

''(3) that reflects anticipated claims experience and expenses for the coverage involved.''.

SEC. 1008. NOTICE REQUIREMENTS.

Section 7527 of the Internal Revenue Code of 1986 (relating to advance payment of credit for health insurance costs of eligible individuals), as amended by section 1001, is amended by adding at the end the following:

''(f) INCLUSION OF CERTAIN INFORMATION.—The notice by the Secretary (or by any person or entity designated by the Secretary) that an individual potentially is eligible for a qualified health insurance costs credit eligibility certificate shall include—

''(1) the name, address, and telephone number of the State office or offices responsible for determining that the individual is eligible for such certificate and for providing the individual with assistance with enrollment in qualified health insurance (as defined in section 35(e));

''(2) a list of the coverage options, including the low cost options, that are treated as qualified health insurance (as so defined) by the State in which the individual resides; and

''(3) in the case of a TAA-eligible individual (as defined in section 4980B(f)(5)(C)(iv)(II)), a statement informing the individual that the individual has 63 days from the date that is 5 days after the postmark date of such notice to enroll in such insurance without a lapse in creditable coverage (as defined in section 9801(c)).''.

SEC. 1009. ANNUAL REPORT ON ENHANCED TAA BENEFITS.

Not later than October 1 of each year (beginning in 2004) the Secretary of the Treasury, after consultation with the Secretary of Labor, shall report to the Committee on Finance and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means and the Committee on Education and the Workforce of the House of Representatives the following information with respect to the most recent taxable year ending before such date:

(1) The total number of participants utilizing the health insurance tax credit under section 35 of the Internal Revenue Code of 1986, including a measurement of such participants identified—

(A) by State, and

(B) by coverage under COBRA continuation provisions (as defined in section 9832(d)(1) of such Code) and by non-COBRA coverage (further identified by group and individual market).

(2) The range of monthly health insurance premiums offered and the average and median monthly health insurance premiums offered to TAA-eligible individuals (as defined in section 4980B(f)(5)(C)(iv)(II) of such Code) under COBRA continuation provisions (as defined in section 9832(d)(1) of such Code), State-based continuation coverage provided under a State law that requires such coverage, and each category of coverage described in section 35(e)(1) of such Code, identified by State and by the actuarial value of such coverage and the specific benefits provided and cost-sharing imposed under such coverage.

(3) The number of States applying for and receiving national emergency grants under section 173(f) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)) and the time necessary for application approval of such grants.

(4) The cost of administering the health credit program under section 35 of such Code, by function, including the cost of subcontractors.

TITLE XI—MORTGAGE PAYMENT ASSISTANCE

SEC. 1101. SHORT TITLE.

This title may be cited as the ''Homestead Preservation Act''.

SEC. 1102. MORTGAGE PAYMENT ASSISTANCE.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Labor (referred to in this section as the ''Secretary'') shall establish a program under which the Secretary shall award low-interest loans to eligible individuals to enable such individuals to continue to make mortgage payments with respect to the primary residences of such individuals.

(b) ELIGIBILITY.—To be eligible to receive a loan under the program established under subsection (a), an individual shall—

(1) be—

(A) an adversely affected worker with respect to whom a certification of eligibility has been issued by the Secretary of Labor under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.); or

(B) an individual who would be an individual described in subparagraph (A) but who resides in a State that has not entered into an agreement under section 239 of such Act (19 U.S.C. 2311);

(2) be a borrower under a loan which requires the individual to make monthly mortgage payments with respect to the primary place of residence of the individual; and

(3) be enrolled in a job training or job assistance program.

(c) LOAN REQUIREMENTS.—

(1) IN GENERAL.—A loan provided to an eligible individual under this section shall—

(A) be for a period of not to exceed 12 months;

(B) be for an amount that does not exceed the sum of—

(i) the amount of the monthly mortgage payment owed by the individual; and

(ii) the number of months for which the loan is provided;

(C) have an applicable rate of interest that equals 4 percent;

(D) require repayment as provided for in subsection (d); and

(E) be subject to such other terms and conditions as the Secretary determines appropriate.

(2) ACCOUNT.—A loan awarded to an individual under this section shall be deposited into an account from which a monthly mortgage payment will be made in accordance with the terms and conditions of such loan.

(d) REPAYMENT.—

(1) IN GENERAL.—An individual to which a loan has been awarded under this section shall be required to begin making repayments on the loan on the earlier of—

(A) the date on which the individual has been employed on a full-time basis for 6 consecutive months; or

(B) the date that is 1 year after the date on which the loan has been approved under this section.

(2) REPAYMENT PERIOD AND AMOUNT.—

(A) REPAYMENT PERIOD.—A loan awarded under this section shall be repaid on a monthly basis over the 5-year period beginning on the date determined under paragraph (1).

(B) AMOUNT.—The amount of the monthly payment described in subparagraph (A) shall be determined by dividing the total amount provided under the loan (plus interest) by 60.

(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit an individual from—

(i) paying off a loan awarded under this section in less than 5 years; or

(ii) from paying a monthly amount under such loan in excess of the monthly amount determined under subparagraph (B) with respect to the loan.

(e) REGULATIONS.—Not later than 6 weeks after the date of enactment of this Act, the Secretary shall promulgate regulations necessary to carry out this section, including regulations that permit an individual to certify that the individual is an eligible individual under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 for each of fiscal years 2005 through 2008.

TITLE XII—MISCELLANEOUS

SEC. 1201. DEFINITION OF VALID TAXPAYER IDENTIFICATION NUMBER FOR EARNED INCOME CREDIT.

(a) IN GENERAL.—Section 32(m) of the Internal Revenue Code of 1986 is amended to read as follows:

''(m) IDENTIFICATION NUMBERS.—Solely for purposes of subsections (c)(1)(F) and (c)(3)(D), a taxpayer identification number means a social security number assigned by the Social Security Administration—

''(1) to a citizen of the United States, or

''(2) to an individual pursuant to subclause (I) (or that portion of subclause (III) that relates to subclause (I)) of section 205(c)(2)(B)(i) of the Social Security Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

PRIVILEGES OF THE FLOOR

Mr. COLEMAN. Mr. President, I ask unanimous consent that David Hickey, who is an intern in my office, be granted floor privileges during my discussion of this amendment.

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

Mr. BAUCUS. Mr. President, I ask unanimous consent that the following fellows and interns be granted the privilege of the floor during consideration of the JOBS bill: Steve Beasley, Diana Birkett, Leopold Brandenburg, Simon Chabel, Jodi George, Scott Landes, Pascal Niedermann, David Schwartz, Matt Stokes, and Trace Taxton.

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

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 108–199, Title VI, Section 637, appoints the following individual to serve as a member of the Helping to Enhance the Livelihood of People (HELP) Around the Globe Commission: Dr. Marty LaVor of Virginia.

NATIONAL ELECTRICAL SAFETY MONTH

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 486, S. Res. 334.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 334) designating May 2004 as National Electrical Safety Month.

There being no objection, the Senate proceeded to consider the resolution.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table en bloc, and that any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 334) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 334

Whereas hundreds of individuals die and thousands are injured each year in electrical accidents;

Whereas there are on average 870 civilian deaths annually related to home fires caused by electrical distribution, appliances and equipment, and heating and air conditioning systems;

Whereas more than 2 people are electrocuted in the home, and 4 more in the workplace, each week;

Whereas property damage due to home fires caused by electrical distribution, appliances and equipment, and heating and air conditioning systems amounts to nearly $1,600,000,000 annually;

Whereas following basic electrical safety precautions can help prevent injury or death to thousands of individuals each year;

Whereas citizens are encouraged to check their home and workplace for possible electrical hazards to help protect lives and property;

Whereas citizens are encouraged to test their smoke detectors and ground fault circuit interrupters monthly and after every major electrical storm; and

Whereas the efforts of the Electrical Safety Foundation International (ESFI) and the United States Consumer Product Safety Commission (CPSC) promote and educate the public about the importance of respecting electricity and practicing electrical safety in the home, school, and workplace: Now, therefore, be it

Resolved, That the Senate—

(1) designates May 2004 as ''National Electrical Safety Month''; and

(2) requests that the President issue a proclamation calling upon the people of the United States to observe the month with appropriate programs and activities.

WELCOMING THE PRIME MINISTER OF SINGAPORE

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 491, S. Res. 344.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 344) welcoming the Prime Minister of Singapore on the occasion of his visit to the United States, expressing gratitude to the Government of Singapore for its support in the reconstruction of Iraq and its strong cooperation with the United States in the campaign against terrorism, and reaffirming the commitment of the Senate to the continued expansion of friendship and cooperation between the United States and Singapore.

There being no objection, the Senate proceeded to consider the resolution.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motions to reconsider be laid upon the table en bloc, and any statements relating thereto be printed in the RECORD, with no intervening action.

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

The resolution (S. Res. 344) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 344

Whereas the United States and Singapore have a strong and enduring friendship;

Whereas the United States and Singapore share a common vision in ensuring the continued peace, stability, and prosperity of the Asia-Pacific region;

Whereas Singapore is a member of the coalition for the reconstruction of Iraq and is a strong supporter of the efforts of the coalition to stabilize and rebuild Iraq;

Whereas Singapore is a steadfast partner with the United States in the global campaign against terrorism and has worked closely with the United States to fight terrorism around the world;

Whereas Singapore is a core member of the Proliferation Security Initiative and is committed to preventing the proliferation of weapons of mass destruction;

Whereas Singapore has provided valuable support to the United States Armed Forces, including permitting such Forces to use the state-of-the-art Changi Naval Base;

Whereas Singapore is the 11th largest trading partner of the United States;

Whereas Singapore was the first country in Asia to enter into a free trade agreement with the United States;

Whereas Singapore, which has one of the busiest ports in the world, was the first country in Asia to join the Container Security Initiative (CSI), a key initiative of the

United States Customs Service that is designed to prevent terrorist attacks through the use of cargo;

Whereas Singapore is a leader in biological research, has established a regional Emerging Diseases Intervention Center, and is leading efforts to respond to new health threats, including emerging diseases and the use of biological agents;

Whereas the relationship between the United States and Singapore is reinforced by strong ties of culture, values, commerce, and scientific cooperation; and

Whereas relationship and international cooperation between the United States and Singapore is important and valuable to both countries: Now, therefore, be it

Resolved, That the Senate—

(1) welcomes the Prime Minister of Singapore, His Excellency Goh Chok Tong, to the United States;

(2) expresses profound gratitude to the Government of Singapore for its assistance in Iraq and its support in the global campaign against terrorism; and

(3) reaffirms the commitment of the United States to the continued expansion of friendship and cooperation between the United States and Singapore.

ORDERS FOR TUESDAY, MAY 4, 2004

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:45 a.m. tomorrow, Tuesday May 4. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, and following the time for the two leaders, the Senate then begin a period of morning business for up to 60 minutes, with the first 30 minutes under the control of the majority leader or his designee and the final 30 minutes under the control of the Democratic leader or his designee; provided that following morning business, the Senate resume consideration of Calendar No. 381, S. 1637, the FSC/ETI JOBS bill, and the time until 12:30 p.m. be equally divided between the chairman and ranking member of the Finance Committee or their designees.

I further ask consent that the Senate recess from 12:30 p.m. until 2:15 p.m. for the weekly party luncheons.

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

PROGRAM

Mr. MCCONNELL. Mr. President, tomorrow, following morning business, the Senate will resume consideration of the JOBS bill. The chairman and ranking member of the Finance Committee will be here throughout the day tomorrow to work through additional amendments. Rollcall votes should be expected throughout the day tomorrow as the Senate continues the amending process on the JOBS bill. Senators will be notified when the first vote is scheduled. However, no votes are expected prior to the policy luncheon recess.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, if the Senator will yield for a question, tomorrow we have our usual party luncheons, as has already been announced. We also have the First Lady's dinner that we will go to on a bipartisan basis tomorrow evening, starting at about 6:30, so it is going to be a short day tomorrow.

The overtime issue has been kicking around here for a while. That amendment has been laid down with a couple of others. I am wondering if the Senator from Kentucky is going to be in a position to offer a companion to the overtime amendment that we have offered so we can vote on those sometime tomorrow.

Mr. MCCONNELL. Mr. President, I say to my friend from Nevada, it is likely there will be a side-by-side amendment offered. It is also likely we will get to vote on both of those amendments tomorrow. I would not want to call it a guarantee at this point, but I think it extremely likely we will be able to vote on both tomorrow.

Mr. REID. Mr. President, I say to my friend, if we could get rid of the overtime issue and move on to some of the other matters, I think we can move through these amendments. As the Senator will recall, we had 18 on our side originally that we had whittled down to. When the majority came back with a larger number, we added some to it. But I still think we have 18 amendments, and maybe even that is a puffy number. We also, on the 18, had time agreements on every one of them. So we are ready to move through those. The managers have indicated they could probably accept some of our 18.

Mr. MCCONNELL. Mr. President, I know I am safe in saying the majority leader wants to finish this bill this week. I do understand that part of the problem lies on this side of the aisle with the proliferation of amendments prior to the agreement we entered into limiting the amendments. We will be working hard on this side of the aisle to narrow the list and put us in a position to complete action on this bill this week.

ADJOURNMENT UNTIL 9:45 A.M. TOMORROW

Mr. MCCONNELL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:56 p.m., adjourned until Tuesday, May 4, 2004, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate May 3, 2004:

IN THE AIR FORCE

THE FOLLOWING NAMED UNITED STATES AIR FORCE RESERVE OFFICER FOR APPOINTMENT AS CHIEF OF AIR FORCE RESERVE, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 8036 AND 601:

To be lieutenant general

MAJ. GEN. JOHN A. BRADLEY, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. DAVID H. PETRAEUS, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be admiral

ADM. MICHAEL G. MULLEN, 0000