



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 108th CONGRESS, FIRST SESSION

Vol. 149

WASHINGTON, FRIDAY, MAY 23, 2003

No. 78

House of Representatives

The House was not in session today. Its next meeting will be held on Monday, June 2, 2003, at 2 p.m.

Senate

FRIDAY, MAY 23, 2003

The Senate met at 8:30 a.m. and was called to order by the President pro tempore [Mr. STEVENS].

The PRESIDENT pro tempore. Once again, today's prayer will be offered by the guest Chaplain, Father Charles V. Antonicelli of St. Joseph's Catholic Church on Capitol Hill.

PRAYER

The guest Chaplain offered the following prayer:

Almighty God, we bow before Your majesty this day. You are God: we praise You; You are the Lord: we acclaim You; You are the eternal Father: all creation worships You.

We give You thanks, Lord, for the many blessings You have bestowed upon us and our families. Continue to guide us in the ways of Your justice and peace. Help us to be compassionate and caring to others, especially those most neglected, those most forgotten.

Bless the men and women of this Senate in their deliberations today, Lord. Be their constant guide and protection, so that they may shine forth Your glory to Your people.

We ask this in Your holy Name. Amen.

The PRESIDENT pro tempore. May I ask the distinguished chairman of the Finance Committee, Senator GRASSLEY, to lead us in the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

The Honorable CHARLES E. GRASSLEY, a Senator from the State of Iowa, 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.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Iowa is recognized.

SCHEDULE

Mr. GRASSLEY. Mr. President, I have the opening script that the majority leader would usually give. I will do it in his stead.

The Senate will begin debate in relation to the conference report to accompany H.R. 2, the jobs and economic growth bill. Under the previous order, the Senate will vote on the adoption of the conference report at 9:30 a.m.

Following the disposition of the conference report, the Senate will consider H.J. 51, the debt limit extension legislation. Amendments to the measure are expected throughout the day. Therefore, rollcall votes will occur into the afternoon. If Members show restraint in the number of amendments offered, the Senate could complete action on this necessary measure early in the afternoon.

Following completion of the debt limit extension, the Senate will take up the unemployment insurance extension.

RESERVATION OF LEADER TIME

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

JOB AND GROWTH TAX RELIEF RECONCILIATION ACT, 2003—CONFERENCE REPORT

The PRESIDENT pro tempore. Under the previous order, the Senate will proceed to the consideration of the conference report to accompany H.R. 2, which the clerk will report.

The legislative clerk read as follows:

The Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2), to provide for reconciliation pursuant to section 201 of the concurrent resolution on the budget for fiscal year 2004, having met, have agreed that the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, signed by a majority of the conferees on the part of both Houses.

The Senate proceeded to consider the conference report.

(The conference report is printed in the RECORD of May 22, 2003)

The PRESIDENT pro tempore. Under the previous order, there is 1 hour of debate.

The Senator from Nevada is recognized.

Mr. REID. Mr. President, the only thing I want to say is that there is a limited amount of time. If people are not here to use their time, they just don't get that time. The two managers are here. As I indicated late last night, the order was entered for a certain amount of time for individual Senators. If they are not here, they will not be able to use that time later on today.

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

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



Printed on recycled paper.

S7071

I would like to refer to the capital gains provisions of the compromise bill. I discussed last night the benefits of seeing capital gains reduced to 15 percent, and 5 percent for low-income families and individuals. But I also want to emphasize the simplification that we are bringing to the capital gains rates. While we still have the 1-year division between short-term and long-term capital gains, we have eliminated the 5-year holding period and the 18-percent rate.

It is a small but very important step in actually eliminating lots of lines and lots of calculations that taxpayers face in their annual returns. The Joint Tax Committee has stated that there is much need for simplification of capital gains. The Joint Tax Committee notes that Congress has received continual testimony that capital gains is a source of enormous complexity. So in this compromise, we make a very good start on an important source of complexity in the Tax Code.

Let me make clear for my colleagues that for many middle- and low-income families, we make capital gains as simple as possible. At the end of the time period of this bill, middle- and low-income families will pay zero capital gains. Of course, it doesn't get much simpler than that because zero brings it down to nothing.

I now would like to deal with the issue of corporate governance that was a significant part of the Senate bill.

The Senate bill contained several major provisions that seek to put an end to the Enron abuses and corporate shell games that we have all learned so much about recently. These con artists who had keys to the executive washrooms have devastated the lives of millions of workers and shareholders.

I am proud to have worked closely with my colleague, Senator BAUCUS, on so many of these provisions with the goal of addressing and reforming corporate governance. While I very much wish we could have seen these reforms incorporated in the House-Senate conference committee, let me be very clear that the snake oil salesmen should not be celebrating. I intend to continue to work very hard to press to have these provisions incorporated into other tax legislation and ultimately placed into the statute books.

For example, some of the critical corporate tax shelter provisions that were in the Senate bill are already included in the Charitable Giving Act—what we call the CARE Act—because these are used for “pay-fors” in this legislation. The CARE Act will soon go to conference with the House.

In addition, I expect us to soon revisit provisions regarding corporate inversions where corporations set up overseas offices, basically simply a file drawer. They do this simply to escape taxation.

Other legislation that I expect we will have a chance to consider again would include the Baucus-Grassley provisions dealing with fines and pen-

alties—ending the loopholes that allow Wall Street firms to escape the real costs of their own wrongdoing.

I am very proud of the bipartisan efforts of the Senate Finance Committee to shut down corporate tax shelters and promote proper corporate governance.

I apologize to my colleagues if it is immodest. But I suggest the legislation contained in the Senate finance bill probably represents the most sweeping tax reforms in a generation to seek to clean up corporations and shut down the pin-striped con artists.

I will continue to push for these needed reforms, and I expect that we will have step-by-step success in stopping corporate shelters and providing greater protection to the shareholders and workers.

I yield the floor and reserve my time. The PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield 10 minutes to the Senator from Minnesota, Mr. DAYTON.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Minnesota for 10 minutes.

Mr. DAYTON. Thank you, Mr. President. I thank my colleague from Montana.

Mr. President, this tax bill is one of the most dangerous, destructive, and dishonorable acts of Government that I have ever seen. It is a shameful looting of the Federal Treasury by the rich and powerful in America—compliments of their friends in Congress. It uses every trick in the budget book to line the pockets of the upper class. It cuts the top tax rates immediately, retroactively, and permanently. It lowers the top rate by almost twice as much as the next three. That gives the most rate reduction to people who are making over \$370,000 a year, only half of that rate reduction to people making over \$150,000 a year, and no rate reduction at all to people in the bottom two brackets—the 10 and 15 percent rates. There is just a tweaking of the bottom 10-percent bracket, which provides \$100 a year to couples and \$50 a year to individuals. That is also the only change to a tax bracket which is temporary. The top rate cuts are all permanent.

So let me repeat. An individual with an annual income of less than \$35,000 gets a tax cut of \$50 a year. A married couple, without dependents, with an annual income of less than \$50,000 gets a tax cut of \$100. A person with an annual income of over \$1 million receives a tax cut averaging over \$93,000 in the first year alone.

Now, one of the very few good provisions in the bill is an increase in the child tax credit of \$400 per child. That is the one provision of any real benefit to middle-income families. But the conference report drops the Senate provision to improve the part of the child tax credit going to families making \$10,000 to \$30,000 a year. There evidently was not enough room in this \$350 billion tax giveaway to help them. They get nothing so the rich get more.

The conferees also threw out the Senate's elimination of tax avoidance loopholes, as the chairman of the Finance Committee just described, and he deserves great credit for making the best effort possible, along with his Senate conferees, to keep these good Senate provisions in the final report but they did not make it.

So Americans working overseas are continued to be allowed to pay no taxes on their first \$80,000 of income—\$80,000 tax free off the top, regardless of expenses or circumstances. They kept the loopholes allowing many corporations to move offshore and pay little or no taxes on their income.

You see how perverse this tax bill is. Every part of it is carefully constructed to give as much as possible to the rich and as little as possible to everyone else.

According to the Brookings Institution Tax Policy Center, over half of all American households will get a tax cut of \$100 or less. The households in the middle-income range will get tax cuts averaging \$217, and households with incomes above \$1 million will get tax cuts averaging \$93,500 a year.

It is like the White House is having a big banquet for the gobbling up of America and everybody is invited—except there is one menu for the rich of America and there is another one for the rest of America. The rich start with oysters on the half shells. After they are done, the rest get the shells. Then the rich are served prime rib and filet mignon. The rest get Hamburger Helper. The rich wash it down with Dom Perignon champagne, and the rest with Boone's Farm. Then the rest are asked to leave before dessert because it is too rich for them.

Dessert is a dividends and capital gains tax cut. The unearned income of the rich and super-rich is to be taxed at only 15 percent rather than between 20 and 35 percent, although, in fact, many of the rich and super-rich will pay even less than that.

Yesterday's Wall Street Journal had a headline: “Some Investors Could Cut Tax to Zero or Close.” Ronald Pearlman, a tax law professor at Georgetown University, is quoted in the Wall Street Journal as saying of the conference report:

I guarantee it produces very, very low tax rates, possibly even zero.

So the wealthiest Americans will pay little or no personal income taxes. This tax bill ends this country's progressive Tax Code, and it replaces it with a perverse Tax Code.

It was said earlier that lower and lower-middle income taxpayers are going to get a zero-percent rate on their dividends and capital gains—for all three of them who can use it. While we are at it, why don't we eliminate their taxes on private jets, ski chalets, and gifts of over \$500,000?

Most lower income or middle-income taxpayers have their dividends in tax-free accounts today. There is no additional benefit to them. Very few of

them have capital gains of any sizable amount to benefit from this reduction. These are reductions targeted right toward the rich and the super-rich, the wealthiest 5 percent, the wealthiest 1 percent of Americans and their unearned income, the income they did not work for every day—get out of bed, go to work, punch a clock, work, come out, and go home to their families—they pay at a lower rate on their unearned income than working Americans pay on their earned income.

There is something wrong here—very wrong here. This conference report is also dishonest. It is intentionally deceptive. It was required to be limited to a cost of \$350 billion. That is what the Senate said: \$350 billion; that meant of reduced revenues over 10 years. Well, evidently that was not nearly enough for the House conferees to feed the greed of everyone lined up at the public trough over there. So the conferees and the White House officials decided to cheat on the rules, not just a little but a lot.

They created these fictions, transparently ridiculous pretenses, that these big tax cuts would take effect there, run for 2 or 3 years, and then stop—end entirely.

Well, I guarantee you—because everyone here knows—Congress will act next year to make those new tax cuts permanent, just as this tax bill that we are passing today—I expect we will—contains an additional tax cost of \$1.3 trillion over the next 10 years. That is the cost during that time of making tax cuts in the 2001 tax bill—the one 2 years go—permanent. If and when these new tax cuts that are in this bill today are made permanent, then their 10-year cost will be another \$1 trillion.

Where will that extra \$2.3 trillion come from? From raiding the surplus of the Social Security trust fund for the next 10 years and then so-called “borrowing” the rest of it. But “borrowing” isn’t really the right term, because we have no intention of paying it all back ourselves. If we did, we would not be behaving this way. No, most of our borrowing will be paid by the generation who are children today and by generations yet unborn.

Borrowing money from future generations without their knowledge or their consent—reducing their future incomes and standards of living—is not borrowing. There are a lot of people now in American prisons who are doing serious prison time for that kind of borrowing.

This is a tax bill that will cost about \$2.3 trillion during the next 10 years that we do not have, so the rich and the super-rich can have their taxes reduced or eliminated. No wonder we can’t get a copy of it. I have not seen a copy. I couldn’t get a copy last night of the conference report. They don’t want anybody to see it. They shouldn’t. It shouldn’t be passed, either.

When I arrived in the Senate almost 2½ years ago, I was so optimistic that we would make lives better throughout

America by sharing our abundance. President Clinton and Congress, at that time, with an expanding economy, produced the first budget surplus in the on-budget account in 40 years, and the surpluses were projected to continue for each of the next 10 years.

The other big fund of the Federal Government, the Social Security Trust Fund, was also expected to run sizeable surpluses for the next decade. What a great opportunity. There could be prescription drug coverage for seniors, the long-promised Federal share of 40 percent funding for special education, and more important work, and still be fiscally responsible. Now it has all been thrown away—or given away—to those who do not need it and kept away from those who do.

This year’s combined Federal budget deficit will be around \$400 billion, even though the Social Security Trust Fund will be running a \$160 billion surplus. That means the non-Social Security account of the Federal Government, the so-called on-budget account, which is almost all the rest of the Federal Government’s operations, will run a deficit of about \$550 billion—after running a surplus just 3 years ago.

The PRESIDENT pro tempore. The Senator from Minnesota has used his 10 minutes.

Mr. DAYTON. Mr. President, I ask unanimous consent that I be given 1 minute more.

The PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. DAYTON. Thank you, Mr. President.

In fiscal year 2000, the Federal on-budget revenues, which come almost entirely from personal and corporate income taxes, from estate taxes, capital gains taxes, and excise taxes, totaled 101 percent of expenditures. This year, they will scarcely cover two-thirds of expenditures.

The tax base of the Federal Government is being destroyed. Who will tell the American people? It is hard for anyone to discern the truth from all of the conflicting words and numbers; but the American people must learn the truth. They also must act, because the looting of America will not stop until Americans stop it.

It is not too late. It is almost, but not quite, too late.

I yield the floor.

The PRESIDENT pro tempore. The Senator from Iowa.

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

The PRESIDENT pro tempore. The Senator from Texas is recognized for 5 minutes.

Mrs. HUTCHISON. Mr. President, I thank the distinguished chairman of the committee for a job well done. This has been difficult. When I hear people talking about the tax bill and saying it is really amazing that we sunset some of these taxes and then bring them back—no one wanted to do that. The

reason we have to sunset some of these taxes is that we had to work within an artificial constraint of \$350 billion. That is why we have sunsets. What we certainly hope to do is not to sunset these tax cuts, the tax relief for hard-working American families, but instead to allow these to go forward. We will have to pass new legislation to do it.

Even with these modest tax cuts, we are going to spur the economy. People seem to forget that the purpose of this bill is to stimulate the economy. Eighty percent of the benefit of lowering the top rate to 35 percent goes to small businesses, and small businesses are going to reap the benefits. Small business is the job creator of America. It is small business we want to spur to create jobs. We want to put people back to work. The purpose of the legislation is to put people back to work and, in addition, to bring a little equity into the system.

Why in the world would we have a penalty on marriage? Why would a couple in Abilene, TX, who make \$65,000 a year pay \$1,000 more in taxes just because they got married? We go a long way toward eliminating the marriage penalty tax with this bill, and we are going to do everything we can to keep that in place from now on. There should not be a penalty for marriage. We should treat everyone equally. The marriage penalty bill was mine. It is a part of this legislation. I am going to do everything in my power to keep it forever, doubling the standard deduction and doubling the 15 percent bracket when people get married. That is for the lowest income and moderate-income people.

We are making a giant leap for child tax credits, from \$600 to \$1,000, because it is our families who are suffering so much today. We are going to do everything in our power to make the child tax credit absolutely permanent.

I want to discuss the State aid package because as we speak this morning, the Texas Legislature is in the last days of its regular session. They meet every other year for 6 months. They are in the last days of that session, and they are grappling with over \$500 million. I spoke to Lt. Gov. David Dewhurst yesterday. He and the Speaker of the House, Tom Craddick, are working diligently to cut the budget, to try to be fair, try not to cut services too much.

Help is on the way. My State of Texas is going to receive more than \$1.2 billion in aid over the next 2 years. Under this proposal we are going to pass today, more than \$510 million will go for Medicaid help. That is one of the biggest problems my State and many others have. \$710 million will go in block grants for essential government services so they will be able to put this money where it is most needed—\$510 million for Medicaid, \$710 million in block grants. And it is going to be this year and next year. I hope this will resolve the problems of my State, as it

has done as much as it can right now. The legislature is grappling with it. We are going to help my State and every State in America.

We understand the hard times because the Federal Government is feeling it, too. We have increased national defense responsibilities, increased homeland security, and our States have as well. So help is on the way.

I am very pleased to have been part of the group who worked on the State aid package to try to help. I have been reading the Texas papers. I see the problems we face.

The committee did an outstanding job. I commend the House. I commend the President of the United States for his leadership. The President didn't just sit on his laurels after doing a great job in Iraq, a wonderful job protecting the young men and women of our country; he said: We are going to put people back to work. The President deserves credit. The Senate and House deserve credit. We will put people back to work in this country.

The PRESIDING OFFICER (Mr. BENNETT). Who yields time?

Mr. BAUCUS. Mr. President, I yield 10 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I thank the ranking member.

Mr. President, this bill I call the policy of the three Ds. This is a policy of debt, deficits, and decline.

This policy is reckless and irresponsible as fiscal policy. It will hurt, not help, economic growth and it is totally unfair. In terms of irresponsibility, nothing says it better than this chart.

Two years ago, the President told us we would virtually pay off the debt of this country by 2008. Now instead we see, by adopting his policy, we will have a debt of over \$5 trillion by 2008. That is just the beginning of the story because that is the publicly held debt. The gross debt of the United States is skyrocketing as well, from over \$6 trillion at the end of this year to \$12 trillion at the end of this budget period, and all of this occurs at the worst possible time. We are about to see a demographic time-bomb hit this country called the baby boom generation.

This chart shows the Medicare and Social Security trust funds and the cost of the tax cuts. What it shows is that when the trust fund goes cash negative in the next decade as the baby boomers retire, at that very time the cost of these tax cuts explodes, driving us deep into deficits and debt at levels that are utterly unsustainable.

The irony of this package is that it is looting the Social Security trust fund of virtually every dime over the next 10 years to pay for these tax cuts. Of the \$2.7 trillion in surpluses in Social Security over the next decade, this policy takes \$2.698 trillion to pay for tax cuts and other expenses—again, at the worst possible time.

The news from the Treasury Department is that things are getting much

worse. Already this year, revenue is running \$100 billion below forecast. If that continues, we will have the lowest revenue as a percentage of gross domestic product since 1959. Two years ago, the President justified the tax cuts on the basis that revenue was high as a percentage of GDP. Now it is low, and yet his answer is the same.

On this very day when our colleagues on the other side are pushing a tax plan that, without gimmicks, would cost \$1 trillion, they are also advocating nearly a \$1 trillion increase in the national debt—much higher than the last increase in the national debt of \$450 billion. This is the biggest increase in the national debt in our history—all at the same time they are advocating a tax cut which they say will cost \$350 billion but which we have already heard from colleagues in the Chamber is disguised in its true cost. It will cost up to \$1 trillion if the gimmicks are eliminated.

It is ineffective as stimulus because very little of this plan is effective this year. Only \$55 billion is effective this year. That is about 16 percent of the advertised cost. It is only about 5 percent of the real cost if the gimmicks are eliminated.

This plan is grossly unfair. Those who earn over \$1 million get a \$93,000 tax break this year on average. Those in the middle income range get \$217. Our colleagues on the other side will say: The rich pay more in taxes, so they should get more of a tax break. They don't pay that much more. This is what the wealthiest among us pay in terms of all Federal taxes. They pay 23 percent. But under this plan, they get 38 percent of the benefit. It is a pretty good investment for them. And, unfortunately, unfair to the vast majority of Americans. Our colleagues say it is a growth plan, a jobs plan. No, it is not. This is not a jobs-and-growth plan. In fact, the people who have been hired by the White House and the CBO to do that kind of analysis tell us this plan is worse than doing nothing after 2004. You get a little bit of a bump in 2003 and 2004—just a little bit—one-half of 1 percent of GDP, which is about half as much as you would get with a well-designed stimulus package.

But the outyear effect is negative because it is all borrowed money. Here are what the economists are telling us. Ten Nobel laureates:

The tax cut proposed by President Bush is not the answer to our problems.

It is not just 10 Nobel laureates. It is the Joint Committee on Taxation saying:

The simulations indicate that eventually the effect of the increasing deficit will outweigh the positive effects of the tax policy. . . .

Mr. President, this thing is so loaded with gimmicks that it is a now-you-see-it-now-you-don't tax policy.

On dividends, it goes from 38.6 percent down to 15 percent. It stays there for 6 years and then jumps up to 35 percent. There is no consistency. The

same on small business exemptions. That goes from \$25,000 to \$100,000 in 3 years and then back down to \$25,000. It's the same thing on the 10 percent bracket. It wanders around and goes down to nothing in 2011, 2012, 2013—all to hide the true cost of this plan. Here is the child tax credit. It goes up to \$1,000 for 2 years. Then it goes back to \$700 for 4 years, then up to \$800, then up to \$1,000, and then back down to \$500 for the last 3 years.

Mr. President, this gives credibility a bad name.

Marriage penalty. For 2 years, it is at \$9,500 to eliminate the marriage penalty, and it drops down to \$8,265, giving people a big tax increase in the third year. Then it goes back up to \$9,500 in 2009 and in 2010, and then it plunges to \$7,950.

Even a mother could not love this child. This is a bad plan—bad for the economy, bad for the fiscal future of the country. It is going to weaken America, not strengthen it.

I urge my colleagues to think twice. People are going to be held accountable for this vote. This is a scandal in the making. We are going to read that there are perverse results from this tax policy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume. I want to respond to the statements just made because it brings up the issue of the Federal debt.

We have heard from the other side that we are unconcerned about the Federal debt, as if they are concerned about it. I want to remind my colleagues—particularly those on the other side of the aisle—of how many amendments we had during the budget debate and during the omnibus appropriations bill debate back in January where there was amendment after amendment after amendment after amendment on the other side of the aisle to spend more money—spend more money.

When it came to the budget, there was amendment after amendment after amendment to take money away from the part of the budget of giving authority for tax relief and reducing that amount of money. Did it go against the bottom line? No. They took the money they wanted to take away from tax relief and spent it someplace else.

So don't give me this sort of lesson that they are concerned about the deficit and we are unconcerned about the deficit. If they were concerned about the deficit and they wanted to cut the amount of money we are going to give for tax relief and put it against the bottom line, then I would believe them. But it is just the opposite. When they want to spend it someplace else, the bottom line stays the same, the bottom line of the budget is not reduced.

The problem here is they don't want any tax relief because they want to spend it. They think they know better

how to spend it than the taxpayers. It isn't going to do as much economic good if the 535 members of Congress decide how to spend it. If the people back home spend it, it is going to turn over more times in the economy and create more jobs.

They think the American taxpayers are undertaxed and that is why we have a budget deficit. The American people are not undertaxed, and it is not undertaxation that is the cause of the deficit. The cause of the deficit is the overspending, and that overspending is best exemplified by amendment after amendment. Two times this year we have had those vote-aramas, with amendment after amendment to spend more money.

This is about giving money back to the American taxpayers. If we are worried about the deficit, we will express that worry by spending less.

I yield the floor.

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

Mr. CONRAD. Mr. President, let me take on the spending argument because I have heard it over and over, and it is the biggest canard offered on this floor. We have heard before that on our side we offered \$500 billion of amendments on the supplemental. We did not. They have taken 1-year amendments that were offered singly and accumulated them and made them 10-year amendments. We offered \$32 billion of amendments separately. They were not offered as a package.

Interestingly enough, what our Republican colleagues did is they went into conference committee—which they excluded us from—and they added \$60 billion in spending. Who are the big spenders? Let's set the record straight. On the budget resolution, we did offer a series of amendments to do things such as fund the war, which wasn't in the budget, and to fund homeland security, which was inadequately funded in the budget. But we offset every one of those amendments. We paid for them, and the overall budget we offered was \$1.2 trillion less in debt than the President's budget plan.

Let's talk about who is serious about fiscal responsibility. Who offered the serious plans to reduce the growth of deficits and debt? I say to my friends, they told America 2 years ago they had a plan to pay off virtually all of the debt by 2008. Do you know what we see now? We have adopted their plan and, instead of paying off the debt, it is going to be \$5.2 trillion of publicly held debt by 2008.

The gross debt of the U.S. is going to double during this budget period—at the worst possible time, right before the baby boomers retire. The outcome is as clear as it can be; as clear as it can be. We have record deficits now. The President's budget increases spending by \$600 billion above the baseline, cuts revenue by \$1.6 trillion. There can only be one result: deeper and deeper deficits and debt, and at the worst possible time, right before the baby boomers retire.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, he just admitted I was right. He said every time they took money away from our tax cut allotment in the budget, they took it to offset spending someplace else. That is exactly my point. They never did take any money away from it to put against the bottom line. They took it away because they wanted to spend it someplace else. They want to continue that money coming into Washington. They want more money to spend. I will take them seriously when they want to reduce the amount of money in the budget for tax cuts and put it against the bottom line.

Mr. CONRAD. Will the Senator yield for question? Mr. President, may I have 30 seconds.

Mr. BAUCUS. I yield 30 seconds more to the Senator from North Dakota.

Mr. CONRAD. Mr. President, facts are stubborn things, I say to the chairman of the Finance Committee. The budget we offered on our side did exactly what you were challenging us to do. We had \$1.2 trillion less in deficits in our plan than the plan offered on your side. You said you want to cut back on the tax cuts, bring it to the bottom line. That is what we did. As a result, we would have had \$1.2 trillion less in deficit if our plan had been adopted.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, on occasion it sounds as if we are redebating the budget. That is not what we are debating. We are debating a growth package. The fact is, last year we did not have a budget. This year we do have a budget. This year we have a tax bill to help grow the economy.

Some of my colleagues on the Democratic side offered a tax bill as well. It was \$152 billion. This tax bill is \$316 billion. It is not even \$350 billion. I keep hearing it is \$350 billion, but there is about \$34 billion in spending. One of the amendments passed with 97 votes. It did not have my vote.

My point is, it is a \$316 billion tax cut over 10 years. Over those 10 years, we are going to have revenues of about \$25 trillion, \$26 trillion. We did load it upfront because we want to have as much economic impact as we possibly can. The economy is very soft, and we wanted to grow the economy. We did things to help encourage investments and jobs. We were taxing capital investment far too much. We tax dividends higher than any country in the world. That is absurd.

Basically, we are cutting the dividend tax a little bit more than half. We did not do as well, in my opinion, as we did in the Senate. That is part of the compromise. We took part of the House provision. We are going to tax capital

gains at 15 percent and tax dividends at 15 percent. I think there is common sense in taxing both at that level.

I heard someone say there is nothing in here for low-income people. That is not true. A couple who have two kids get \$800 additional in child credit. If they have a combined income of \$56,000, they get another \$1,200 in marriage penalty relief. That is \$2,000. So if someone says that is nothing, that may mean their tax bracket, one, does not exceed 15 percent and also, percentagewise, it is probably well over half their tax liability. I just make those points.

We also accelerated the rates, as we should. I keep hearing this is a tax cut for the wealthy. The maximum tax rate in 1992 was 31 percent. When we are done with this, the maximum tax rate is going to be 35 percent—still significantly higher, still about 13 percent higher than it was in 1991. We hear all this demagoguery of class warfare and people trying to play on other people. I disagree.

The State aid program is \$20 billion. I want to make sure everybody understands that this is a temporary program—I want that in the RECORD for—for the States. I have a feeling States may be coming a year from now saying: We need this to be extended, either the FMAP portion or assistance going directly to the States.

All persons who sponsored this and were critical for getting it in this bill said it is temporary. It is temporary. It shall not be extended. Everyone agreed to that—House and Senate. The House did not want it in. Many on this side did not want it in. We agreed to have it in have as a temporary program. I wanted to allude to that. Finally, I compliment Senator GRASSLEY for his leadership because, without his leadership, we would not have had this bill. We might not have had a budget. Frankly, we have a budget, and we have a bill. Many people are throwing rocks and stones saying this is terrible. We do have a budget, and we are trying to do a growth package. We are doing a growth package just about double what the Democrats proposed, except the Democrats in their growth package proposed almost all spending. I think three-fourths is spending. This package has real incentives for growth, investment, and jobs. Let's help the economy. The economy is far too soft. We want to encourage the economy to grow. I think this proposal will do that. Again, I thank my colleague from Iowa for his leadership in making that happen. I also thank our leader, Senator FRIST. This has been a challenging process to get both the budget and reconciliation through. We did the budget on time, almost in record time, and this reconciliation bill is the earliest I have seen Congress act. We should act because the economy is soft now. It needs assistance.

Mr. President, I yield the floor.

Mrs. BOXER. Mr. President, this bill is called the "Jobs and Growth Tax Relief Reconciliation Act." That name is

wrong. This bill is not about creating jobs and stimulating economic growth. It is about helping the elite few with large tax cuts, while burdening the majority of Americans with a huge debt.

Fairness is an American value. And this bill is far from fair.

Those making \$1 million per year will get a \$93,000 tax cut—more than twice the annual income of the typical working family. Meanwhile, 53 percent of Americans will get less than \$100. The average tax cut in 2003 for those in the middle of the income spectrum will be \$217. And married couples with two children and incomes between \$10,000 and \$21,000 receive no tax cut at all.

To make matters worse, the marriage penalty relief that was in this bill—something that would have helped most working families—was scaled back in order to provide larger tax cuts on dividends and capital gains—something that helps only the elite few. Only about 25 percent of Americans receive taxable dividends. And, according to the Center on Budget and Policy Priorities, 39 percent of the benefits of that initiative would go to millionaires; another 44 percent would go to the top 10 percent of taxpayers; and only 17 percent of the benefit would go to the bottom 89 percent of taxpayers.

If most Americans are not getting tax relief in this bill, what are most Americans getting? Debt. This bill is fiscally irresponsible. The federal budget deficit stands at \$400 billion—the largest deficit ever. And our national debt is spiraling upward. In fact, later today, the Senate will vote on a bill to increase the debt limit by nearly \$1 trillion.

These numbers sound abstract. But they have an impact on all Americans. Because of the higher long-term interest rates that will result, economists have estimated that the rising deficits and debts will, by 2012, take \$1000 every year out of the pockets of working Americans.

And, the Republican leadership has indicated that they intend to come back and extend the tax cuts that are sunset in this bill. If those provisions are extended, the cost through 2013 will be between \$807 billion and \$1.06 trillion—even more deficit and even greater debt.

This robs Social Security and Medicare surpluses and borrows from our children's future. And it denies us the resources we need to defend our homeland from terrorists and educate our children.

In these bad economic times—times of high unemployment, slow growth, and fragile consumer confidence—our first priority should be to stimulate the economy. That is why I believe we need a tax and growth bill. The problem is, this bill does not do it.

In fact, the one provision in the Senate-passed bill that would have provided a big boost to our economy—the Ensign-Boxer amendment—was taken out of the bill.

Our amendment would have lowered the tax rate, for one year only, on the

earnings of the foreign subsidiaries of American companies—if those earnings were brought back to the United States and invested in jobs and the economy. Current official estimates conclude that between \$140 and \$300 billion in domestic foreign subsidiary income would have been brought back into the American economy during the one-year period. These funds would have helped create American jobs and American opportunities with billions of dollars currently left overseas.

But that provision, even though it had broad bipartisan support and passed the Senate 75-25, was stripped from the bill. The one provision that would have done the most to stimulate the economy was dropped from the bill.

I am also disappointed that this bill drops my amendment to require those who fail to pay the child support they owe, to add the amount they owe to their taxable income. It was the morally right thing to do.

The conferees also failed to close the business tax loophole for giant Sport Utility Vehicles (SUVs). In fact, this bill quadruples that loophole. Under this bill, small businesses will be able to deduct up to \$100,000 of the cost of these huge passenger vehicles in one year at least through 2005. Smaller SUVs and cars are limited to a deduction of \$7,660 in the first year, and \$4,900 in the second year after the purchase. This cap is not changed in the bill. But the SUV cap is. As a result, people who do not need a giant SUV for business purposes will buy giant SUVs to take advantage of the much larger tax break.

We should scrap this bill and start over. We should pass a bill that would cut taxes for every working American, providing an average benefit of over \$1,600 to a family of four making \$50,000 a year. We should pass a bill that would provide real assistance to the 8.8 million Americans who are currently unemployed. We should accelerate the refundability of the child tax credit, accelerate the elimination of the marriage penalty, and extend and expand unemployment insurance for those looking for work, including the one million people who have already exhausted their benefits.

We should pass a bill that really sparks economic growth. It should include the Ensign-Boxer Invest in the U.S.A. proposal. It should, as the Democratic plan did, assist small businesses with their health care expenses by providing a 50 percent tax credit in 2003. And very important for California, it should provide \$40 billion in immediate aid to state and local governments.

That would be a good bill to stimulate the economy, provide help to the vast majority of working Americans, and not plunge this nation deeper into debt or plunder the Social Security surpluses. That is a bill we should pass.

This bill before us should be defeated.

Mr. ROCKEFELLER. I have said from the beginning of this debate that

my guiding principle would be the best interests of the people of West Virginia. I cannot support the deal that has been reached because it is so clearly designed to benefit the elite members of our society at the expense of average taxpayers in West Virginia and across the Nation. Proposals that could have stimulated the economy and helped working families got short-changed to make room for enormous tax cuts for wealthy investors. I have little hope that this bill will stimulate economic growth; on the other hand, our national debt will be guaranteed to grow if we pass the bill.

I would also like to comment briefly on the process that has brought us to this point. I am extremely disappointed that this deal was struck behind closed doors in an entirely partisan manner. Since it adds hundreds of billions of dollars to our national debt, it affects every American now and for the next generation. Whenever we are considering something of such tremendous importance, the process ought to be bipartisan and inclusive. This is not how Americans expect us to conduct business.

For 2 years, I have fought to ensure adequate fiscal relief to States that are struggling with crippling budget deficits. I am pleased that this bill provides \$20 billion in State aid. Our most vulnerable citizens are at risk when States cut Medicaid and other services. And any effort that we make to stimulate economic growth would be futile if States are forced to cut spending and increase taxes. Yet this legislation still falls well short of what 80 Senators voted for during debate on the budget resolution earlier this year. I am disappointed that we did not fulfill our commitment to \$30 billion in State aid.

If we were truly interested in stimulating economic growth and creating jobs we would have not only provided more aid to States, we would have focused tax relief on working families who are the most likely to immediately spend any tax cut. But tax cuts that help working families got squeezed to make room for more tax cuts for wealthy investors. The proponents of this bill may talk a lot about the acceleration of the child tax credit, marriage penalty relief, and the expansion of the 10 percent bracket. But all of these provisions are set to expire after next year, and they pale in comparison to the new tax breaks provided to millionaire stockholders.

I fought to expand the child tax credit to serve more families, and to provide a greater benefit to those families who currently qualify for only a partial credit. I am disappointed that no such provisions are included in this final bill. While I am pleased that the size of the child tax credit increases from \$600 to \$1,000, albeit for only the next 2 years, I am still worried about the 130,000 children in West Virginia who will see no benefit from this increase. We should be doing more to help our neediest families.

I am also disappointed that we are spending \$35 billion, 10 percent of the cost of the bill, to reduce the highest marginal income tax rate. Only Americans with more than \$312,000 of annual income are affected by the highest rate. That is less than 2 percent of our taxpayers nationwide, and in my State of West Virginia it is less than 1 percent of taxpayers. The income tax cut that had the most potential to help hard-working people in my State is the expansion of the 10 percent bracket. But this provision, like so many other good ideas, was reduced in order to make room for other things. The expansion of the 10 percent bracket expires after next year, while the income tax cuts for the wealthiest few stay in place much longer. I cannot condone such misplaced priorities.

The most expensive part of this bill is the tax cuts for investors, estimated to cost more than \$150 billion. These tax cuts are the least likely to help average Americans. While many Americans today are invested in the stock market, they typically hold these assets in retirement accounts that already enjoy preferential tax treatment. Only one-quarter of America's taxpayers will get any benefit from tax reductions on dividends or capital gains. And for the vast majority, the benefit will be very small. So why then does it cost so much? Because the wealthy few will receive enormous tax cuts. More than 40 percent of all dividend income is claimed by the top 2 percent of taxpayers. Capital gains are even more concentrated among wealthy Americans. I cannot justify huge cuts in dividends and capital gains taxes when the benefits to average Americans are so small.

Too many important proposals have been completely left out of this package. Despite the fact that more than 8 million Americans are currently out of work, many of them for extended periods of time, this bill provides no assistance for the unemployed. Incentives for investment in the construction of new schools or the deployment of broadband services—proposals that could have created new jobs immediately—are completely absent. For a bill euphemistically referred to as a "Jobs and Growth Package" there is very little here that will create jobs or growth.

Finally, this bill cannot be justified in the context of our Government's current fiscal situation. Later today, Congress will be asked to increase the debt limit by almost \$1 trillion, an unprecedented increase. Yet we are about to approve a tax package that will increase the deficit by \$350 billion over the next 10 years—more when interest expenses are included. If this legislation really had the potential to help working families and reinvigorate our economy, we could justify increasing deficits. But instead we have short-changed the most important provisions to make room for \$150 billion in tax cuts to investors. It is unconscionable

to ask the next generation of Americans to foot the bill for this legislation. I cannot support it.

Mr. KENNEDY. Mr. President, this conference report reflects the real priorities of the Republican Party. It cuts back tax relief for working families in order to expand tax breaks for the wealthiest taxpayers. The child credit and marriage penalty relief were both reduced so that more money could be spent on dividend and capital gains tax cuts. As a result of this backroom Republican deal, an average family of four will face a tax increase of \$850 in 2005, right after the election; while tax breaks for the wealthy continue for additional years. The bill employs so many gimmicks to help the rich that even the Wall Street Journal called it "the Great Tax Shelter Act" of 2003. No wonder this legislation was put together behind closed doors and is being rushed through Congress with little time for scrutiny. The Republican leaders who authored it know that this bill could not survive in the light of day. Clearly, their priorities are not the American people's priorities.

The Bush administration apparently believes that the biggest problem in today's economy is that the rich are not rich enough. Republicans think that if you give tax breaks to the wealthiest taxpayers, they will invest more and the economy will grow. It is called "trickle-down" economics. The problem with this theory is that the wealthy may not use the money in ways that create jobs and expand production. If there is no demand because consumers are not buying, companies will not produce more. They will just wait until the economic climate improves.

Democrats believe that tax relief and public resources should go to America's working families. They are the ones who are struggling most in this brutal economy, and they will quickly spend the money. That will create a demand which is needed to get the economy moving again.

Two very different approaches to stimulating the economy. Republicans keep making the same mistake. If "trickle-down" economics worked, the economy would not be stagnating today. In 2001, at President Bush's insistence, Congress passed one of the largest tax cuts in history, and wealthy taxpayers got the lion's share of the tax benefits. America has lost more than two and a half million jobs since the first Bush tax cut passed. The Republican response is more of the same. This conference report provides more of the same. But the American people want a new approach.

Over 400 respected economists—including 10 Nobel laureates—say the Bush plan is the wrong way to go. Unfortunately, the President has repeatedly rejected the pragmatic advice of mainstream economists, and opted instead for an ideologically rigid and ineffective strategy.

His single-minded commitment to ever larger tax cuts for the wealthy as

the cure for every economic ailment has made a bad situation worse. The administration has ignored remedies that would provide a significant stimulus this year, while implementing policies that will undermine our future economic strength. As a result, the economy continues to stagnate, and the number of families facing hardship continues to grow.

Unemployment is still on the rise. It climbed to 6.0 percent in April. There are now 8.8 million men and women unemployed across America. The economy has lost more than half a million jobs in just the past 3 months, and there is no end in sight. In the absence of an effective stimulus from the Federal Government, the economy is not likely to improve quickly.

Behind such disturbing statistics are people who need our help. A strong economy allows working men and women to have greater control over their lives, and more opportunity to pursue their personal dreams. A stagnant economy takes much of that control out of their hands, leaving families vulnerable to circumstances they cannot control.

Across America, in the last 2 years, workers have lost their job security. As layoffs mount, they live in fear of being the next to be let go. There are 2.7 million fewer private sector jobs in America today than there were in January 2001. Those looking for a job are finding it increasingly difficult to obtain one. The number of long-term unemployed has tripled. The average time it takes an unemployed worker to find a new job is the longest it has taken in 19 years. Yet this bill does nothing to directly help these unemployed men and women and their families.

The pain caused by this destructive wave of economic stagnation is not limited to those who have lost their jobs.

Health insurance is becoming less and less affordable for workers and their families across the country. The Congressional Budget Office now estimates that over the course of a year, 60 million Americans go without health insurance. Nationally, the average cost of health insurance is rising at double digit rates—up by 11 percent in 2001 and another 12.7 percent in 2002—nearly four times the rate of inflation. The health care squeeze on working families is getting tighter and tighter.

Senior citizens who desperately need prescription drug coverage are suffering, too. The cost of prescription drugs is escalating at double digit rates—increasing an average of 16 percent each year.

Children who are being asked to do more in school are receiving less support. School districts, faced with declining local tax receipts and the failure of the Federal Government to provide promised resources, have been forced to increase class sizes, cut weeks from school calendars, and lay off teachers.

The cost of higher education is rising beyond the reach of more families. The

gap between the cost of college tuition and the tuition assistance provided by the Federal Government has grown by \$1,900 in the last 2 years.

Millions of families have seen their retirement savings seriously eroded. The value of savings in 401(k) plans and other defined contribution plans has declined by \$473 billion in the last 2 years.

These are the realities American families face today.

It is imperative that the National Government respond to the growing economic crisis. There is much that Government can do to stimulate economic growth in the near-term without generating huge deficits that will undermine prosperity in the long term. Unfortunately, the Bush administration has consistently refused to follow such a course of action.

The Republican plan does not maximize the economic impact in 2003. Only 17 percent of the \$350 billion cost of their legislation would reach the economy this year, when it is needed to jumpstart a sluggish economy. We could create many more jobs sooner by better targeting the resources provided in the legislation.

The conference report spends \$150 billion reducing dividend and capital gains taxes and \$35 billion lowering the tax rate on the highest incomes. These cuts, which constitute more than half of the entire cost of the bill, do not provide effective stimulus and they take resources away from proposals that would. It is incredible that Republicans could not find the dollars to extend unemployment benefits and to provide tax relief for low-income workers, but they could find the money to pay for these tax breaks benefitting the wealthiest taxpayers.

According to an analysis by the Urban-Brookings Tax Policy Center, the provisions in the conference report would provide an average tax cut of \$93,500 to taxpayers with an annual income over \$1 million. In stark contrast, 53 percent of American households would receive a tax cut of \$100 or less. The Republican conferees plan is even more tilted to the wealthiest taxpayers than the original Bush plan.

The few provisions that benefit middle-class families have been limited to just 2 years, while the dividend and capital gains tax cuts extend much longer. The conferees also eliminated a Senate provision that would have benefited 11.9 million low-income children and their families, one of every six children in the Nation.

The richest 5 percent of taxpayers would receive 75 percent of the tax benefits from the dividend and capital gains tax cuts. All of the tax benefits from reducing the tax rate on the top income bracket will go to the richest 1 percent of taxpayers. They are certainly not the ones who are struggling to make ends meet in the faltering economy. They are not the ones who need our help. Nor are they the ones who will quickly spend the money they

receive, creating an immediate economic stimulus.

The Republican plan is simply not an effective stimulus. The reduction of the income tax on corporate dividends, the centerpiece of their plan, is one of the least effective forms of stimulus, generating less than a dime of stimulus for every dollar of Federal revenue lost.

A well-designed stimulus plan could generate far more economic activity at a small fraction of the cost of the Republican conference report. The Senate Democratic plan would inject \$125 billion into the economy this year, and is designed to maximize the stimulus effect of each dollar. That is more than twice as much in 2003 as the conference report, and three times as much as the Bush administration's plan.

Three widely respected economic models all show that the Democratic plan would generate substantially more growth in 2003 and create a half million more jobs this year than the President's plan.

One of the few positive provisions in the conference report is the \$20 billion in assistance to States, \$10 billion through the Medicaid Program, and \$10 billion in general financial aid. The current fiscal crisis in the States is the most severe in decades.

It is important to remember that more people need to rely on State and local programs in an economic downturn. The number of people eligible for Medicaid grows substantially in times of recession, and many other costs rise as well. Without jobs and without health care, families have nowhere else to turn. We have an obligation to make certain that the needed resources are available to them. While the \$20 billion of financial assistance to the States is a step in the right direction, the level of aid is clearly inadequate. Congress should be providing at least double this amount. A number of States will also lose significant State tax revenue due to the impact of tax cuts contained in the conference report. Thus, the net amount States will receive will be below even the \$20 billion.

The Republican authors of the dividend and capital gain tax cuts in the conference report intend those tax breaks to be permanent. They have repeatedly said so. If not arbitrarily sunsetted after 2008, the dividend and capital gains provisions alone would exceed the \$350 billion which is supposed to be the total cost of the entire bill over the next 10 years. The real cost of the bill before us is far in excess of \$350 billion. If all its provisions were extended for the full decade, as our Republican colleagues intend, the real cost would be closer to \$1 trillion.

The conferees have resorted to this "sunsetting" subterfuge in order to evade the requirements of the Budget Act. But, what they cannot evade is the adverse economic impact their one-trillion-dollar raid on the public Treasury would have. It will not stimulate the economy. In fact, it could well pro-

long the recession by leading to an increase in long-term interest rates, harming the ability of businesses to create new jobs. It will add enormously to the deficit, making it much more difficult for us to effectively address the Nation's urgent needs in job creation, in education, in health care, and in homeland security. Those are the real priorities of the American people. Unfortunately, they are obviously not the priorities of the Bush administration and the Republican majority.

An NBC News/Wall Street Journal public opinion survey conducted over the past week shows that a substantial majority of the American people do not believe these tax cuts are the way to create jobs. By a margin of 64 percent to 29 percent, they think there are better ways to improve the economy than to cut taxes. Sixty-eight percent believe the President's economic policy "relies too heavily on tax cuts and not enough on direct job creation"; and 66 percent believe his plan "benefits the wealthy more than average people." The American people are not being fooled by this bill. They know precisely what it will do—benefit the wealthy; and what it will not do—stimulate the economy. They also understand that extravagant tax breaks for the rich mean that the resources will not be available to address America's real needs. By a margin of 55 percent to 36 percent, they would prefer to use limited public dollars to help pay for health care than to finance a tax cut.

The conference report which the Senate is about to pass by the narrowest of margins does not reflect the priorities of the American people. Unfortunately, their voices were unable to penetrate the closed room where the Republican leadership wrote this irresponsible bill. If a majority of Senators would have the courage to vote no, we could defeat it and begin work on a genuine stimulus bill.

Mr. LEAHY. Mr. President, I rise today to oppose the tax reconciliation bill conference report that is being considered by the Senate today because this tax cut bill is not fiscally responsible. When President Bush entered the White House, our country enjoyed a record budget surplus, but the fiscal irresponsibility of this administration has quickly turned that surplus into record deficits. And now this bill that was cooked up in secret between the White House and Congressional Republicans without any input from Congressional Democrats will bring our country further into debt, lead to more hard-working Americans losing their jobs, and put a greater share of the tax receipts in the pockets of the Nation's most privileged.

I voiced several concerns about this tax bill when the Senate voted on it last week. Now that the conference report is finished, I have even more. First, while I am pleased to see that this bill does contain \$20 billion in financial assistance to ailing State and local governments, I am very concerned that the tax cuts in this bill

will once again wreak havoc on our already disastrous State budgets around the country. In my home State of Vermont, the State legislature stopped basing its State income tax on the Federal rates because of the costly cuts called for in the 2001 tax bill. Now, Vermont is going to be faced with somehow making up an additional \$35 million in revenue because of the dividends and capital gains rate reductions in this bill. This is a very large amount of money for a State whose population is only 609,000. How will Vermont and the other States possibly make up these lost revenues without massive cuts to essential health, education, and homeland security services?

Second, these tax cuts are tilted even more heavily to the very wealthy than the tax cuts the President championed in 2001. Just look at the rate reductions. For the middle three income brackets in this country, rates would drop by 2 percentage points, but the top rate will fall by 3.6 percentage points. And according to the Center on Budget and Policy Priorities, 80 percent of dividend income goes to households with incomes over \$100,000. Sadly, this administration has chosen to support tax policies where affluent people will reap enormous benefits, while working families will receive very little tax relief.

Third, this plan is riddled with Enron-like tax gimmickry by pretending that most of the provisions will sunset or expire at some arbitrary date in the future—dates chosen not to make good tax policy, but rather to make all the revenue losses fit into the \$350 billion pot. The income tax rates and business expensing provisions will expire in 2006, and the dividends and capital gains rates will expire in 2009. By doing so, this bill attempts to jam in as much of the President's misguided dividend tax proposal as possible into the Senate's \$350 billion limit at the expense of more reasonable tax reform provisions aimed at low- and middle-income working families. It is obvious that proponents of these tax cuts have no intention of allowing any of these provisions to expire and, in fact, will come back to the floors of the House and Senate again and again asking for them to be made permanent. Instead of acting in a fiscally responsible manner, they are masking from the American people the true, astronomical costs of this bill.

And fourth, these cuts will push our country deeper in debt. Earlier this month, the nonpartisan Congressional Budget Office increased its Federal budget deficit projections for fiscal year 2003 from \$246 billion to a record \$304 billion. When the Bush administration came into office, there was a projected \$5.6 trillion 10-year surplus. Before this latest irresponsible tax bill, the \$5.6 trillion surplus had shrunk to \$20 billion. If this bill is enacted, that \$20 billion will become a \$1.8 trillion deficit—a fiscal swing in the wrong direction of \$7.3 trillion in just 2 years.

Passing another enormous tax cut this year will only amplify this trend of growing deficits and add to the economic burdens our children and grandchildren will inherit. Increasing deficits will decrease national savings and increase long-term interest rates—effectively lowering the incomes of working Americans. At the same time the Bush administration is pushing for Congress to pass a \$1 trillion increase in the Federal debt limit—the largest single jump ever—that does not account for the \$350 billion in additional tax cuts that are part of this tax bill. I just do not think we can afford another large tax cut at this time until we get our own fiscal house in order.

Clearly, this tax cut plan is not about growing the economy or creating jobs. It is about starving the Government and wooing some voters. In fact, leading economists have stated repeatedly that the elimination of taxes on dividends paid to investors—the centerpiece of the President's tax cut proposal—would do very little to spur economic growth or reduce the Nation's jobless rate. Even Federal Reserve Chairman Alan Greenspan has questioned the long-term implications of the President's proposal by stating in testimony before the Senate Banking Committee in February: "I am one of the few people who still are not as yet convinced that stimulus is a desirable policy at this particular point."

In 2001, I voted against the Bush tax cut bill because it was too skewed toward the wealthiest Americans and too fiscally irresponsible. Since then, we have gone from record surpluses to record deficits, and the economy is still floundering. In fact, over 2,200 jobs have been lost in Vermont since the beginning of the Bush administration. Passing another enormous tax cut this year will only continue this trend and increase the economic problems that our children and grandchildren will inherit.

Earlier this year, the President said we should not pass our fiscal problems on to future Presidents, Congresses, and generations. I agree with him. Unfortunately, this tax cut bill will drive us deeper into debt and will do exactly what the President says we should avoid, burden our children.

As I said when this bill passed the Senate, I have two of the world's most perfect grandchildren. And while the promise of another tax cut sounds great, I am not going to ask my grandchildren and everyone else's grandchildren to pay for it. It is not right. It is not fair. And it is not the American way.

Mr. HATCH. Mr. President, I rise to speak in support of the growth and jobs tax bill conference report before the Senate today. I first wish to congratulate and thank the chairman of the Finance Committee and the majority leader for their tireless efforts in working out a very difficult compromise. Their hard work made it possible for us to vote on this major tax cut legisla-

tion today—legislation that will make a big difference in the lives of Utahans and Americans across the Nation.

The conference report before us is a major accomplishment, for the U.S. economy, for the American people, and for President Bush and Vice President CHENEY. It is the culmination of months of very hard work that began with the President's release of his jobs and growth plan late last year. This was a bold and brilliant plan designed to help our economy over the next year while also removing long-standing barriers to long-term growth.

At the heart of the plan was one overriding objective—to kick our sputtering economic engine into high gear so we could finally shake off the listlessness that has lingered since the double whammy when recession hit in 2000 and terrorists struck our homeland in September 2001. Although we have emerged from recession, the recovery has been very slow and new job creation has not kept up pace with jobs that have been lost.

I am seeing this in Utah, where our State's economy has been hit harder than many by the downturn. My State has a highly educated workforce, and we have more high-tech jobs, more commercial construction jobs, and more tourism jobs than many other States. Those sectors have suffered. Utah's unemployment rate was 5.3 percent last month. Compared to the 3 percent unemployment rate we had just a couple of years ago, this is unacceptable. Along with the President and many of our colleagues, I have been calling for a strong prescription to help get our economy, in Utah and across the country, back to its full potential.

To accomplish this, the Bush plan focused on three actions—accelerating the already enacted but yet to be phased in tax cuts from 2001, increasing incentives for businesses to invest in productive equipment and grow, and addressing the debilitating and unfair effects of taxing the profits of corporations twice. I am happy to report that all three of these elements are present in the conference report.

The conference report speeds up the tax rate cuts that Congress, on a bipartisan basis, passed just 2 years ago. The small amount of rate reduction from the 2001 Tax Act that has already taken effect has served to lessen the blow of the recession. These across-the-board rate reductions were the right remedy, but their phase-in has been too slow. By accelerating the remainder of these cuts, effective this year, we can put the full dosage of medicine to work on what remains a sick economy.

This tax bill will cut taxes for practically every American who pays income tax. This will provide great assistance to our economy in two ways. First, it will put cash into the pockets of American workers immediately. Almost as soon as this bill is signed into law by the President, the Internal Revenue Service will release new tax withholding tables that will reflect the

lower tax rates. This means an immediate raise in pay for almost every U.S. worker.

Second, lower tax rates will encourage Americans to work harder, to save more, and invest a higher amount of their income. This serves us well both in the short run and over the longer term.

We cannot forget the huge effect these tax rate reductions will have on the small businesses of America. It seems that many of our colleagues on the other side of the aisle refuse to recognize the fact that about 80 percent of small businesses pay taxes at the individual tax rates. Rather than being the giveaway to the so-called "wealthy" that opponents of this tax cut accuse it of being, this is a first-class jobs creation bill.

Moreover, the bill before us includes significant tax relief for married couples suffering from chronic marriage tax penalties. While we still cannot say these unconscionable tax effects are totally eliminated from the Internal Revenue Code after the effective date of this measure, we are making major strides in this endeavor.

The acceleration of the child tax credit included in the conference report will make a big difference to families in Utah and all across America. To families struggling to raise their children, this bill spells relief, both immediately and also for 2004.

The second objective accomplished in the Jobs and Growth Tax Act is to spur investment by business entities. Our recent recession was not one born of the lack of consumer spending, but of the dearth of business investment.

Last year's economic stimulus bill included a provision that has proven effective in increasing business investment—a 30-percent bonus depreciation deduction for the first year. The bill before us includes a feature that builds on this provision, and increases the incentive to 50 percent. I have been a strong proponent of bonus depreciation, and despite this not being in the Senate version of the bill, I am pleased that this provision survived in the conference report.

And this is not all. One of the most important elements of the bill before us is the increase in the amount of new equipment purchased that smaller businesses can write off immediately. Not only is the amount of investment allowed to be expensed quadrupled under the bill, but larger businesses can now take advantage of the incentive. This bipartisan and bicamerally supported feature should result in some quick job creation.

The third objective of President Bush's tax plan was to address the onerous and unfair double taxation of corporate dividends. Although the dividend provision in the conference report is not the same as that envisioned by the President, it is a very significant tax cut that will have positive ramifications for the economy and for corporations and their shareholders, for years to come.

The President's original plan called for the elimination of the double taxation of corporate dividends by providing an exclusion for corporate earnings passed through to shareholders to the extent that the corporation paid tax on those earnings. This was a bold and laudable goal that would have far-reaching effects on the very nature of how corporations are established, operated, and governed in this Nation. This was tax reform in the truest sense. And like all real reform, it was met with jeers, criticism, and legitimate concerns.

I want to congratulate many of my Senate colleagues for achieving the difficult task of passing the Senate version of the bill, which included the full exclusion of corporate dividends at the individual level, albeit for a relatively short time. This was a major legislative accomplishment, and Senators NICKLES, KYL, LOTT, and many others deserve our gratitude, along with Chairman GRASSLEY and the leadership, for its attainment.

The complete elimination of the double tax on dividends should remain our long-term goal. It was not achieved in this conference report. The political and time constraints placed on the Senate made this impossible. However, I want to emphasize that our inability to achieve this lofty goal, which has been the objective of policymakers for decades, should not overshadow the huge triumph we have achieved in the conference report—the very substantial reduction of tax on both dividends and capital gains for all taxpayers.

Investors in this country—and this now includes over half of all Americans—will wake up tomorrow to find a far greater reward for their investments, whether it be in stocks, bonds, real estate, or other productive assets. A basic economic axiom is that if we want more of something, we should tax it less. By lowering the tax on the fruits of investment, both in the form of capital gains and of dividends, we will get more investment. This tax cut on investments will bode well for our economy both in the next few months and years, and for decades to come.

The conference report before us cuts the tax on dividends by more than half for taxpayers in the higher tax brackets, and it eventually eliminates the tax altogether for those in the lower two brackets. For taxes on capital gains, it cuts the top rate by 25 percent for most investors, and again, eventually eliminates them for millions of taxpayers in the lower tax brackets, who might be just starting out with their first investments. This is a huge change, and it will have a huge impact on investment in America by lowering the cost of capital and giving a huge boost to the stock market.

We should not underestimate the positive effects these changes will have on our economy. When we lowered the maximum capital gains tax rate from 28 percent to 20 percent in the 1997 tax act, the effect on the stock market,

and on receipts to the Treasury, was very significant. In fact, a Standard and Poor's DRI study on the effects of the 1997 capital gains tax cut indicated that 25 percent of the increase in stock prices that was enjoyed after 1997 was due to the cut in the capital gains tax. Treasury receipts soared from capital gains realizations and we were able to balance the Federal budget.

Moreover, the study showed that the 1997 capital gains tax cut also had a significant impact on the lives of average Americans by increasing productivity growth, which caused the standard of living to rise. There is no reason to think that the reductions on taxes on capital gains and dividends included in this bill will not have similar effects in 2003 and beyond.

All in all, we should be very pleased with this bill's dividends and capital gains provisions. They will have a very positive effect on economic growth and serve as a substantial platform from which to seek further progress in the future, even that of the total elimination of the double tax on dividends.

The happiness with which I greet this conference report is not complete. It is not perfect, by any means. Like all of my colleagues, I suppose, I would have written a different bill.

For example, I am disappointed that the conference report does not include the Medicare geographic equity provisions approved by the Senate. These provisions, which I strongly support, would have provided more equitable reimbursement rates to Medicare providers in rural States.

However, I am encouraged that the President has signaled his support for addressing this matter through the Medicare legislation that the Senate will be considering in the next month. To me, it is absolutely critical that Medicare beneficiaries in rural States like Utah have access to quality health care. In my opinion, the best way to accomplish this goal is by passing legislation which ensures that Medicare providers in rural areas are fairly compensated. I will continue to work with my Senate colleagues on this crucial issue until this legislation is signed into law by the President.

Moreover, there are many other tax provisions that were included in the Senate version of the bill that would have made excellent additions to this conference report. Among these are provisions supported in an amendment on which I was joined by a bipartisan group of our colleagues that would have provided significant benefits to small businesses operating under subchapter S of the Internal Revenue Code. I hope we can find a way to address these important issues in another bill later this year.

In conclusion, the recession that began in 2000 was real, and our slow recovery is leaving behind pockets of real suffering, both in Utah and across our Nation. But thanks to our President's policies, the Federal Reserve's aggressive, preemptive, rate-cutting, and the

flexibility of our free-market system, our Nation has had unemployment rates much lower than in past recessions. But Congress needs to do more, and to act now, and this conference report is a vital part of the solution.

If we combine this growth and jobs package with some modest restraint on the spending side and some common-sense legal liability reforms, we can grow the economy faster over the next year, and we can set the stage for another decade of record job growth.

Again, I thank Chairman GRASSLEY and the Senate leadership for their hard work, and I urge my colleagues to support the conference report.

Mr. LEVIN. Mr. President, I cannot support the fiscally irresponsible and unfair tax cut which is before the Senate because it is not what our country needs. It is ironic that on the same day that a final vote is being taken on this huge tax cut package, the Republican majority also is bringing to the floor legislation that would raise the limit on the national debt by \$984 billion, the largest in our Nation's history.

This tax cut bill has more deceptions in it than an Enron financial statement. It purports to cost only \$350 billion over the next 10 years, but its true costs are masked by multiple "now you see them, now you don't" gimmicks that will in reality cost up to a trillion dollars over the next 10 years. With deficits of over \$300 billion projected for this year and the next, the last thing we need are huge tax cuts that will serve to dig us that much further into the deficit ditch. Future generations deserve better.

Furthermore, this approach will be largely ineffective in providing our economy the immediate jumpstart it needs. By giving too much to those who need it the least—the average 2003 tax cut for a millionaire will be about \$93,500; the average 2003 tax cut for someone in the middle of the income spectrum will be \$217—the bill will be far less effective in stimulating the economy than it would be if the tax cuts were directed to taxpayers of more modest means who would spend the tax cut now. In addition, only 17 percent of this package goes into effect in 2003, when we need it, but instead will take place years down the road. Our economy is struggling right now. Eight-and-a-half million Americans are out of work; 2.7 million private sector jobs have been lost since the beginning of this administration. Michigan lost 17,000 jobs just last month, the most of any State in the country. What we need are immediate jobs and relief, not more of the same "trickle-down" policies that have been tried and that failed in the past.

Expert commentators have pointed out that this bill will make it easier for corporate and upper income taxpayers to use tax shelters to even further reduce their tax bills. Instead of ending the so-called double taxation of dividends, this bill provides those with the means to accomplish it a roadmap

to no taxation. That's just plain wrong. Providing large tax cuts to the wealthy in the hopes that the benefits will trickle down to everybody else hasn't worked before, and there's little reason to think that it will work now. Following the same approach that failed time and again just doesn't make sense. Just 2 years ago, President Bush was promising that his first massive tax cut of \$1.4 trillion would jumpstart the economy and create jobs. It didn't.

Moreover, I am disappointed that the conference report stripped out provisions that were included in the Senate-passed bill that would have cracked down on corporations who engage in sham transactions involving offshore tax havens. Loopholes like these encourage investment overseas, not here in America. We should be closing down corporate loopholes, not preserving them.

While I am pleased that this bill contains some funds to assist our struggling State and local governments, it does not do nearly enough. Our States currently are facing their worst fiscal crisis in over 50 years, with many being forced to raise taxes or cut vital services like Medicaid in order to balance their budgets. Instead of doing all that we should to assist them, this bill includes a dividends reduction provision that will actually strip States of revenues, something which will stimulate neither jobs nor growth.

I supported and voted for an alternative tax package that was about creating jobs now, when we need it, in a way that did not mortgage our future.

The plan I supported was estimated to put more than 1 million people back to work by the end of 2004 at a fraction of this bill's costs. It would have cut taxes for every taxpaying American, providing a tax cut of \$1,630 to a family of four through a wage credit, an acceleration of the child tax credit, and an elimination of the marriage penalty. I would have helped small businesses by providing them with a 50 percent tax credit to help employers maintain health coverage for their workers, and would have provided large and small companies with incentives to invest and create jobs by allowing small businesses to immediately write-off more investments and providing bonus depreciation to all companies. It also would have provided unemployment benefits for nearly 4 million laid-off workers, including those who have already exhausted their benefits. What our sagging economy needs right now is immediate jobs, growth, and stimulus, and that's what the plan I supported offered.

Instead, what will pass today is a package that is the wrong medicine for our ailing economy. It will create fewer jobs than what is needed. It will slight middle-class families in favor of the wealthy. And it will dramatically increase the deficit and national debt and drive up interest rates which will make it more expensive in the future to buy a house, pay for college, or pay

off credit card debt. This is not what Americans need. I cannot support this legislation.

Ms. SNOWE. Mr. President, I rise today regarding the conference agreement on the jobs and growth tax package that is before the Senate.

I very much regret I am unable to support this final conference report, specifically as it relies on artificial "sunsets" to mask the true size of the tax cuts. Regrettably, it represents neither sound fiscal nor economic policies and could balloon Federal budget deficits even further. Indeed, at its heart, this is a trillion-dollar tax cut masquerading as a \$350 billion tax cut, and in keeping with the principles I have outlined from the outset of this debate, I cannot support it.

From the beginning, I have stated my concern not only about the size but also the content of any tax cut package. Because we need a strong stimulus to create jobs and grow the economy—while accomplishing this with sound policy and without creating deficits in perpetuity. While I am pleased this bill technically adheres to the agreement I reached to limit the overall size of the growth package of \$350 billion over 10 years, it shortchanges some of the most stimulative aspects with sunsets that could lead to larger Federal deficits.

Even proponents of the package acknowledge that they do not expect the tax cuts to expire or sunset as anticipated, so this package will likely grow to a true 10-year cost of at least \$650 billion or even \$1 trillion. In other words, with the sunsets, it can be said this is more like \$350 billion over 2 years. And indeed, nonpartisan public policy organizations like the Tax Policy Center at the Brookings Institution, and the Center for Budget and Policy Priorities, have estimated the overall 10-year cost of the tax cut legislation ranging from \$659 billion to more than \$1 trillion.

At a time when we are facing historically high budget deficits expected to exceed \$400 billion this year alone—the largest in history—this tax cut may grow deficits to levels economists fear will be unsustainable. As Federal Reserve Chairman Alan Greenspan said again just this week, "deficits do matter", and could reduce future economic growth.

Furthermore, I have made a priority of providing the type of short-term economic boost needed to encourage job creation and spur growth in the economy. I have based my approach to this package on the stimulative portions of the President's jobs and growth package, which totaled \$329 billion, and fiscal relief for States and local communities, which totaled \$20 billion.

Moreover, the conference package reduces the size and impact of proposals such as acceleration of the child tax credit, marriage penalty relief, and the duration of proposals to spur investment by small business, with hidden costs of between \$319 billion and \$709

billion if the tax cuts were extended for the life of the bill.

I would also note for the record that the conference agreement eliminates the refundable portion of the child tax credit that I sponsored along with Senator LINCOLN that extends the reach of the tax package to all full-time working families. The elimination of this provision, estimated to cost about \$4 billion over the life of the bill, will exclude about 12 million children nationwide, and 40,000 children in Maine, who would otherwise benefit from the legislation.

I have made clear from the start that I agree with President Bush's goal of passing a stimulus plan to encourage growth in the economy and create jobs. I have also discussed my concern that creating unsustainable, long-term deficits would seriously inhibit our ability to address pressing domestic challenges—such as strengthening Social Security and Medicare—as well as subject future generations to the corrosive effects of the higher interests rates that result from deficits.

As a result, I joined with Senators VOINOVICH, BAUCUS, and BREAUX in signing a letter before consideration of the budget resolution to limit the size of the tax package. In that letter, we stated our belief that “our nation would benefit from an economic growth package that would effectively and immediately create jobs and encourage investment.” But we also expressed our belief that “any growth package that is enacted through reconciliation this year must be limited to \$350 billion in deficit financing over 10 years and any tax cuts beyond this level must be offset.” This has been a critical guiding principle for me during this process.

That is why I supported the strong stimulus plan I helped craft in the Senate Finance Committee, which incorporated—within the \$350 billion 10-year framework—all of the stimulative aspects of the President's growth package in their entirety, provided significant dividend tax relief that would have reached all investors, and eliminated the double tax on dividends for 84.7 percent of all taxpayers.

Senator GORDON SMITH and I were also able to secure within that Finance Committee package a measure that conveyed \$20 billion in fiscal relief to States and local communities—and I am disappointed that this conference report limits this relief to States only, ignoring the needs of our municipalities. Under the conference report, the \$20 billion is divided equally between the Federal Medicaid Assistance Percentage, or “FMAP”, and \$10 billion in flexible grants to State governments.

As I have stated in the past, State fiscal relief is crucial to stimulating the economy—as 46 of the 50 States, including Maine, are facing budget shortfalls due to lower than predicted revenues because of the depressed economy and September 11; increased costs associated with Federal mandates; and, increasing health care costs. There is no

question the Federal Government must provide fiscal relief—and this will go a long way toward stimulating growth in the economy. Yet I remain distressed that conferees chose to omit aid for local governments.

Finally, this legislation will quadruple the amount a small business can expense, from \$25,000 to \$100,000. As Chair of the Senate Committee on Small Business, I certainly support this. However, regrettably, this legislation before us will also sunset this provision after just 3 years. I am disappointed there are those who chose to tap this stimulative measure to finance long-term changes to law.

Mr. President, in conclusion, I would like to be able to say I support this package—I would like to vote for it, but I am unable, as it runs counter to the principles I have laid out during this entire process in terms of the size of the cuts and the content of the package. Therefore, I will not be supporting this conference report.

Mr. MCCAIN. Mr. President, I am extremely disappointed for our brave military men and women that the conferees for the Jobs and Growth Tax Relief Reconciliation Act of 2003 decided to omit the Senate-passed Armed Forces Tax Fairness Act of 2003 from the conference report.

I offered an amendment to the tax bill that would add the Armed Forces Tax Fairness Act of 2003, which has been previously passed by the Senate. The amendment was accepted by unanimous consent. Since this legislation has already passed numerous times in the Senate, I believed that the conferees would include this important legislation for our military in the conference report without hesitation. But again, politics ruled the day.

Despite the recent successful war in Iraq, which highlighted the bravery and sacrifice of our military, the conferees provided nothing for them in this so-called growth bill. The only thing growing will be the tax breaks for the wealthiest citizens of this country. And in a time where we are also facing growing deficits and must also pay for the cost of the war, what the conferees did in the interest of “getting a deal” was the height of irresponsibility.

What the conferees denied was much-needed tax relief for our men and women in uniform whose sacrifice and commitment are the foundation upon which the freedom we all enjoy has been built. How they can deny these committed men and women who defend our country simple fairness is beyond understanding.

One of the provisions in the legislation that the conferees dismissed from inclusion in the conference report is what is popularly known as the Military Homeowners Equity Act. This legislation would allow service members, who are away on extended active duty, to qualify for the same tax relief on the profit generated when they sell their main residence as other Americans.

Secretary of State Colin Powell fully supports this legislation, and this legislation enjoys overwhelming support by the senior uniformed leadership—the Joint Chiefs of Staff—as well as outgoing Office of Management and Budget Director Mitch Daniels, the 31-member associations of The Military Coalition, the American Foreign Service Association, and the American Bar Association.

The average American citizen participates in our Nation's growth through home ownership. Appreciation in the value of a home allows everyday Americans to participate in our country's prosperity. Fortunately, the Taxpayer Relief Act of 1997 recognized this and provided this break to lessen the amount of tax most Americans will pay on the profit they make when they sell their homes. Unfortunately, the 1997 home sale provision unintentionally discourages home ownership among service members and Foreign Service officers.

What we are doing is not creating a new tax benefit. We are merely modifying current law to include the time members of the military are away from home on active duty when calculating the number of years the homeowners has lived in their primary residence. In short, this bill is narrowly tailored to remedy a specific dilemma.

The Taxpayer Relief Act of 1997 delivered sweeping tax relief to millions of Americans through a wide variety of important tax changes that affect individuals, families, investors, and businesses. It was also one of the most complex tax laws enacted in recent history.

As with any complex legislation, there are winners and losers. But in this instance, there are unintended losers: members of the military and Foreign Services.

The 1997 act gives taxpayers who sell their principal residence a much-needed tax break. Prior to the 1997 act, taxpayers received a one-time exclusion on the profit they made when they sold their principal residence, but the taxpayer had to be at least 55 years old and live in the residence for 2 of the 5 years preceding the sale. This provision primarily benefited elderly taxpayers while not providing any relief to younger taxpayers and their families.

Fortunately, the 1997 act addressed this issue. Under this law, taxpayers who sell their principal residence on or after May 7, 1997, are not taxed on the first \$250,000 of profit from the sale, joint filers are not taxed on the first \$500,000 of profit they make from selling their principal residence. The taxpayer must meet two requirements to qualify for this tax relief. The taxpayer must, one, own the home for at least 2 of the 5 years preceding the sale, and, two, live in the home as their main home for at least 2 years of the last 5 years.

The bipartisan cooperation that resulted in this much-needed form of tax relief is commendable. The home sales

provision sounds great, and it is. Unfortunately, the second part of this eligibility test unintentionally and unfairly prohibits many service men and women who are deployed overseas from qualifying for this beneficial tax relief.

Constant travel across the United States and abroad is inherent in the military and Foreign Service. Nonetheless, some service members and Foreign Service officers choose to purchase a home in a certain local, even though they will not live there much of the time. Under the new law, if they do not have a spouse who resides in the house during their absence, they will not qualify for the full benefit of the new home sales provision because no one "lives" in the home for the required period of time. The law is prejudiced against families who serve our Nation abroad. They would not qualify for the home sales exclusion because neither spouse "lives" in the house for enough time to qualify for the exclusion.

This bill simply remedies an inequality in the 1997 law. The bill amends the Internal Revenue Code so that members of the military and Foreign Service will be considered to be using their house as their main residence for any period that they are assigned overseas in the execution of their duties. In short, they will be deemed to be using their house as their main home, even if they are stationed in Iraq, Afghanistan, Bosnia, the Persian Gulf, in the "no man's land," commonly called the DMZ between North and South Korea, or anywhere else they are assigned.

In the wake of September 11, our Armed Forces are now deployed to an unprecedented number of locations. They are away from their primary homes, protecting and furthering the freedoms we Americans hold so dear. We cannot afford to discourage military service by penalizing military personnel with higher taxes merely because they are doing their job. Military service entails sacrifice, such as long periods of time away from friends and family and the constant threat of mobilization into hostile territory. We must not use the Tax Code to heap additional burdens upon our women and men in uniform.

The Taxpayers' Relief Act of 1997 was designed to provide sweeping tax relief to all Americans, including those who serve this country abroad. It is true that there are winners and losers in any tax code, but this inequity was unintended. Enacting this narrowly tailored remedy to grant equal tax relief to the members of our military and Foreign Services restores fairness and consistency to our increasingly complex Tax Code.

Mr. President, the case is clear. The conferees should have included the Armed Forces Tax Fairness Act of 2003 in the conference report for this tax relief bill. If they can look into the eyes of all the men and women in our military who have committed themselves to the defense of this country in Iraq

and elsewhere around the world, and justify how they spent billions of Federal dollars to cut taxes for our Nation's wealthiest at their expense, then the process is clearly broken. And that is a disgrace for which they are solely responsible.

Mr. DODD. Mr. President, I rise today to express my opposition to the conference report on the tax cut legislation that the Senate just considered.

I find it regrettable that we were forced to speed through debate on the tax cut bill last week, and were once again forced to hurry through this conference report. This is probably the most important bill that we will be debating and voting on this year. Its repercussions will be felt for years to come, and yet it seems that very little thought has really been given to it.

Regrettably, I could not in good faith support this Reconciliation in its current form for three reasons.

First, it will be ineffective in reviving the economy now.

Second, it is irresponsible insofar as it adds tremendously to the national debt for no compelling purpose.

Third, it is unfair to working families across the country insofar as it drains resources from investments in education and health care to fund tax breaks that overwhelmingly benefit the most affluent.

I will discuss these points in turn.

First, the resolution we have before us fails to effectively address the needs of our country. Instead of investing in a stronger economy for the future, the conference agreement provides little assistance and stimulus to our struggling economy now.

In the nearly 2½ years since the President has come into office, our nation has suffered a dramatic decline. We went from unparalleled job creation, economic growth, and opportunity to skyrocketing deficits and national debt, high unemployment, and uncertainty about the future.

Contrary to the claims of its proponents, it is by no means certain this conference agreement will create jobs or provide millions of working families with the relief they need. What is certain, however, is that it will drastically increase the national debt, and severely weaken key national priorities including homeland security, education, and health care.

According to Economy.com, the massive deficits that will be caused by the administration's tax cut will decrease gross domestic product by 0.25 percent annually beginning in 2005. GDP will be lower by 1.0 percent in 2013 than it would be without the Bush plan. The result is a loss of 750,000 jobs by 2013 according to Mark Zandi, a well-respected, non-partisan economist at Economy.com.

The administration's policies are not considered to be ineffective on a partisan basis, they are considered to be ineffective on a bipartisan basis, as well.

Republican Senators have voiced concern about the ineffectiveness and irresponsibility of this proposal.

The Chairman of the Federal Reserve has said that these large tax cuts, if not paid for by offsetting cuts in spending, will drive us deeper into deficit and that such high deficits and debt will actually hurt our long-term economic growth.

Other respected conservative economists have also warned us about the direction we are taking. For instance, AEI economist Kevin Hassett stated that the proposal, by cutting taxes in one year and then raising them in another, "is one of the most patently absurd tax policies ever proposed." Similarly, Robert Bixby of the Concord Coalition said that the tax plan passed by the Senate just keeps "building one gimmick on top of another gimmick."

However, this administration continues to turn a deaf ear to their warnings, as it pursues its discredited economic theories.

Second, this conference agreement is irresponsible.

Two years ago, economists projected record surpluses; now they forecast record deficits. Recently the Congressional Budget Office raised its estimate of the deficit this year to more than \$300 billion. This is the largest federal deficit ever in the history of our country. And it does not include the tax cut that is before us.

It is a fact that high deficits mean an increase in long-term interest rates on small business loans, families' mortgages, and education loans. These deficits therefore act as a hidden tax on working people.

Also the cost of all of the President's tax cuts and the deficits will explode just as baby boomers start to retire. Over the next ten years, more than \$2 trillion will be raided from Social Security in order to pay for the President's tax cuts and spending plans. The Social Security surplus is going to be consumed.

Last month, Congressional Budget Office Director Douglas Holtz-Eakin said that the retirement of the baby boomers will drive spending on Social Security, Medicare and Medicaid alone from 8 percent of the economy's output today to 14 percent in 2030, and to 21 percent by 2075. When you also consider national defense, homeland security, education, health care, and other vital national priorities, you are left with a fiscal breakdown. But again, the administration is ignoring these warnings.

At the very time the President is asking for massive tax reductions, he is also asking for the largest debt limit increase in the history of the United States. He is seeking an increase of \$984 billion. The President has dug this economy into a debt hole. He needs to stop digging. Yet, instead, he is reaching for a bigger shovel.

From coast to coast, states are facing the most serious fiscal crisis since World War II. States are in need of fiscal relief now. In Connecticut, we know that all too well. While there is a State relief package in the conference agreement, the overall agreement is going to

hurt States not help them since this legislation will mean less resources for Connecticut and other States to invest in infrastructure, education, homeland security, and health care for needy children and the elderly.

Americans all over the country have expressed their opinions in poll after poll. They believe that we should not be passing a massive tax cut if it means cutting Medicare, if it means cutting social security, and if it means cutting education. This conference agreement ignores the concerns of the American people.

Third, this tax bill is unfair to working families.

Yesterday's Wall Street Journal had an article that says that through the President's tax proposal, some affluent investors may be able to avoid paying almost any taxes. Their tax bill would be almost near zero. This is unfair to middle-class Americans.

It is bad enough that we are going to force our children and grandchildren to shoulder the costs of this tax cut.

It is bad enough that this costly and irresponsible tax cut will bring about an average tax cut of \$93,500 to tax filers who earn more than \$1 million, while those households in the middle of the income spectrum, which includes the average family in Connecticut, would receive a tax cut of about \$217.

It is bad enough that according to an analysis done by the Tax Policy Center, 36 percent of all U.S. households would receive no tax cut whatsoever in 2003 under the conference agreement, and 53 percent of households would receive a tax cut of \$100 or less.

This bill also fails to address a crisis affecting Americans and small businesses—the burden of the high costs of health insurance. In the past year alone, health care premiums for businesses have risen more than 13 percent. This is extremely burdensome for small businesses, which employ 50 percent of the workers in this country. The Democratic alternative to the tax bill, which did not pass, provided small businesses with a 50 percent tax credit in 2003 to help pay their share of insurance premiums. This conference agreement that is before us contains nothing to assist small businesses that are struggling to keep their employees insured during these times when cash is tight and health care costs are rising.

In order to fit the massive tax breaks for the most privileged into the \$350 billion limit that was agreed upon, the marriage penalty relief and the child tax credit increase will expire next year, which means a tax increase of \$850 for a family of four with an income of \$40,000 in 2005. Also, the small business expensing and bonus depreciation provisions, which would encourage business investments and provide them with needed relief, will also expire. This is essentially increasing taxes on small business owners.

In closing, I believe that the conference agreement before the Senate fails the test of common sense. It also

fails the test of common decency. At a time of war, at a time of economic stagnation, at a time of rising national debt, and of rising national concern about how we will educate America's children and care for the health needs of our people, one might expect our national leaders to pursue policies calling for shared sacrifice to achieve shared benefits. Regrettably, that is not the case. This administration has a clear vision: to benefit the privileged few even if it means sacrificing the hopes and aspirations of the rest of the people. We can do better as a Senate, and do better for our country.

CEO SIGNATURE LEGISLATION

Mr. MILLER. Mr. President, as you know I have had a longstanding interest in an issue that requires chief executive officers to sign their company's tax returns. My amendment has been made part of the corporate inversion provisions as well as the CARE Act. I am hopeful to have this provision enacted into law because I believe that if Joe Sixpack is required to sign his tax return for his family and sign the oath that says "Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements and to the best of my knowledge and belief they are true, correct and complete", why shouldn't Josephus Chardonnay be required to sign that same oath for his big corporation?

I understand my CEO provision came into the current tax bill when the underlying corporate shelter language was included and that it has been taken out at the same time that the corporate inversion language was taken out of the tax bill.

I would just like to reiterate that I am still interested in getting this CEO signature provision enacted into law. I think it is an important tool for improving corporate accountability. I would like to ask my colleague Senator GRASSLEY if we may continue to work with the Committee on Finance to get this amendment enacted in either the CARE Act or the next best legislative opportunity.

Mr. GRASSLEY. Mr. President, I am very much aware of Senator MILLER's interest in this provision. As you know, the Finance Committee has supported his provision by including it in two separate pieces of legislation that our committee considered this year. We had hoped to include it in this bill, even if the corporate shelter language was not included. Unfortunately, this measure has a negligible revenue effect and could possibly violate the Byrd rule. Accordingly, we were obliged to remove it from the bill. I give Senator MILLER my commitment, however, that we will continue to work with him on opportunities to get this amendment enacted into law this year. I would also add that I discussed this provision with Mr. THOMAS, the chairman of the House Ways and Means Committee, and his staff, and they indicated a willingness to examine and

explore the measure in conferences on future bills.

Mr. MILLER. I thank the Senator and look forward to having this measure brought back to the Senate floor before the end of this year.

CHILD CARE FUNDING WITHIN STATE AID

Mr. HATCH. Mr. President, the Senator from Iowa has shown remarkable leadership abilities by stewarding through the Senate a tremendous economic stimulus bill, the Jobs and Growth Tax Relief Reconciliation Act of 2003. I recognize this was no easy task and I want to compliment the Senator on his hard work and successful negotiations in getting the bill through a difficult conference with the House. The Nation and the economy will benefit from this great work.

I understand the final version of this bill we are considering today contains \$20 billion for State aid, with \$10 billion of that aid going to States to help them pay for a state's essential government services. I believe the States will be very grateful for Congress' willingness to provide these funds.

Although the bill clearly says that States may spend these funds on "essential government services," I believe that the States would appreciate some clarification as to the definition of "essential government services." I refer specifically to whether these funds may be used to pay for child care. In my home State of Utah, there is a great need for child care funding to help parents in or near poverty have a safe place for their children to stay while they work to provide money for their families. However, I believe this need is not a Utah-specific issue, but a nationwide problem that needs to be addressed.

I understand the distinguished Senate Finance Committee chairman has a long history of supporting initiatives which not only help children, but help families who may be on the cusp of self-sufficiency and I thank you for your efforts in this regard.

To this end, I would just like to clarify for the record that it is the intent of Congress to include child care expenses as an acceptable expense under the "essential government services" clause in the legislation, ensuring that States may use the \$10 billion provided in the bill for child care expenses?

Mr. GRASSLEY. I would say that as my good friend, the Senator from Utah, knows, the Jobs and Growth Tax Relief Reconciliation Act of 2003 is first and foremost an economic stimulus bill. The most effective aid the Federal Government can give to States or individuals is a healthy economy with a robust job market. Without jobs, families with children won't need child care services and won't have any way to pay the family bills.

I thank the good chairman of the Judiciary Committee and understand his concern over the State aid portion of the legislation. We have tried to provide as much leeway as possible to the

States. However, it would be impossible to list all of the acceptable activities for which a state could use his money. Therefore, the Congress has broadly defined the allowable activities for which States could spend their temporary fiscal relief dollars.

Therefore, my answer to the question posed to me from the Senator from Utah is yes. We did intend for child care expenses to be included as an element of "essential government services" provided that a state is currently operating a child care program and expenditures for child care were permitted under the most recently approved budget for the State.

Mr. HATCH. I am very appreciative to the Senator from Iowa for this clarification. I know it will be very helpful to those families who rely on these services. I thank the distinguished Finance Chairman for his time.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, as this debate on the budget reconciliation bill comes to a close, I congratulate the chairman of the Finance Committee, CHUCK GRASSLEY. He has done a very good job with a very difficult task. For him, the race has not been easy. Even though some may not have thought it possible, he has come to the finish line today.

In some ways, the conference report has responded to the debate in the Senate. For example, the conference report did move roughly three-fifths of the benefits of the package into the first 2 years. That is clearly more stimulative than the structure of the bill that went to conference.

I also wish to commend Senator GRASSLEY, Senator VOINOVICH, and Senator SNOWE for doing what they could to restrain the total size of the bill. Senator VOINOVICH kept his promise and forced the conferees to keep the conference report, on its face, within the \$350 billion Senate agreement.

Unfortunately, this tax bill busts through the \$350 billion with a series of gimmicks to hide the true cost of the bill. In this time of increasing deficits, we must live within limits. This conference report fails to do so. Instead, it uses a series of sunsets to shoehorn large tax cuts into a small budget window. In the words of a conservative tax cut advocate, Stephen Moore, "It's bigger than it looks."

The conferees have designed a tax cut that is one big yo-yo. Now you see it, now you don't. Child credit is increased for 2003 and 2004. Then it is taken away. Part of the marriage penalty is eliminated for 2003 and 2004, and then the penalty comes back. The 10-percent tax bracket is expanded for 2003. Then it reverts back. Even the dividend tax cut disappears after 2008. If accounting gimmicks and financial statement manipulations were intolerable for cor-

porate America, then why not for the Congress?

Further, this conference report is not fair to working Americans or to our military personnel. The benefits of this bill are skewed heavily to the elite. One of the beauties of America is that we work to treat people equally, but this bill does not treat all Americans alike. We are not being brought together as Americans.

The bill lowers the rate for dividends, it lowers the tax on capital gains, and it increases the tax on 1.6 million more Americans by forcing them into the alternative minimum tax in 2005. The bill says it is a priority to ensure that only the people who pay full freight are those hard-working Americans who earn their income in wages.

The bill that returned from conference also stripped out provisions to provide tax relief for those serving our country in the armed services—those serving in Iraq, Afghanistan, and across the globe.

This conference report does less than it could to rebuild the American economy. It misdirects its tax breaks to those more likely to save them and less likely to spend them immediately.

The bill increases the budget deficit and lays the bill at the door of our children and our grandchildren, it fails to follow in the American tradition of fairness, and the bill is simply not structured to be effective in rebuilding the American economy.

This week, Alan Greenspan expressed his dismay at the lack of budget discipline in Washington, especially with the failure to take seriously the significant budget problems looming because of the aging and baby boom generations. In his words, "The silence is deafening." I will not be part of that silence.

I urge Senators to consider what they are doing today. I urge my colleagues to vote against this conference report.

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

Mr. GRASSLEY. Mr. President, I yield 1 minute to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I thank the chairman and the ranking member for the hard work they have done. We can go into great details. We have been doing that for weeks. The point is, we have a problem with the economy. Our purpose here is to do something to stimulate that economy. This bill will do that.

We have been through all the details. We have been through it in committee. We have been through it on the floor. We have been through it on the conference committee. Now we are back. It is time to do something to create jobs in this country. This bill will do it.

I thank the leadership for their help.

The PRESIDING OFFICER. Who yields time?

The Senator from Iowa.

Mr. GRASSLEY. I yield myself such time as I might consume.

As we wind down debate on this bill, it is very important that I give appropriate thank-yous to people who have worked so hard on putting this bill together. I am talking about the staff of the Finance Committee and the Joint staff, both Republican and Democrat: Chief tax counsel, Mark Prater; chief of staff, Kolan Davis; Ed McClellan, Dean Zerbe, Christy Mistr, Diann Howland, Elizabeth Paris, and Brad Cannon; members of the health staff of the Finance Committee: Colin Rosky, Jennifer Bell; members from the Budget Committee staff: Chief of staff, Hazen Marshall; Cheri Reidy, Beth Felder, and Rachel Jones; Staff of Majority Leader FRIST and Assistant Majority Leader MCCONNELL, including Lee Rawls, Eric Ueland, Rohit Kumar, Bill Hoagland, and Mike Solon.

All of the staff of the Joint Committee on Taxation worked through the night on many occasions. As one who was caught in the crossfire on this bill, I can appreciate when they take the heat from both sides on revenue estimates.

I would especially like to thank George Yin, Mary Schmitt, and Bernie Schmitt of the Joint Tax Committee. I wish more of the participants in the tax legislative process realized how tough the Joint Tax's job is; conferee staff, including Evan Liddiard and Garrett Jones with Senator HATCH's office; Laura O'Neill with Senator LOTT's office; Lisa Wolski and Lawrence Willcox of Senator KYL's staff.

Senate legislative counsel, these folks, of course, are true legal wizards who do excellent work under amazing pressure. This group includes Jim Fransen, Mark Mathiesen, and Ruth Ernst. Then a team of people who worked on the State aid issue so much: Ted Totman, Steve Robinson, Becky Shipp, Leah Kegler, Michaela Sims, and Amy Tejra with BEN NELSON's staff, and Michael Bopp with Senator COLLINS; Treasury Department staff, including Pam Olson, Greg Jenner, J.T. Young, and Drew Lyon; the administration staff, including Ziad Odjakli, O. Jack Lee, Christine Burgeson, Candi Wolff, and David Hobbs.

Finally, I would like to thank Senator BAUCUS's Finance Committee staff who assisted in the creation of a better product during times when we were able to work collaboratively: Jeff Forbes, Bill Dauster, Russ Sullivan, Matt Jones, Pat Heck, Anita Horn-Rizek, Liz Liebschutz, and Jonathan Selib. I really appreciate all of that.

I am very pleased with the bill that is before us today. We have given the country some very good tax relief and investment incentives. But there is one provision in the bill that I intend to change, and that is to let the inverters of the world know they better be on notice, as far as I am concerned.

The new 15 percent tax rate applies to dividends paid by foreign corporations to their U.S. shareholders. That is good policy.

What is not good policy is when those dividends are paid by a phony foreign shell corporation created by a U.S. corporate inversion. In an inversion, a U.S. corporation pretends to move its headquarters to a phony shell corporation that is nothing more than a folder in a filing cabinet or a post box in a tax haven. With this phony tax haven parent corporation in place, the U.S. company is positioned to rip its taxable income out of the United States through artificial interest payments to the tax haven shell, which are legally deductible on its U.S. return. This structure also allows the corporate inviter to move U.S. assets offshore and outside the reach of the IRS on a tax-free basis.

I question whether it is proper to allow a tax cut for dividends from a corporate inversion. The House blocked my efforts to insert this ban in today's legislation. Because the President wanted the Jobs & Growth bill on his desk by Memorial Day, I chose not to block the legislation over this issue.

I acknowledge that it is the shareholders who would be denied the rate reduction, and not the corporate management that engineered the inversion. But an inversion requires shareholder consent. Usually around 60 percent must approve of the inversion. So do not let it be said that all shareholders are innocent bystanders in an inversion. Those who disapprove of the transaction are always free to sell their shares.

We should not give a tax cut that benefits an inversion, and I will continue to examine this issue and hopefully put a stop to it.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I commend the chairman for raising this issue at conference. It is a very serious issue; that is, whether corporations that invert should enjoy the privileges of some of the provisions of the bill about to be passed and soon signed by the President.

I say to my good friend that I want to work with the chairman in defining what the proper way is to deal with dividends paid by corporations who invert. I hope to find a good solid solution.

I yield back the remainder of my time.

Mr. GRASSLEY. Mr. President, how much time remains on my side?

The PRESIDING OFFICER. The chairman and the ranking member have both consumed all of their time.

The Democratic leader.

Mr. DASCHLE. Mr. President, I know we are about to vote. Prior to the time we cast our vote, I wanted to make some final comments on this bill. We have been debating this issue now for several months. Above and beyond anything else, economists from virtually

all philosophical backgrounds have urged us to be responsible. They have said if you are going to do anything regarding fiscal policy, make sure you do not make the problem worse. They advised us to be immediate, make sure we have the greatest impact immediately.

Finally, they said whatever you do, make sure you attempt to be effective. There are a lot of ways to cut taxes. Some are effective in stimulating the economy and others are not.

I firmly believe this bill fails on all counts. What is more remarkable is that this bill represents, in my view, a strategy that was employed just 2 years ago, with disastrous results. In the name of economic stimulus, the administration demanded that we pass a tax bill to stimulate jobs 2 years ago, and the result, of course, is now obvious to us all: 2.7 million jobs have been lost since 2001.

Economy.com, one of the prestigious analytical firms that has looked at this bill, predicts this bill might create 600,000 jobs for 2004, but then, according to Economy.com, we could see the loss of 750,000 jobs as a result of the passage of this bill during the next 9 years.

Not only is this bill grossly ineffective, I believe it is irresponsible, unfair, and duplicitous. First, it is irresponsible because the money for this plan comes directly from Social Security. How many businesses would borrow from pension funds to pay a dividend? Yet that is exactly what this bill does. It borrows the money to pay out tax cuts in large measure just as pension funds would be borrowed to pay a dividend.

It is irresponsible because we are cutting taxes by approximately \$800 billion, if there were no sunset, with a \$400 billion deficit this year. It is irresponsible because just as we pass this bill, we will be asked to vote on a debt limit increase of \$984 billion sometime later today. It is irresponsible because this tax cut means less investment in education, less investment in homeland security, less investment in prescription drug coverage.

Second, this bill is remarkably unfair. It is steeply tilted against the middle class and toward the elite few but provides little or no benefit to the vast majority of Americans. A typical South Dakotan, according to all the analyses I have seen, would receive less than \$100 when this bill passes.

Finally, this bill is duplicitous. The gimmickry in this bill has enough sleight-of-hand budget tricks to make an Enron accountant blush. Economists say the now-you-see-it, now-you-don't kind of tax cut is the worst kind. What they want is stability. What they want is certainty. What they want is an absolute assurance that they are not going to see changes year in and year out with the Tax Code. That is exactly what this Tax Code does. I believe our colleagues did the tax equivalent of a triple back flip off the high dive and they belly-flopped. It is a belly flop we will all feel.

Americans have said in poll after poll we ought to be very careful about passing tax breaks if it means cutting Medicare; that they oppose new tax breaks if it means cutting Social Security; that we ought not have new tax breaks if it means cutting homeland security; that we should not see new tax breaks if it means cutting education. This bill turns its back on the American people. That is why I will vote no.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, I take this opportunity prior to this important, significant vote to thank and congratulate the chairman of the Finance Committee, Chairman CHUCK GRASSLEY, and his staff on the tremendous work they have done over the past several days but really over the past 30 days to bring the Senate to this conclusion in 3 minutes or so. I also thank the ranking member and his staff and especially the staff of the Joint Tax Committee for the long hours and work they have devoted to legislation that is straightforward in what it accomplishes, to create jobs and grow the economy, which is quite complex when you look at the moving parts where we have had to marry the House bill with the Senate bill.

In many ways, in large part because of a number of discussions that seem a long time ago, it was just 2 weeks ago the Finance Committee met its instructions under this year's budget resolution to report a tax reconciliation bill to the Senate, a bill complying with this year's budget instructions to craft an economic tax stimulus bill. That was just 2 weeks ago. It was just 1 week ago last night that the full Senate passed and sent to conference a revised tax reconciliation bill.

We are here this morning with an opportunity to pass and send to the President a bill that will provide immediate relief to millions of American families, businesses and, indeed, States. And it will create jobs.

Economists say again and again our economy in this country is like a great ship that cannot be turned around quickly, but while our economy today is moving in the right direction and it does not need to be turned all the way around, it clearly needs to pick up pace. We need to stoke those boilers in that ship, that ship being the economy, in order to create those jobs.

Of the \$350 billion stimulus and growth provided in the bill before the Senate this morning, nearly 60 percent, or \$200 billion of this tax and fiscal relief is provided this year and next. It is immediate. It is short-term stimulus to grow the economy and jobs. I add that this is more stimulus in the first few years than either the President's original proposal or the House bill or the Senate bill. This is a major stoking of those boilers in that economy, in that ship of the economy.

In a few moments I believe we will pass what is the third largest tax relief

package in history. This is a great victory for the American people. Why? We talk about the big numbers and I talked about the \$350 billion, but the wonderful thing is it boils down to greater job security for people who may be listening at this moment, people who are looking for jobs or want jobs. It elevates that sense of security for them. Why? Because it creates jobs. It grows the economy. It means if you do not have a job and you wake up and open the newspaper and you are looking through those classified ads, you are more likely to get a job after passage of this bill. It means if you have a job today but you feel insecure about it because the economy is not moving quite as fast or quite as quickly, it is more likely you will be able to keep that job and it will be with you long term and you do not have to worry every morning when you wake up about losing that job. The bill stimulates the economy and it stimulates job creation. What we have been able to fashion after a lot of negotiation, a lot of compromise on both sides of the aisle and in this body, with the other body, and in addressing the President's initial proposal, is a bill that does it now; it moves the stimulus up to now when people want it.

If you are a schoolteacher, you will this year have more money to spend on your children's clothes or you will be able to make those mortgage payments a little bit easier than you did 6 months ago or last year. If you are a mom and dad and you have three children, it means you will receive \$3,000 this year. You will receive \$3,000, if you have 3 children, in child tax credits to spend on their needs. Maybe you will be able to buy them each that computer they need, that they deserve, to stay in tune with what we can provide in education today.

Twenty-five million Americans will receive this child tax credit this year, now, with passage of this bill. If a policeman and a teacher are married and are unfairly paying more in taxes—you are paying more in taxes because you are married than if you were not married—relief is on the way when we pass this bill.

As we all know, most jobs—probably 70 percent or 80 percent is the figure we use—most jobs are created by small businesses. That is a fact. It is not the large corporations that provide jobs; it is the small businesses. It is the small businesses where ideas arise, where innovation takes place, where capital is consumed, is invested, where expansion takes place, and jobs are created. They are the engines of economic growth and will be in this bill we will pass in a few moments. The small businesses are directly and specifically stimulated in terms of growth, investment, and expansion. They will hire more people, they will create more jobs.

With passage of this bill, if you have a job, no matter what the job is, whether it is a low-paying job or a high-paying job, you will be better off.

Your family will be better off. You will have more money. Our Government is simply saying, We trust you with the money you earn. We are saying, once again, It is your money. We are saying, You are the best steward of the resources that you earn, to save, to invest, to spend on your family, on your small business. Today, after the President signs this bill that was passed by the House last night and will be passed by the Senate today—and you can say this to every single American—you will have more money and will pay less in taxes.

In closing, I thank the President of the United States and the Vice President. The President has shown remarkable leadership in putting forth this jobs-and-growth package, in promoting it in every step long the way. True leadership.

I also thank the Vice President, our own leader in the Senate, who has worked literally nonstop over the last several days to help us marry the original House proposal with that Senate proposal. We thank them for their leadership.

Indeed, this bill accomplishes the goals we all share in this body; that is, to move America forward, to grow the economy, and to create jobs and job security for all Americans. Now let's move to pass this bill that will, indeed, benefit all Americans.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the conference report accompanying H.R. 2.

The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 50, nays 50, as follows:

[Rollcall Vote No. 196 Leg.]

YEAS—50

Alexander	Dole	Miller
Allard	Domenici	Murkowski
Allen	Ensign	Nelson (NE)
Bennett	Enzi	Nickles
Bond	Fitzgerald	Roberts
Brownback	Frist	Santorum
Bunning	Graham (SC)	Sessions
Burns	Grassley	Shelby
Campbell	Gregg	Smith
Chambliss	Hagel	Specter
Cochran	Hatch	Stevens
Coleman	Hutchison	Sununu
Collins	Inhofe	Talent
Cornyn	Kyl	Thomas
Craig	Lott	Voinovich
Crapo	Lugar	Warner
DeWine	McConnell	

NAYS—50

Akaka	Dayton	Kohl
Baucus	Dodd	Landrieu
Bayh	Dorgan	Lautenberg
Biden	Durbin	Leahy
Bingaman	Edwards	Levin
Boxer	Feingold	Lieberman
Breaux	Feinstein	Lincoln
Byrd	Graham (FL)	McCain
Cantwell	Harkin	Mikulski
Carper	Hollings	Murray
Chafee	Inouye	Nelson (FL)
Clinton	Jeffords	Pryor
Conrad	Johnson	Reed
Corzine	Kennedy	Reid
Daschle	Kerry	

Rockefeller	Schumer	Stabenow
Sarbanes	Snowe	Wyden

The VICE PRESIDENT. On this vote, the yeas are 50, the nays are 50. The Senate being equally divided, the Vice President votes in the affirmative, and the conference report to accompanying H.R. 2, to provide for reconciliation pursuant to section 201 of the concurrent resolution on the budget for fiscal year 2004, is agreed to.

Mr. GRASSLEY. I move to reconsider the vote.

Mrs. HUTCHISON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, before we turn to the debt limit bill, I just have a couple of remarks to make.

Putting this tax bill together that was just passed has been a difficult task and made more difficult by the politics involved. Nonetheless, the Finance Committee staff—both Democrats and Republicans—worked very well together, I think in a bipartisan fashion, to help get us where we are.

I thank the Finance Committee staff for their counsel and for their hard work. They spent many long hours on this legislation.

I appreciate the cooperation we received from the Republican staff, particularly Kolan Davis, Ted Totman, Mark Prater, Christy Mistr, Ed McClellan, Elizabeth Paris, Diann Howland, and Dean Zerbe.

I also thank my staff for their hard work and dedication, including Jeff Forbes, Russ Sullivan, Bill Dauster, Matt Jones, Liz Liebschutz, Patrick Heck, Anita Horn Rizek, Jonathan Selib, Lara Birkes, Liz Fowler, Alan Cohen, Tom Klouda, and Kate Kirchgraber.

I also thank our dedicated fellows: Alisa Blum, Mark Kirbabas, Rhonda Sinkfield, and Renee Johnson.

Finally, I thank our intern, Mike Wiedrick, who joined the Finance Committee the week of the markup of this bill and did not miss a step.

Particularly, I thank the staff of the Joint Committee on Taxation for their invaluable service. They worked very hard under very difficult circumstances. I know I speak for all Members in commending them.

Mr. KOHL. Mr. President, the Senate voted today on a so-called "jobs and growth" package. I voted against this package, Mr. President, because I'm still looking for the part of the package that will result in jobs and economic growth. In fact, I would like to take this opportunity to explain to my colleagues, and the people of Wisconsin, what exactly it is that I have found in this package, and what it's lacking.

As I look through the conference report before us, I have found proposals that fall far short of helping to boost our economy and creating jobs for the American people. The cost of this

package, which is much higher than estimated due to the gimmick of sunset provisions, will only increase our already record-setting debt. As great an economic authority as Alan Greenspan has made it clear that growing debt and increasing interest rates will do nothing to create jobs or benefit the economy. In fact, just the opposite will result.

In addition, this package includes provisions that will overwhelmingly benefit the wealthy, again to the detriment of the economy and the jobless. How do you create consumer demand by giving money to those least likely to spend it? How do you create jobs by rewarding those who are so rich they obviously have high paying jobs or don't even need them?

Those are a few of the provisions that are included in this bill. What is not included? There is not enough money going to help the States out of their fiscal crises. My State of Wisconsin is facing a budget gap of nearly \$300 million. How can I vote for a package that does so little to close that? While I support the meager amount that was included in the final bill, I am disappointed when I compare it to what we could and should have done. In addition, I strongly oppose the dividend tax provisions that, in States such as Wisconsin, which tie their definition of taxable income to the federal definition, will suck back over half of the state aid the bill includes. Our struggling States don't need that kind of legerdemain—sending a small, temporary cash infusion while enacting a long-term erosion in their tax base.

In addition, I am equally disappointed that many of the provisions that would have actually helped middle and lower class families will sunset after 2004, providing little or no benefit to the families who need it the most. The bill drops a Senate provision to accelerate a component of the child tax credit that would have directly benefited working families across the country. The bill does not have real relief from the alternative minimum tax, a provision that will increasingly affect middle class families over the coming years. Finally, in the long list of examples of what this bill lacks, several of the loopholes that would have been closed under the Senate bill have been left out of the conference report, allowing companies to continue to use a myriad of tax shelters.

As I review what is in this bill, and what isn't, I am confident that the majority of the people of Wisconsin will not benefit from what we have done here today. It is for their interests that I have to work, and I cannot in good conscience support a bill that will not benefit them.

Mrs. FEINSTEIN. Mr. President, I rise in strong opposition to the final version of the reconciliation bill, which has emerged from conference committee.

Last week I came to this floor to express my opposition to the tax cut

which emerged from the Senate. And I believe that the bill which passed the House was no better. Unfortunately, this conference report has even less to recommend it than either of those bills.

This bill will add an additional \$350 billion to our deficit over the next 5 years, all of which will be paid for by future generations of taxpayers. Even worse, it contains so many sunsets and phase-outs that it makes a mockery of our tax code.

Some provisions last only through the end of next year and others phase out in each subsequent year, until the whole tax cut is finished by the end of 2008. This bill is a patchwork quilt of temporary cuts and provides neither short-term stimulus nor long-term structural tax relief. Indeed, all it provides is a great deal of uncertainty to the average American taxpayer.

Rather than view the reluctance of the Senate to pass a large tax cut as a sign of concern over our historic federal budget deficits, the conferees used a grab-bag of tricks to stuff a \$1.1 trillion tax cut into a \$350 billion package. Many of those cuts are likely to become permanent, which will further increase deficits and the federal debt.

Quite frankly, I am not fooled by this slight of hand, and I am sure that the average American will not be either.

By lowering tax rates on both dividends and capital gains, the Conferees ensured that this bill is even more regressive than the President's original proposal, because capital gains income is skewed even more to the wealthiest Americans than dividend income.

Between now and 2006, the period during which the majority of the tax cuts are in effect, 54 percent of the tax cuts will go to the 5 percent of Americans who earn over \$150,000 annually. The top one percent of Americans, who earn an average of just over \$1 million annually, will take away 37 percent of the tax cuts.

In those areas that count most, this bill provides very little relief. It provides \$20 billion in state aid, which is a start, but which is much less than the \$40 billion which is required to have a meaningful impact on state budget deficits, which in many cases have reached crisis proportions.

At the same time, this bill strips out a provision in the Senate-passed bill which would accelerate the refundability of the Child Tax Credit for families earning \$10,000 to \$30,000 per year. In fact, 29 percent of married and head of household filers will receive no tax cut in 2003 under the bill, while higher-earning families will receive a \$400 rebate check this year.

And this bill preserves the most regressive portion of the tax cut—the cut to taxes on dividends and capital gains—through 2008, while cuts targeted at middle income families, such as marriage penalty relief, are only provided for 2 years.

Mr. President, this tax cut makes no sense—no sense at all. It provides little

benefit to those taxpayers who are likely to generate new consumer demand, and instead boosts the income of wealthy taxpayers who will spend little if any of it on goods or services.

Keep in mind that the 2001 tax cuts are only now coming into full effect. In June of 2001, I voted in favor of a \$1.35 trillion tax cut, which remains the largest tax cut in history. That tax cut will return \$300 billion to American taxpayers by the end of next year, and will provide \$90 billion in tax relief this year alone.

The top 1 percent of taxpayers, who will receive 37 percent of the benefits included in the Reconciliation bill, are already scheduled to receive an average of \$11,300 in tax relief this year.

There is simply no reason to add another tax cut on top of what was already the largest cut in history, particularly when every dollar in tax cuts must be paid for by new debt.

Gross Federal debt currently stands at \$6.7 trillion. If the provisions in this tax cut are permanently extended, as this Administration intends, then our federal debt will rise to \$12 trillion by the end of the decade.

The President claimed that any deficits created by his fiscal policy would be "small and short-term." It does not take an accountant to understand that the deficits now projected by the Congressional Budget Office are neither small, nor short-term, and, in fact, will not fall below \$300 billion before 2013, if the Social Security surplus is excluded.

Our on-budget deficit in 2003 alone will exceed \$500 billion. That means that nearly one-quarter of our \$2.2 trillion in gross Federal spending is financed through deficit spending. There is nothing cyclical about a deficit of one-quarter of your total spending—rather, it is a structural deficit that cannot be sustained.

Deficits of the magnitude we are now incurring will drive up long-term interest rates and stifle economic growth.

If you or I were to walk into a bank and ask for a loan, and we told our bank officer that we expected to earn \$30,000 per year for the next decade, but spend \$40,000 per year over the same period, we would be laughed out of the building. But that is exactly what our Federal Government is now planning to do.

This is unconscionable, and this is why I have voted against this tax bill.

The fact that, later today, we must vote to increase the Federal debt limit stands as a clear indication of the very grave fiscal straits in which we now find ourselves.

It has taken just 2 years to squander our hard won budget surplus, and we are forced to vote to increase the debt limit because this administration, along with this Congress, are placing irresponsible tax cuts ahead of fiscal discipline and common sense.

In this year's State of the Union message, President Bush stated: "We will not deny, we will not ignore, we will not pass along our problems to other

Congresses, to other presidents, and other generations."

Well, Mr. President, by voting to increase our debt limit, we are now handling an additional \$984 billion dollar debt as our gift to those future generations.

This is why I am voting for an amendment offered by Senator BAUCUS that would increase the Federal debt limit by \$350 billion, an amount which will ease the current pressure on our Treasury but force us to review our fiscal policy within the next 9 months.

This, to me, is the prudent course given our current fiscal straits. To increase the debt limit by \$984 billion all at once is to write ourselves a 2 year free pass at the expense of regular review. It is, without question, the wrong thing to do.

Mr. FRIST. Mr. President, putting this bill together has been a challenging task. Many Senators have played important roles in this legislation but it could not have been done without the contributions of our staff. Without the aid of these individuals, the work of this institution would be impossible to accomplish. I would like to recognize the hard work and dedication of those staff members whose contributions to this legislation have been critical and without whom we would not have been able to pass this very important bill.

On the Finance Committee, I want to recognize the contributions of Chairman GRASSLEY's staff. On the tax side, I want to especially thank the committee's chief tax counsel, Mark Prater, the committee's staff director Kolan Davis as well as Ed McClellan, Dean Zerbe, Christy Mistr, Diann Howland, Elizabeth Paris, and Brad Cannon. I also want to thank Ted Totman, Steve Robinson, Leah Kegler, and Becky Shipp for their work on the State aid provisions.

I would also like to acknowledge the contributions of Chairman NICKLES' Budget Committee staff, including Rachel Jones, Hazen Marshall, Beth Felder, and Cheri Reidy. I should also thank Lisa Wolski and Lawrence Willcox of Senator KYL's staff, whose efforts were integral to the success of this bill.

Also integral to our efforts was the work of the entire staff of the Joint Committee on Taxation and the Senate Legislative Counsel's office. Specifically, George Yin, Mary Schmitt, and Bernie Schmitt of the Joint Committee and Jim Fransen, Mark Mathiesen, and Ruth Ernst at Legislative Counsel. They have all put in long hours to help bring this bill to completion.

I would also like to acknowledge the efforts of those individuals from the administration, all of whom dedicated significant time and effort to this bill. From the White House, I would like to thank Ziad Ojakli and Christine Burgeson from the Legislative Affairs Office and Pam Olson, J.T. Young, John Kelly, and Greg Jenner from the Department of Treasury. Without their

efforts and cooperation, this bill could not have come to pass.

Finally, I would like to thank my staff and Senator MCCONNELL's staff for their work in getting both a bill and then a conference report through the Senate in just over a week's time. From Senator MCCONNELL's office, I would like to especially thank Kyle Simmons and Michael Solon. From my office, I would like to thank Lee Rawls, Eric Ueland, Bill Hoagland, and Rohit Kumar.

These staff members have worked diligently and largely in anonymity. Given all that they have done in service to their country, I think it is appropriate to recognize their work publicly so the rest of the country knows, as we all know, how well we are served by our staff.

The VICE PRESIDENT. The Democratic leader.

ORDER OF PROCEDURE

Mr. DASCHLE. Mr. President, having passed the tax cut, our attention now turns to increasing the debt limit. We will have a number of amendments. I just thought it would be helpful for Senators to know we will not stack these votes. We will offer them, and there will be short time limits, maybe 10 minutes per amendment.

The first one will be offered by the distinguished Senator from Montana, the ranking member, Mr. BAUCUS. Senator KENNEDY will have one on unemployment. I will have a sense of the Senate on Social Security. There will be a couple of others. But these amendments will be offered and debated and then voted on as we go through the morning. So Senators will probably want to stay close to the floor in order to be here to vote so we can expedite consideration of these amendments.

Mr. President, I ask unanimous consent that the Baucus amendment be limited to 10 minutes equally divided, with no second degrees.

The VICE PRESIDENT. Is there objection?

Mr. THOMAS. No objection.

The VICE PRESIDENT. Without objection, it is so ordered.

INCREASING THE STATUTORY LIMIT ON THE PUBLIC DEBT

The VICE PRESIDENT. The clerk will report the next order of business.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 51) increasing the statutory limit on the public debt.

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

Mr. BAUCUS. Mr. President, today we are discussing legislation to raise the statutory limit on the Federal debt, the ceiling on how much the Treasury Department can borrow. It is a very important matter.

The Federal debt is like the family credit card. Sooner or later you have to

pay down the debts that you have already incurred. If you don't, your credit rating will suffer. The way the Government raises the debt limit is also like a family who just keeps calling the bank every time they hit the credit limit and asks the bank over and over again for an increase in their credit limit without regard to anything else. Rather than pay down their debt, they just keep on asking for a higher debt limit.

When the credit card bill comes, it is a time to reassess the family's budget. It is a time to review the debts and to control the future spending. The fiscally responsible approach is that of the typical Montana family who, rather than just ask for an increase in their credit limit, sits down at the kitchen table and reassesses their budget. And so should we.

Let's put this in perspective. This debt limit increase is one big bill. This bill calls for an increase of almost \$1 trillion. I have a chart behind me that shows the increase of the debt limit. This bill calls for an increase of \$984 billion in the debt ceiling, nearly \$1 trillion. This will be the largest debt limit increase in history. This will be an increase of about \$3,400 in debt for every man, woman, and child in America. That is signified by the column on the right, which is the debt limit increase being asked for here.

That is just the increase. The debt subject to limit is already more than \$22,000 per person. This \$3,400 increase would come on top of that. Before this bill, the largest increase was in 1990, under the first Bush administration. Then the Government increased the debt limit by \$915 billion.

Since 1990, the Government has increased the debt limit five times. The average of those five increases was about \$450 billion. So \$984 billion is a very large number. It is out of line with the most recent precedents. It is too large a number for us to make now.

As this debt limit increases, it is just the tip of the iceberg. The budget resolution lays out the fiscal course on which we are headed. Page 4 of the budget resolution says in black and white: If we follow the budget resolution, the debt will grow to \$12,040,000,000,000 in 2013. That is page 4 of the budget resolution Congress passed. That would be \$39,000 in debt for every man, woman, and child in the country in 2013, 10 years from now. Following the budget resolution, of course, would leave a legacy of nearly \$40,000 in debt for every American child coming into the world about the time the baby boomers arrive.

I come from a State where the average income per person is about \$22,000. So these are large numbers. This large debt means that the Federal Government has to spend the first dollars it receives to pay interest on past debts. Before the Government can spend a cent on national defense, education, it would have to set aside \$157 billion a year on net interest on the debt. More

than 11 cents on every on-budget tax dollar has to go directly to pay net interest before the Government can spend on any current needs.

That is a debt tax that every taxpayer has to pay. It is a debt tax that robs this generation and future generations of the ability to make their own fiscal choices.

The time has come for us to reassess our budget. This is a time to look to see where we are and how we got here. Not long ago our country was paying down the debt. When the Government ran budget surpluses in the late 1990s and the beginning of this decade, it reduced the Government's demand on the credit markets.

From 1998 to 2001, the Government reduced debt held by the public by \$448 billion. That is demonstrated by the chart behind me to my immediate left. It shows from 2000 to 2003, about 33.1 percent was the debt ratio to GDP; that is, we were paying down the debt. That is that steep declining solid red line with the debt being paid down.

When the Government returned to budget deficits at 2002, it began, once again, to mount up debt held by the public. In 2002, the Government ran a deficit of \$158 billion. The deficit this current year will be much higher.

In January 2001, the Congressional Budget Office projected surpluses of \$5.6 trillion for the next decade. That was 2001. Now CBO projects that the President's budget will result in deficits of \$2.1 trillion for the same period. Thus, CBO's projections of the decade to come have changed by almost \$8 trillion in just 2 years. Imagine, an \$8 trillion difference in just 2 years—from a \$5.6 trillion surplus to a \$2.1 trillion deficit.

These are times of great uncertainty for budget projections. The recent budget projections have continued this trend. In its May budget review, CBO made a new larger deficit projection for fiscal year 2003. According to that new review, the most recent, CBO now expects that the Government will end 2003 with a deficit of over \$300 billion. That is compared with its March baseline of \$246 billion. So the budget resolution projection of \$12 trillion debt limit for 2013 may understate the debt we will pass along to future generations. That is certainly clear if we stay on the present course. And all these deficit figures are for the total budget deficit before netting out the surpluses contributed by Social Security.

Since the Social Security reforms of 1983, Social Security has been running surpluses. I will never forget Alan Greenspan headed that commission; Senators Dole and Moynihan were on it. They came up with good suggestions for the Congress to pass, and we did. Consequently, since the recommendations, Social Security has been running surpluses. The goal of doing so was to increase national savings in anticipation of the retirement of the baby boom generation starting in the next decades. Senator Moynihan would con-

stantly remind us of that date. If we had balanced the rest of the budget, we would have increased national savings.

But the rest of the budget has not been in surplus. It is not in surplus now. So these trust fund surpluses have masked the size of Government deficits.

The Government's deficits are thus much larger than they appear. As the baby boom generation begins to retire, Social Security's annual surpluses will eventually turn into deficits. Moreover, CBO projects deficits for the rest of the Government will continue as far as the eye can see. So the true larger size of the Government's budget deficits will become all too apparent in the next decade.

This debt limit bill is very much related to our budget deficits and the coming budget pressure from the retirement of the baby boom generation. Think of our children and our grandchildren trying to make ends meet in their lives. When this generation piles up debt, it is imposing a tax on them. It is raising their taxes. We have a moral obligation, I believe, to act as good stewards of what we have been given, whether it is in the environment or the economy. We have an obligation to leave things for our children and grandchildren in at least as good shape as we found them.

This is a great country of which we can be proud. We have weathered many storms in the past—economic and otherwise.

We live in times of great uncertainty and great challenges. A good steward would not tempt the fate. A good steward would ensure that we do not add to the challenges our children will have to face.

In too many spheres, there has been too much seeking after rewards for this generation, for now. Rather, we should exercise responsibility. We should ensure that we act as guardians of future generations. After all, we are not all going to be here forever.

It is time to reassess. It is time to change course. First, we need to stop making the deficits and the debt worse. We need to put the brakes on the size of spending increases and tax cuts.

This debate is very much related to the one just concluded on the tax bill. We need to limit the size of future tax cuts. And wherever possible, we need to pay for tax cuts, as we did with the CARE act and the military tax bill. Stop the gimmicks. Be honest about long-term costs.

Second, we need to extend and strengthen our budget process constraints. The pay-as-you-go rule and the appropriations caps contributed to the fiscal responsibility of the 1990s. We need to follow the rules.

Third, the debt limit itself should provide a much needed brake on fiscal irresponsibility. We should not increase the debt limit by the large amount that the House of Representatives proposes. Rather, we should force the Government to reassess its fiscal

situation again later this year—not next year as the House contemplates—when we will have a clearer picture of how the economy and budget are faring.

Returning to the analogy of the family credit card, the credit limit on the credit card is a check on future spending. Similarly, with the debt limit, a smaller increase now will ensure that we in Congress address the Government's fiscal policy again later this year.

So this is an important debate. It may not be a glamorous issue, but it is a very important one. We have a weighty responsibility. This is an issue that the Senate should debate. Certainly, we should not hide behind the rules to avoid votes, as the House of Representatives has done. Certainly, we should not flee from the issues, and to a recess, without full consideration of this issue.

We will address it best if we do not simply approve this bill without amendment. Rather, we need to debate and understand why we are here. We need to scale back this too large amount. If the Senate doesn't reduce the size of the debt increase, I will oppose it. And we should add procedures to ensure greater fiscal responsibility in the future.

Only by taking these steps will we be meeting our responsibility. I urge my colleagues to join me in that effort.

At the appropriate time, I will offer an amendment to reduce the increase in the debt limit.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. I have just a couple of remarks. I think we need to understand where we are. I think most of us do, as a matter of fact. We have heard from the Secretary of the Treasury, of course, on the final action by the Treasury to provide room for the debt limit. It has to be done by May 28, which is very soon.

The House has acted. The House is no longer there. I think the amendment we will soon hear about would tide us over until maybe August, instead of doing it for another fiscal year, so we know where we are.

There is a very big difference between public debt and the debt held by the trust funds. I will wait until the chairman comes back to go into that in detail.

I think those who are proposing these amendments ought to explain how this is going to work, since the House is not there and they have already acted. Of course, it just ruins the system we are in now. The fact is, we need to go forward. I suggest we move on with the amendments. I have to say to my friends that I hope we reject these amendments because it doesn't make sense not to go ahead with what has been passed in the House. We know we have to do it. It has to be there. Then I will be interested, as we go through time, in talking about spending with the Senator from Montana because

that has not been something that has been under control on the other side of the aisle.

I yield the floor.

Mr. BYRD. Mr. President, the Senate is considering legislation to raise the statutory debt limit by \$1 trillion.

This increase is the largest in the history of the Republic—surpassing by a whopping \$100 billion the record that was set by the first President Bush in 1990. What's more, it would be the second increase in the debt ceiling since this President took office in January 2001.

The Treasury Secretary recently wrote to the Congress stating that the current statutory debt ceiling would only be adequate to ensure the operations of Government through the end of May. The administration has tried to excuse the need to raise the level of borrowing authority. Among its scapegoats, the administration blames economic weakness. It blames the September 11 attacks. It blames the corporate accounting scandals of last summer.

That scapegoating may help this administration to explain how it lost \$5.6 trillion of budget surpluses in less than 2 years, but it doesn't explain why they need to increase the national debt by an additional \$1 trillion. It doesn't explain why this administration is pushing for new tax cuts when we don't even have the money to pay for tax cuts that have already been enacted into law.

To quote President Ronald Reagan, "the American people deserve a President who has the courage to give answers instead of mak[ing] excuses."

So far, only \$202 billion of the \$1.35 trillion tax cut package signed into law in 2001 has gone into effect. That means \$1.15 trillion in tax cuts are set to phase in over the next 8 years. In addition, the President is pushing for \$1.5 trillion in new tax cuts. That is a total of \$2.65 trillion in tax cuts that would have to be paid for in the coming years under the President's policies.

But there is no money to pay for them. The cupboard is bare. The vault is empty. There is nothing left under the mattress. The moths are flying out of the wallet of the U.S. Government.

The Congressional Budget Office reported a \$248 billion deficit for the first 6 months of the current fiscal year. That deficit is expected to increase to nearly \$400 billion before the end of the fiscal year. That is \$400 billion—\$110 billion higher than the record set in 1992 during the first Bush administration.

We will have to borrow the money not only to pay for new tax cuts, but to pay 85 percent of the tax cuts already enacted into law and scheduled to become effective in the coming years.

That is why the administration is pushing the Congress to increase the statutory debt limit by \$1 trillion—so that we can borrow the money to pay for these tax cuts.

The ship is sinking and this administration is drilling more holes in the

bottom of the boat. Administration officials are already beginning to jump ship. Paul O'Neill left the Treasury Department last December, along with the President's economic adviser, Larry Lindsey. White House economist Glenn Hubbard left last February. And now Mitch Daniels is fleeing the budgetary quagmire he helped to create.

The Republican-passed budget, which assumes the President's budget proposals are enacted into law, estimates that the statutory debt limit will increase from its current level of \$6.4 trillion to \$12 trillion by 2013. This legislation to increase the debt ceiling by \$1 trillion is just the beginning of an administration effort currently underway to double the size of the national debt by \$6 trillion in just 10 years.

And that rise in the debt limit does not include the total costs of the war in Iraq. It does not include necessary investments that must be made to protect the Nation from terrorists. Nor does it include an adequate prescription drug benefit, or a host of other urgent investments that need to be made in education, health care, veterans services, and other essential infrastructure.

Most alarmingly, that debt limit increase does not include the costs of providing for the soon-to-be-retiring baby boomers, and the resulting financial pressures on the Social Security Program.

According to the latest Social Security Trustees Report, Social Security trust fund expenditures will exceed revenues beginning in 2018, when there will be an estimated 65 million Social Security beneficiaries. The President's budget said "These high and perpetual deficits make it obvious that Social Security and Medicare are in deep trouble." Yet there is nothing in the President's budget or the Republican-passed budget resolution that sets aside a single dime to deal with the impending Social Security funding crisis.

When this President took office, he told the American people that every dollar of the Social Security surplus would be saved. But taking into account the President's proposed \$1.5 trillion in new tax cuts, we will not only spend every dollar of the \$2.2 trillion Social Security surplus through 2011, but we also will have to borrow more than \$1.7 trillion to cover the President's spending and tax cut proposals.

It took the entire history of the Nation to accumulate \$5.6 trillion in debt by fiscal year 2001. Under the President's budget proposals, as incorporated in the fiscal year 2004 budget resolution, this debt would grow by over 100 percent in just 10 years. The United States fought World War II, the Korean war, and the Vietnam war, and even then our national debt grew only by \$865 billion, from \$43 billion in 1940 to \$908 billion in 1980. Under President Bush's budget proposals, it will grow by almost seven times that amount in just 10 years.

A national debt of that size amounts to \$41,370.54 for every man, woman, and

child in this country. That is more money than is annually earned by over half of the households in this Nation. That is enough money to put a down payment on half a dozen houses in West Virginia, to pay for a 4-year college education at West Virginia University, with money left over, or to pay eight times over for the annual health care insurance of a family of four.

Like a carney at a circus sideshow, the Bush administration is asking the American people to step up to a barrel, and slap down \$41,340 to win a \$1,083 tax cut prize. The American people are being lured into the tent by big promises and folksy talking. In his January 28 State of the Union address, the President said, "We will not pass on our problems to other Congresses, other Presidents, and other generations."

What will happen when the carney pulls back the curtain and the American people realize that they have been swindled? We hear much rhetoric about providing the American people with tax relief. Yet nothing is said about debt relief for the American public, which will be borne by generations to come long after the tax refund checks have been cashed.

So when the administration tells the American people that this debt increase was brought on by factors beyond its control, the American public should also realize that the administration, with eyes wide open, has chosen to strap this crushing debt burden to their backs. No matter how fair and equitable this administration claims its tax cut proposals to be, the tax refund checks will do nothing to save Social Security, and to cover the costs of the debt burden that American families will be paying for decades to come.

Mr. KERRY. Mr. President, since December 2002, the Treasury Department has made three requests to Congress for an unspecified increase in the debt limit. Last year, the administration asked for a \$700 billion increase, but Congress wisely trimmed it to \$450 billion. The \$984 billion increase we will pass today will be the largest increase in the debt limit ever, and it is twice as high as the average for the last five increases. This level of increase represents about \$3,400 for every man, woman and child in the United States—or more than 17 times what the median American family will receive in tax cuts under the conference agreement passed earlier today by one vote.

We need to be clear about a few things here in the Senate. The economy is growing very slowly, and every American has experienced the current slowdown in very personal ways: 2.5 million jobs have been lost, long-term unemployment has skyrocketed; lifetime savings have been wiped out by greed, bad judgment, and criminal activity; personal debt has increased and bankruptcies are up; and the stock market has plunged more than 30 percent. Record budget surpluses have turned into deficits as far as the eye

can see—nearly \$500 billion this fiscal year alone when Social Security is excluded, the largest deficit in history. We have seen the weakest level of economic growth and business investment in 50 years. We are spending the entire Social Security surplus in every year of the President's budget plan and failing to make necessary investments in education, infrastructure, and homeland security. Yet we have the money to drastically cut the tax on stock dividends, giving millionaires an average annual tax cut of about \$90,000. It makes no sense given the current state of the economy and the world. We are governing based on ideology rather than pragmatism.

President Bush, who inherited large and rising surpluses totaling \$5.6 trillion over 10 years, likes to say that the change in the budget picture—and frequent requests for increases in the statutory debt limit—are a result of a slow economy and September 11. Those factors undoubtedly play a role, but every single independent analysis shows that the largest factor behind the long-term change in the budget outlook is the President's tax policies. The rising deficits and debt that will result in higher taxes on our children can be laid squarely at his feet, because most Republicans in Congress are too afraid to say no to this President.

If there are any doubts, just add up the numbers. Not including interest, President Bush has proposed nearly \$3 trillion in tax cuts over 13 years since taking office. It is worth pointing out that more than half of this total—\$1.63 trillion—was proposed this year, after the budget returned to perpetual deficits. Adding interest, the total jumps to \$3.8 trillion. What happened to the promise not to spend the Social Security surplus? We are borrowing from our children for every dollar of these tax cuts—tax cuts that will go predominantly to those earning more than \$200,000 per year. And the tax cut we passed today, because of its gimmicky phase-outs that future Congresses may not allow to happen, is really a trillion-dollar tax bill. The Speaker of the House admitted as much. When do we admit that we are cutting taxes too much? What happened to the Republican Party of the 1980s, that railed against deficits and insisted on balanced budgets? What happened to the true conservatives, those who look to cut spending and taxes in order to stand for “less government”? Where is the principle, when almost every Republican in the Senate votes for every spending increase and every tax cut? We should call it what it is: borrow-and-spend economics. And our kids will pay for it for decades to come.

Mr. SARBANES. Mr. President, I rise today to express my concern about the pending legislation, which raises the Federal debt limit by almost \$1 trillion. In my view, this legislation shows very clearly that the fiscal policies the President has pursued over the last 2 years are imprudent and reckless.

We are considering today an increase of \$984 billion in the Federal debt ceiling, which is expected to carry the Government through to September 2004. In other words, the Treasury Department will need to borrow almost \$1 trillion more than is currently authorized—some \$6.4 trillion—over the next 16 months to fund Government operations. This would be the largest single increase in the debt limit ever. We are really talking about an increase of historic proportions in our Federal debt.

It is enlightening to look back at where we were when President Bush took office. In January 2001, the Congressional Budget Office projected that our net debt to the public would decline to \$36 billion by 2008. At that time, the President claimed that his budget would allow us to achieve “maximum possible debt retirement.”

Now, only two years later, the President is seeking to increase the debt limit. In fact, under the President's policies, publicly-held debt will rise to \$5 trillion in 2008—a staggering 36.4% of GDP. Gross Federal debt, which includes our commitments to Social Security and Medicare, will nearly double from \$6.7 trillion this year to \$12 trillion 10 years from now. Instead of achieving “maximum possible debt retirement,” the President is asking for historically high debt increases.

It is critically important to understand how seriously our economic situation has deteriorated under this administration. When the President took office, he inherited a 10-year surplus estimated at \$5.6 trillion. Now with the policies that he has enacted and the policies that he is proposing—in particular, this very heavily weighted tax cut for the benefit of upper-income people—we will go from projecting a \$5.6 trillion surplus to projecting a \$2.1 trillion deficit over that same period. That is a seismic shift in our position.

I want to underscore one other thing that has happened. Twenty years ago, the United States was a creditor nation, internationally, to the tune of about 10 percent of our GDP. So we were in a strong economic position internationally.

Now, because of the deterioration of our position over those intervening two decades, we are a debtor nation, to the tune of about 25 percent of our GDP. Again, a seismic shift in our international position, which places us very much in the hands of others. Because we are running these huge deficits year-in and year-out, we have become enormously, inordinately dependent on the influx of capital from abroad in order to sustain ourselves.

I am reminded of Tennessee Williams's *Blanche Dubois* in “A Streetcar Named Desire,” where she had that wonderful line: “I have always depended on the kindness of strangers.” That is what has happened to the United States in the international economic scene. We have deteriorated into this debtor status so that we are now dependent upon the kindness of stran-

gers. That is not where the world's leading power should find itself.

Of course, the years since President Bush took office had been difficult. The economic downturn, combined with the attacks of September 11 and the war with Iraq, have contributed to the decline in Federal revenues that have led to the need to increase the debt limit. Another cause of that decline as the massive tax cut the President pushed through in 2001. As many of us said at the time, enacting such a large tax cut based on optimistic projections of a surplus that may never appear was the height of recklessness.

But the recklessness we saw in 2001 may actually be exceeded by what we are seeing today. Now, we are facing massive deficits, not surpluses. In fact, CBO's most recent projection is for a deficit of over \$300 billion this year, the largest one-year deficit in our Nation's history. The Treasury Department recently reported a deficit of over \$200 billion in the first 7 months of fiscal year 2003, more than three times the level at this point last year. We are so deeply in debt that we are being called upon to raise the debt limit by almost a trillion dollars. This increase comes on top of a \$450 billion increase just last year. Our debt is skyrocketing with no end in sight.

Despite the change in our fiscal circumstances, the President is pushing for exactly the same economic policy he put forward in 2001: yet another round of massive tax cuts skewed toward the wealthy. Our colleagues across the aisle have been in such a hurry to enact this large tax cut that they chose to pass it through the Senate ahead of consideration of the debt limit, as if trillions of dollars in Federal debt is irrelevant to the decision to cut taxes.

Our economy is facing serious difficulties. Over the past six months, we have grown at an average rate of only 1½ percent, far less growth than what we ought to experience. Unemployment is up to 6.0 percent; it has not been higher since July 1994.

Despite these realities, the administration has not yet supported sensible economic programs, but has continued to push for massive new tax cuts, skewed towards the very wealthiest Americans, which will leave us with record deficits and debt. The increase in Federal debt that we are considering today will have a real impact on our economy, putting upward pressure on interest rates, and siphoning off resources that could be used for other purposes simply to pay the interest on our debt.

What we need is responsible approaches to put our economy back on track, not another round of massive tax cuts to benefit the wealthiest among us. Senator DASCHLE and other Democratic leaders have offered a responsible package that would create twice as many jobs as the President's package over the remainder of this year, extend unemployment insurance

benefits, and provide aid to State and local governments to forestall devastating program cuts and tax increases on millions of Americans. This alternative would provide over one million jobs at only a fraction of the cost of the President's proposal or those put forth by Congressional Republicans. It would create real jobs and economic growth without mortgaging our future through tremendous increases in deficits and debt.

The fact that the President is pushing for massive tax cuts at the same time the Congress is being asked to add almost a trillion dollars to the Federal debt ceiling is beyond reckless—it places in jeopardy our future economic strength and the economic security of all Americans.

Mr. LEVIN. Mr. President, it is ironic that on the same day that the Republican majority passed a huge tax cut package that will cost, without the gimmicks, up to a trillion dollars over the next 10 years, they also are asking us to raise the limit on the national debt by \$984 billion, which would be the largest increase in our Nation's history.

Just 2 years ago, the President asserted that passage of his massive \$1.4 trillion in tax cuts would still allow us to eliminate our publicly held debt by 2008. Under the budget resolution that was passed recently, it's estimated that our publicly held debt will be over \$5 trillion by 2008. So, under this Administration's fiscal policies, we have gone from an estimate of zero in publicly held debt in 2008 to an estimate over \$5 trillion in publicly held debt in 2008. That's an astounding reversal by any measure.

The President also said that his past tax cuts would create jobs. That doesn't jibe with the fact that we've lost 2.7 million private sector jobs since President Bush took office, many of those since his last tax program was adopted.

We need to increase the debt limit, but we need to do it in a fiscally responsible way. Instead of increasing it by a trillion dollars, let's make the increase more reasonable, like the \$350 billion increase that Senator BAUCUS is advocating. This will give us the opportunity to assess our fiscal policies sooner rather than later, to review our economic situation prior to making significant decisions which could harm us down the road. In light of our struggling economy and the huge deficit ditch that we find ourselves in, an opportunity for review sooner rather than later is essential to the economic and fiscal health of our Nation.

Mr. DODD. Mr. President, I rise today to speak about the vote that just took place to increase the debt ceiling.

The national debt is growing larger and larger, and yet just several hours ago the Senate passed another massive irresponsible tax cut that will add to our debt and lead this Nation down a fiscally perilous path.

Two years ago, the President assured the Nation that if we adopted his tax

cut, we would see job growth, and we would still be able to eliminate the publicly held debt by 2008. The result was far from this.

In the more than 2 years that he has been President, 2.7 million jobs have been lost, and we are now having to increase the debt to \$7.384 trillion, an increase of \$984 billion—almost \$1 trillion. This is the largest debt increase in the history of our country.

The debt limit was last increased on June 28 of last year by \$450 billion. Prior to that increase, the limit had not been raised since August 1997.

The administration's request to raise the debt limit by almost \$1 trillion confirms that it is unwise to make long-term commitments to tax cuts based on shaky projections and gimmicks. I truly think this increase is a mistake, and for that reason I voted against the debt limit increase.

Just several hours ago, the Senate approved a \$350 billion tax cut that will further deteriorate our fiscal outlook. It will worsen the already skyrocketing deficit and our national debt.

Increasing deficits will decrease national savings and increase long-term interest rates, which effectively lowers the incomes of working Americans. Also, the national debt is not free. The hard working men and women in this country have to pay interest on the debt for decades, and when the deficit is high, it requires so much Federal borrowing that it displaces private investment and pushes up interest rates on mortgages, consumer credit, business borrowing, and capital investment. This in turn leads to less private investment, which reduces the size of the economy and future standards of living in the long run.

There are consequences to our actions, and yet the administration and the majority of this Congress are turning a blind eye to these consequences.

We unfortunately are in a position where we have to increase the debt, because we do not want to see the country in default. But we should be doing it in a responsible manner which is why I voted in support of an amendment which would have increased the debt limit by \$350 billion.

An amendment was also proposed today that would have prohibited the Treasury Department from disinvesting the Social Security trust fund to stay under the debt limit. This amendment would have kept the Social Security trust fund safe for our retirees, and yet it was defeated by this body under the leadership of the majority party.

I believe we have a responsibility in the Senate to always do what is right for future generations. I think that the tax cut that was passed earlier today, and the debt increase that was passed several moments ago, fails to take the needs and hopes of future generations into consideration.

Mr. LAUTENBERG. Mr. President, President Bush inherited the strongest economy in history and has run it into

the ground. When he took office in January 2001, the Congressional Budget Office, CBO, was forecasting a cumulative, 10-year budget surplus of \$5.6 trillion. Now, the CBO is forecasting a 10-year deficit of \$2.1 trillion.

You can't mangle the economy that badly by accident; it has to be by design.

The design is something that President Bush's father once called "voodoo economics." The theory behind "voodoo economics" is that massive tax cuts for the wealthiest among us will somehow "stimulate" the economy.

The theory should be discredited by now. It certainly didn't work in 2001. Since the 2001 tax cuts, unemployment has risen by nearly 50 percent. Two point seven million Americans have lost their private sector jobs under the Bush administration; that is about 3,100 people each and every day since he took office, 129 people each and every hour, or more than 2 people each and every minute.

And yet, as Ronald Reagan would say, "there you go again." Just a short while ago, the Republicans passed another ill-advised tax cut skewed to the rich, this one costing \$318 billion over 10 years.

The only people who will get jobs under the reconciliation bill the Republicans just adopted are lawyers and accountants. As Warren Buffett put it the other day in the Washington Post, "Overall, it's hard to conceive of anything sillier than the schedule the Senate has laid out. . . . The manipulation of enactment and sunset dates of tax changes is Enron-style accounting. . . ."

Mr. Buffett went on to point out that "giving one class of taxpayer a 'break' requires—now or down the line—that an equivalent burden be imposed on other parties."

That brings us to H.J. Res. 51. Apparently without embarrassment, the Republicans are willing to vote for another tax cut at a time when we are looking at record budget deficits, and then—on the very same day—vote for the biggest debt ceiling increase in history, \$984 billion.

The Republicans' strategy has been to back up the consideration of H.J. Res. 51 so that it is the only thing standing between us and the Memorial Day recess. They want to pass it with as little debate and as quickly as possible.

They certainly don't want to amend it. That would send it back to the House, which would be a problem. House Republicans didn't have the courage—and probably didn't have the votes—to pass H.J. Res. 51. So, in a bit of legerdemain that would make President Bush's close friend Ken Lay proud, they "deemed" themselves to have passed it as part of the fiscal year 2004 budget resolution.

Let me try to put this debt ceiling increase in perspective. President Bush wants \$984 billion. That is more than the total debt outstanding when Ronald Reagan took office. In other words,

it took this country 200 years to get its debt up to the amount that President Bush wants to add in the 11 months since the last debt ceiling increase.

Because of the disciplined economic policies that congressional Democrats and the Clinton administration enacted between 1993 and 2000, the debt ceiling stayed at \$5.95 trillion from 1997 to 2001. Debt held by the public actually declined from \$3.7 trillion to \$3.3 trillion.

President Bush's "voodoo economics" necessitated a debt ceiling increase for the first time in 5 years to \$6.4 trillion last June and now he is back for another \$984 billion.

In essence, President Bush inherited a "credit card" with a \$5.95 trillion "limit." He wanted to borrow more to pay for his first round of tax cuts, so he went to the "bank"—which I call the Bank of Our Children's Future—and got a credit increase last June. But it wasn't enough, so he is back again, asking for another, bigger credit increase.

But here's the rub: we all get stuck paying his bill. Right now, that bill is over \$22,200 for every man, woman, and child in America. President Bush wants to add another \$3,400 to your share of the bill in one fell swoop. For a family of four, that is a total of \$102,400.

And don't forget: when you run up charges on your credit card and don't pay the balance in full, you get stuck paying interest, too. For that family of four, the interest cost would add another \$33,000 over the next 10 years.

President Bush just can't wait to get that credit increase so he can pay for his newest tax cuts. That is why I think we should stamp credit card "Over the Limit."

I think it is important that each and every American understand what is at stake here.

Each year, when Americans get their Social Security account statements, I think those statements ought to include, in plain language, information about the public debt, each person's share of that debt, and the extent to which the Social Security trust fund is being raided.

Then, they can make an informed decision about whether they want tax cuts that do nothing to help the economy but do contribute to budget deficits "as far as the eye can see" and put a knife to the throat of Social Security, Medicare, and other vital programs.

I don't have the time today to discuss why the President and his Republican allies in Congress are pushing policies that deliberately cause deficits; suffice it to say, for now, that it is part of their grand strategy to cripple government permanently.

I will have more to say about that on another day.

In the interim, I urge my colleagues to vote against bailing out the Bush administration and its allies here in the House and Senate. They have mishandled our economy in a monumental way. People ought to be informed.

AMENDMENT NO. 833

Mr. BAUCUS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 833.

Mr. BAUCUS. Mr. 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 reduce the amount by which the statutory limit on the public debt is increased)

Strike "7,384,000,000,000" and insert: "6,750,000,000,000".

Mr. BAUCUS. Mr. President, this amendment is simple. This amendment would reduce the amount by which we are raising the debt limit to \$350 billion. That is \$634 billion less than the underlying bill.

The legislation the House sent to us would raise the debt limit by \$984 billion. That would be the largest debt limit increase in history. The previous record was \$915 billion in 1990, under President George Herbert Walker Bush.

The average of the five debt ceiling increases since 1990 has been \$450 billion. Plainly, the debt limit increase in the bill before us is out of proportion with recent precedent.

We should not raise the debt limit by so much. We should increase it by an amount significantly smaller than \$984 billion.

It is very easy to explain why we have a smaller increase. It is because we are living in uncertain times, unpredictable times. I have sort of a pet theory that increases in technology, particularly communications technology, which makes our society much more complex and uncertain—not only for the U.S. but for the world—and we are experiencing the effects of actions in the world, from terrorism and SARS—make it difficult for the U.S. to rely on the best of projections.

The best of projections indicate that the fiscal condition of the country is unhealthy for both the current year and future years. This is especially troubling because the baby boom generation will begin to retire in a few short years. Social Security, Medicare, and Medicaid expenditures will soar, putting enormous strains on the Federal budget.

And new projections of even the short run keep showing conditions worsening, even when only a short time has elapsed since the previous estimate. Most recently, the CBO increased its forecast of the current year deficit by more than \$55 billion. That is over just 2 months. If you project that out, that means in a year—6 times 55—that is about a \$330 billion difference.

Under these circumstances, Congress should reexamine the fiscal situation later this year. To ensure that this oc-

curs, the size of the debt limit increase must be significantly smaller than \$984 billion. We cannot wait until next year—late next year or in the summer of next year as contemplated by the underlying proposal—to examine and reexamine our budgetary problems. A \$984 billion debt limit increase is just not responsible.

I made the credit card analogy a couple of times. I will say it once again. A \$984 billion debt limit increase is like a family that wants the credit card bill to come only once a year. If the credit card bill came only once a year, the family might well not talk about the family budget quite so often. As a result, they would probably not maintain as good control of the budget as they would with a monthly statement. There is reason the bank sends bills more frequently, sends statements out monthly. It ensures more frequent review of the debt limit. That is all my amendment would require. I urge my colleagues to support it.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, the fact is, it is great to talk about all the options, but the Treasury faces a payment obligation in late May. That cannot be met without an increase in the statutory debt limit. If we amend the resolution, we will have to go back to the House of Representatives and possibly require a conference that would delay it until June. We cannot wait until June. The Secretary made it clear. He has taken all prudent and legal steps to avoid reaching the statutory debt limit. Treasury will only provide room until May 28, as I have said, next Wednesday, in the middle of the Memorial Day recess period when Congress will be out of town. Failure to act puts in jeopardy over \$40 billion in Social Security and Medicare benefits the first week in June. I repeat, we have no choice. We must act today.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. BAUCUS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. One minute 29 seconds.

Mr. BAUCUS. Mr. President, I want to make clear that I have not heard one substantive reason against this, not one. Rather, the argument against this is the House is gone. We all know the House has gone because they do not want to vote on this issue. They planned to have the Senate bring the debt limit up at this time. The House planned to leave before the debt limit came up. They planned that so they do not have to vote on the issue. The other side plans to vote down all amendments so they do not have to go back to the House. It is a gimmick. It is a game.

There is not one word of substance as to why we should not have a smaller

debt ceiling rather than a full year. I think it is time to call it as it is and explain what has happened here. What I explained is what is happening.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I have one comment. The fact that the Secretary of the Treasury cannot meet the bills before we come back is pretty good evidence, and I hope we vote that way.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. BAUCUS. Mr. President, I yield back my time. I believe the yeas and nays have already been ordered.

Mr. THOMAS. I yield back our time.

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is on agreeing to amendment No. 833. The clerk will call the roll.

The assistant legislative clerk called the roll.

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

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

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

[Rollcall Vote No. 197 Leg.]

YEAS—47

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

NAYS—52

Alexander	Dole	Miller
Allard	Domenici	Murkowski
Allen	Ensign	Nickles
Bennett	Enzi	Roberts
Bond	Fitzgerald	Santorum
Brownback	Frist	Sessions
Bunning	Graham (SC)	Shelby
Burns	Grassley	Smith
Campbell	Gregg	Snowe
Chafee	Hagel	Specter
Chambliss	Hatch	Stevens
Cochran	Hutchison	Sununu
Coleman	Inhofe	Talent
Collins	Kyl	Thomas
Cornyn	Lott	Voivovich
Craig	Lugar	Warner
Crapo	McCain	
DeWine	McConnell	

NOT VOTING—1

Byrd

The amendment (No. 833) was rejected.

Mr. BAUCUS. These are important amendments. I believe Senators should listen to debate.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator from Vermont.

Mr. LEAHY. Mr. President, I will take a couple of minutes and enter into a colloquy on a very important subject with the senior Senator from Connecticut.

I yield to him for that purpose.

ASBESTOS LAWSUITS LEGISLATION

Mr. DODD. Mr. President, yesterday there were reports in the stock market that companies facing asbestos-related lawsuits had falling stock prices, some of them rather precipitously, in the New York stock exchange. USG fell more than \$2, 17 percent; Georgia Pacific, Crown Holdings, R.W. Grace, and on and on, companies that have the potential of significant lawsuits.

The Senator from Vermont and the Senator from Utah and the Senator from Nebraska, as well as the Senator from Delaware, are trying to pull a bill together. We have not done that yet.

I thought it important before we leave on this break to express to our colleagues that we are working very hard to come up with a compromise proposal on the asbestos issue. We have taken major steps in that direction, working with organized labor, with the insurance industry, with the insured, and many others that have a stakeholding in the outcome of this particular effort. It is a critically important effort.

We say to those out there wondering whether or not we will be able to get a bill, we believe we will. It will take time. It is hard work to pull this together properly. It is a lot of detailed work that needs to be done. We thought it was important to send a message to those interested in the subject matter that we are confident it can be done. We will have to work very hard in the coming days, particularly over this break, to try to resolve the differences that exist, and they are not insignificant. We believe there is such good will on the part of all to resolve this matter that it is in our interests to spend the time and effort.

I thank the distinguished Senator from Vermont, Mr. LEAHY, who has been tremendously helpful and productive in working with us. I yield to him for any comments he may want to make. We are all determined to get a bill. We believe we can get that done. It will take hard work.

Mr. LEAHY. Mr. President, I thank the senior Senator from Connecticut for his words. We need to come together to craft effective legislation. If we do, we will resolve this asbestos litigation crisis.

The senior Senator from Connecticut has done yeoman service in bringing together the affected industries—the insurance companies, labor, and others—in meeting after meeting. I convened the first Senate Judiciary Committee hearing last September on asbestos litigation. We wanted to begin a bipartisan dialog about the best way to provide fair and efficient compensation, both to current victims and those yet to come.

Since last fall we have learned a lot about the harm wreaked by asbestos exposure. The victims continue to suffer, the numbers continue to grow, but the businesses involved in the litigation, along with their employees and

their retirees, are suffering from the economic uncertainty surrounding this issue.

More than 50 companies have filed for bankruptcy because of asbestos-related bills. We have a lose-lose situation. The victims who deserve fair compensation do not receive it, and the bankrupt companies cannot create new jobs or invest in the economy. That is why Senator DODD and I have been working for months with Senator HATCH, Senator CARPER, Senator NELSON, Senator DEWINE, and others trying to bring together industry and labor and others for a national trust fund solution. The summit Senator DODD had last month of all the stakeholders is bringing them closer together to find common ground.

We have made great progress since that summit. I have heard from all the parties involved since Senator DODD brought them together. They found that some of the differences they had started to go away. Chairman HATCH has worked hard drafting asbestos legislation. He put in a draft yesterday.

I agreed to take all these cases, if we can, out of the tort system, and establish a national trust fund. I agree the national trust fund has to contain medical criteria to quickly compensate legitimate victims and weed out frivolous claims. Our effort is so unprecedented that we have to work closely together.

I close with this: The only kind of legislation that will pass through here this year or next is going to be consensus legislation. If we are going to have consensus legislation, we must all continue to work on a final plan. We are not there yet. We are getting closer. We are still not there.

I commend the Senators on both sides of the aisle. We will work together throughout the recess in the hopes we can get back to that.

Mr. DODD. Madam President, if I may just conclude, I thank again the Senator from Vermont for his comments. He has outlined this very well. It must truly be a no fault system. It must be truly no fault so both industry as well as victims have certainty. Medical criteria, medical monitoring—a variety of other provisions must be part of the effort.

Those are major agreements that have already been struck. Getting down to the details is the hard part. We are confident it will happen. It will require a lot of work. It can't be done on the fly, if we are going to take the unprecedented step dealing with the asbestos issue.

AMENDMENT NO. 834

Mr. DASCHLE. I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota (Mr. DASCHLE) proposes an amendment numbered 834.

Mr. DASCHLE. 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 express the sense of the Senate that Social Security cost-of-living adjustments should not be reduced)

At the appropriate place add the following:

SEC. . PROTECTING SOCIAL SECURITY BENEFICIARIES FROM COLA CUTS

(a) FINDINGS.—The Senate finds that:

(1) Social Security provides a relatively modest insurance benefit for seniors—many of whom rely on Social Security for part or all of their monthly income. Without Social Security, forty-eight percent of beneficiaries would be in poverty today.

(2) In order to protect benefit levels against inflation, Social Security beneficiaries receive an annual cost-of-living adjustment (COLA) based on Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

(3) The January 2003 COLA provided only a 1.4 percent increase in Social Security benefits, increasing the average monthly benefit for all retired workers by only \$13 (from \$882 to \$895).

(4) Annual growth in Medicare premiums and out-of-pocket health care costs for retired individuals on fixed incomes far exceeded the small COLA increases provided to Social Security beneficiaries.

(5) Reducing COLAs will disproportionately harm low-income Social Security beneficiaries and push millions of seniors into poverty.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Social Security cost-of-living adjustments should not be reduced.

Mr. DASCHLE. I ask unanimous consent that there be a 10-minute time-frame, equally divided, with no second-degree amendments.

Mrs. BOXER. I cannot hear the unanimous consent request.

Mr. THOMAS. I object.

The PRESIDING OFFICER. Will the Senator restate his unanimous consent request?

Mr. DASCHLE. I asked first that the amendment be considered as read.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. THOMAS. Are we talking about the time limit? I objected to the time limit.

The PRESIDING OFFICER. Without objection, it is so ordered. We dispensed with the reading of the amendment.

Mr. DASCHLE. I then asked that the amendment be considered under a time limit of 10 minutes, equally divided, with no second degrees.

The PRESIDING OFFICER. There is objection?

Mr. GREGG. I object.

Mrs. BOXER. Reserving the right to object.

The PRESIDING OFFICER. The Senate will please come to order so we can hear all Senators who request to speak. The Senator from California.

Mrs. BOXER. Madam President, I just want to ask my leader if he can give me 60 seconds in the debate to speak in favor of the amendment.

Mr. DASCHLE. Since we are not working under a time agreement, I will be happy to provide whatever time the Senator may require.

Mrs. BOXER. I thank the Senator for his generosity.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. DASCHLE. Madam President, we all understand how critical the Social Security Program is to senior citizens. It is now estimated that 48 percent of all seniors today would live in poverty were it not for Social Security. It is a critical program for all of us and for our parents.

It is a program of extraordinary importance to people in rural and urban areas alike. Obviously, over the course of the years, the Social Security Administration has seen fit to offer cost-of-living adjustments in order to ensure that the purchasing power of our seniors is not eroded. Every year, that cost-of-living adjustment is based on the consumer price index for urban wage earners and clerical workers.

Unfortunately, over the last couple of years, that index has been very low. As a matter of fact, in 2003 the cost-of-living allowance provided only a 1.4 percent increase in Social Security benefits. That amounts to an average monthly benefit of about \$13, from \$882 to \$895. The growth in the Medicare premiums and out-of-pocket health care costs for retired individuals on fixed incomes far exceeded that meager cost-of-living adjustment.

So we find ourselves in a situation where a number of our colleagues have suggested that perhaps one way to deal with what they call Social Security reform is to reduce the cost-of-living adjustment; in fact, in some cases to eliminate the cost-of-living adjustment.

That is the purpose of this amendment. As we consider increasing the debt limit by \$894 billion, as we consider all of the different approaches to how we are going to reduce that debt, there is a growing number of those who are suggesting that perhaps one way to do it is to limit benefits under the Social Security Administration.

This amendment simply says, as we consider all of the options, let us at least agree on one thing. Let us at least agree that we are not going to touch the cost-of-living allowance for seniors when that allowance is only \$13, on average, if we look at the last couple of years.

It is a simple amendment. It is a reaffirmation, however, of the importance of Social Security, our affirmation of the importance of maintaining the Social Security purchasing power, our affirmation of the importance of a cost-of-living adjustment. That is all it is. Certainly it is directly relevant as we consider the implications of raising the debt limit by some \$894 billion.

I hope we can get unanimous support for an amendment of this kind, and I yield the floor and yield such time as the Senator from California may re-

quire—I yield the floor and, since we are not working under a time agreement, I recognize I cannot yield the floor for a certain time so I just yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Madam President, I will not be long at all, but I just want to support this amendment by my leader, Senator DASCHLE. It is really simple. It says it is the sense of the Senate that Social Security recipients should not be denied their cost-of-living adjustment.

We have just, unfortunately, passed the tax break for the wealthiest few in this country. It is astounding to me, it is sad to me, to think that those in this country who work hard every single day, the average American family, maybe will get \$100—but, by the way, probably might not even get that much—whereas the millionaires, the people who seem to touch the heartstrings of the Republicans, are going to get thousands of dollars every single year. And by some magic—magic—this is going to create jobs.

We have been there and we have done that. What do my Republican friends say now? Oh, my God, we just did the tax break for the wealthy few. We had better increase the debt burden on all Americans so we can really come through with our promise. This debt, this additional debt is almost \$1 trillion more.

What is my leader saying? He is saying: At least, at the minimum, there are a few things we should hold dear. One of those is a commitment to the people who are on Social Security. If my colleagues vote no against this—and, by the way, what an excuse they have: The House has gone home.

Well, too bad. Let the Speaker of the House bring back the people of the House. Let the Republican Speaker of the House, DENNIS HASTERT, bring back the people of the House to vote for the people of this country. What an excuse. They are going to vote no, and they are going to go home and say: I was really for you, but I had to vote no because if I voted yes, then DENNY HASTERT would have had to bring back the people who represent you in the House.

It is time we stood up here for the people, not the wealthiest, the millionaires, and giving excuses as to why what you are doing here is good for the people.

I support my leader, and I will support a number of amendments here to keep a commitment to the average working families, and to seniors, and the children of this country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Madam President, the amendment offered by the distinguished Senator from South Dakota has merit. I support the amendment. However, the adoption of the amendment to the resolution will require it to be sent back to the House, which

would delay the increase in the statutory debt ceiling and jeopardize the payment on time of benefits such as Social Security and Medicare, as well as meeting Government obligations. Ironically, it probably has more threat to payments on Social Security than not doing it.

Therefore, I ask unanimous consent that the amendment be withdrawn, that upon the passage of H.J. Res. 51, the withdrawn amendment be considered offered as an original resolution, that the Senate proceed to immediate consideration of the resolution, that it be deemed to have been read three times and, without intervening debate or motion, the resolution be deemed agreed to and the motion to reconsider be deemed to be laid upon the table.

The PRESIDING OFFICER. Is there objection?

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. I object.

Madam President, if I could be heard on the objection, we have no objection to taking up the legislation free-standing. But because of the intricate relationship between Social Security and increasing the debt limit, we see no reason to separate these. This should be an amendment on debt limit. I believe the House ought to take up this matter. There is no reason why they can't vote on it this morning. There is no reason why this can't be addressed prior to the end of the week. We hope we can have a vote, and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. THOMAS. Madam President, I move to table the amendment.

Mr. GREGG. Madam President, I make a point of order that a quorum is not present.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. DASCHLE. Madam President, I ask for a count.

The PRESIDING OFFICER. There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. GREGG. Madam President, I make a point of order that a quorum is not present.

Mr. NICKLES. Madam President, I suggest the absence of a quorum.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

Mr. GREGG. I object.

The PRESIDING OFFICER. Objection is heard.

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

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

Ms. COLLINS. Mr. President, a vote in favor of the amendment offered by my colleague, Mr. DASCHLE, would prevent timely enactment of H.J. Res. 51. Swift passage of a clean bill allows the measure to move as quickly as possible to the President for his signature. Any delay will lead to a default on the national debt and the inability of our government to meet its financial obligations, including its obligation to pay Social Security checks on time.

With the House adjourned for the Memorial Day recess, I am concerned that any further delay in enactment of the debt limit bill will cause Social Security beneficiaries to receive their monthly checks much later than scheduled. While I agree with Senator DASCHLE that the COLA should not be reduced, ironically, his amendment would immediately hurt those seniors for whom Social Security is a lifeline by delaying receipt of their checks. I would never vote to cut or tax Social Security benefits. With far too many seniors on limited budgets, I cannot support adoption of an amendment that could lead to a delay in the delivery of these vital benefits.

Mr. NICKLES. Madam President, I have just a couple of comments.

This resolution says please don't cut cost-of-living adjustments on Social Security. No one in either House—either body—contemplated cutting COLAs. Our colleague from Wyoming said we are willing to pass this but pass it freestanding—not as an amendment to the debt limit.

Just so we know what the facts are, the House worked really late last night—until 2 o'clock or 3 o'clock in the morning, and they have left town. So we have to pass a debt limit clean. If we don't pass it clean, you are jeopardizing Social Security. You are jeopardizing Medicare.

We should do exactly what the Senator from Wyoming said. Let us pass this freestanding and not as an amendment to the debt limit.

The Senator from Wyoming asked unanimous consent to pass this separately from the debt limit. That was objected to by the Democrat leader.

I will just tell our colleagues that it is our intention to table this amendment at this point, because for whatever reason—political purposes—they want a rollover vote. Just to tell our colleagues, when we conclude passage of the debt limit, we will pass this freestanding.

The PRESIDING OFFICER. The Republican whip.

Mr. McCONNELL. Madam President, I move to table the amendment, and I ask for the yeas and nays.

Mr. DASCHLE. Madam President, parliamentary inquiry: I thought the yeas and nays had already been ordered on the amendment.

The PRESIDING OFFICER. The yeas and nays were ordered on the underlying amendment. That does not preclude a motion to table.

Is there a sufficient second?

Mrs. BOXER. Parliamentary inquiry.

The PRESIDING OFFICER. There is a sufficient second.

The Senator from California.

Mrs. BOXER. May I state an inquiry?

Would it be possible under the rules of the Senate to hear from our leader for 1 minute since this tables his amendment and he has not had a chance to say why it is being tabled.

The PRESIDING OFFICER. It is possible by unanimous consent.

Mrs. BOXER. I would so move.

Mr. NICKLES. I object.

The PRESIDING OFFICER. There is objection.

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

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

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

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

[Rollcall Vote No. 198 Leg.]

YEAS—52

Alexander	Dole	Miller
Allard	Domenici	Murkowski
Allen	Ensign	Nickles
Bennett	Enzi	Roberts
Bond	Fitzgerald	Santorum
Brownback	Frist	Sessions
Bunning	Graham (SC)	Shelby
Burns	Grassley	Smith
Campbell	Gregg	Snowe
Chafee	Hagel	Specter
Chambliss	Hatch	Stevens
Cochran	Hutchison	Sununu
Coleman	Inhofe	Talent
Collins	Kyl	Thomas
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	McCaIn	
DeWine	McConnell	

NAYS—47

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

NOT VOTING—1

Byrd

The motion was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

AMENDMENT NO. 832

Mr. KENNEDY. Mr. President, I call up my amendment No. 832.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 832.

Mr. KENNEDY. 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 extend the Temporary Unemployment Compensation Act of 2002, to provide additional weeks of temporary extended unemployment compensation for individuals who have exhausted such compensation, and to make extended unemployment benefits under the Railroad Unemployment Insurance Act temporarily available for employees with less than 10 years of service)

At the end add the following:

SEC. 2. EXTENSION OF THE TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 2002.

(a) IN GENERAL.—Section 208 of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 30), as amended by Public Law 108-1 (117 Stat. 3), is amended—

(1) in subsection (a)(2), by striking “before June 1” and inserting “on or before December 31”;

(2) in subsection (b)(1), by striking “May 31, 2003” and inserting “December 31, 2003”;

(3) in subsection (b)(2)—

(A) in the heading, by striking “MAY 31, 2003” and inserting “DECEMBER 31, 2003”; and

(B) by striking “May 31, 2003” and inserting “December 31, 2003”; and

(4) in subsection (b)(3), by striking “August 30, 2003” and inserting “March 31, 2004”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 21).

SEC. 3. ADDITIONAL WEEKS OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION FOR EXHAUSTEES.

(a) ADDITIONAL WEEKS.—Section 203 of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 28) is amended by adding at the end the following:

“(d) INCREASED AMOUNTS IN ACCOUNT FOR CERTAIN EXHAUSTEES.—

“(1) IN GENERAL.—In the case of an eligible exhaustee, this Act shall be applied as follows:

“(A) Subsection (b)(1)(A) shall be applied by substituting ‘100 percent’ for ‘50 percent’.

“(B) Subsection (b)(1)(B) shall be applied by substituting ‘26 times’ for ‘13 times’.

“(C) Subsection (c)(1) shall be applied by substituting ‘7 times the individual’s average weekly benefit amount for the benefit year’ for ‘the amount originally established in such account (as determined under subsection (b)(1))’.

“(D) Section 208(b) shall be applied—

“(i) in paragraph (1), as if “, including such compensation payable by reason of amounts deposited in such account after such date pursuant to the application of subsection (c) of such section” were inserted before the period at the end;

“(ii) as if paragraph (2) had not been enacted; and

“(iii) in paragraph (3), by substituting “October 18, 2003” for “March 31, 2004”.

“(2) ELIGIBLE EXHAUSTEE DEFINED.—For purposes of this subsection, the term ‘eligible exhaustee’ means an individual—

“(A) to whom any temporary extended unemployment compensation was payable for any week beginning before the date of enactment of this subsection; and

“(B) who exhausted such individual’s rights to such compensation (by reason of the payment of all amounts in such individual’s temporary extended unemployment compensation account, including amounts deposited in such account by reason of subsection (c)) before such date of enactment.”.

(b) EFFECTIVE DATE AND APPLICATION.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply with respect to

weeks of unemployment beginning on or after the date of enactment of this Act.

(2) TEUC-X AMOUNTS DEPOSITED IN ACCOUNT PRIOR TO DATE OF ENACTMENT DEEMED TO BE THE ADDITIONAL TEUC AMOUNTS PROVIDED BY THIS SECTION.—In applying the amendment made by subsection (a) under the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 26), the Secretary of Labor shall deem any amounts deposited into an eligible exhaustee’s (as defined in section 203(d)(2) of the Temporary Extended Unemployment Compensation Act of 2002, as added by subsection (a)) temporary extended unemployment compensation account by reason of section 203(c) of such Act (commonly known as “TEUC-X amounts”) prior to the date of enactment of this Act to be amounts deposited in such account by reason of section 203(b) of such Act, as amended by subsection (a) (commonly known as “TEUC amounts”).

(3) REDETERMINATION OF ELIGIBILITY FOR AUGMENTED AMOUNTS FOR ALL ELIGIBLE EXHAUSTEES.—The determination of whether the eligible exhaustee’s (as so defined) State was in an extended benefit period under section 203(c) of such Act that was made prior to the date of enactment of this Act shall be disregarded and the determination under such section, as amended by subsection (a) with respect to eligible exhaustees (as so defined), shall be made as follows:

(A) ELIGIBLE EXHAUSTEES WHO RECEIVED AND EXHAUSTED TEUC-X AMOUNTS.—In the case of an eligible exhaustee whose temporary extended unemployment account was augmented under such section 203(c) before the date of enactment of this Act, the determination shall be made as of such date of enactment.

(B) ELIGIBLE EXHAUSTEES WHO EXHAUSTED TEUC AMOUNTS BUT WERE NOT ELIGIBLE FOR TEUC-X AMOUNTS.—In the case of an eligible exhaustee whose temporary extended unemployment account was not augmented under such section 203(c) as of the date of enactment of this Act, the determination shall be made at the time that the individual’s account established under section 203 of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 28), as amended by subsection (a), is exhausted.

SEC. 4. TEMPORARY AVAILABILITY OF EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT FOR EMPLOYEES WITH LESS THAN 10 YEARS OF SERVICE.

Section 2(c)(2) of the Railroad Unemployment Insurance Act (45 U.S.C. 352(c)(2)) is amended by adding at the end the following:

“(D) TEMPORARY AVAILABILITY OF EXTENDED UNEMPLOYMENT BENEFITS FOR EMPLOYEES WITH LESS THAN 10 YEARS OF SERVICE.—

“(i) IN GENERAL.—Subject to clause (ii), in the case of an employee who has less than 10 years of service (as so defined), with respect to extended unemployment benefits, this paragraph shall apply to such an employee in the same manner as this paragraph applies to an employee who has 10 or more years of service (as so defined).

“(ii) APPLICATION.—Clause (i) shall apply to—

“(I) an employee who received normal benefits for days of unemployment under this Act during the period beginning on July 1, 2002, and ending on November 30, 2003; and

“(II) days of unemployment beginning on or after the date of enactment of this subparagraph.”.

Mr. REID. Will the Senator yield?

Mr. KENNEDY. Yes.

Mr. REID. Madam President, the Senator from Massachusetts has agreed

to 15 minutes equally divided on this amendment.

Mr. KENNEDY. We would like to have 12 minutes on our side.

Mr. GREGG. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KENNEDY. Madam President, this is an issue with which this body should be familiar, the whole issue of unemployment compensation. Let me tell you exactly what this proposal does. It has two parts. First of all, it extends the current program of 13 weeks of benefits until December 31, just as the House did last night by a vote of 409 to 19. That is what the House passed last night. That is one of the two provisions.

The second provision is it provides 13 weeks of benefits to the long-term unemployed who have exhausted their benefits and still cannot find a job. That is \$2.5 billion. The total cost is \$9 billion.

Madam President, just to review very quickly, we have 8.8 million unemployed. We have 2.8 million job openings. These are the figures from the Department of Labor. So, obviously, it has been very difficult for millions of Americans who have held unemployment compensation to continue to be able to find any jobs, so they have exhausted their benefits. This particular proposal will provide those benefits for about a million of the unemployed.

Madam President, I just draw the attention of the Senate to the actions that were taken on a similar issue by Presidents Dwight Eisenhower, John Kennedy, Richard Nixon, Gerald Ford, Jimmy Carter, Ronald Reagan, both Presidents Bush and Bill Clinton. Every one of those Presidents signed extended unemployment compensation—most included the individuals who had exhausted their unemployment compensation. Every one of those Presidents has done that. That is exactly what we are proposing to do here in a modest program, to reach those who have already exhausted their unemployment.

I will not take a great deal of time to talk about the hardship many unemployed are facing. These are the facts: More than half of the unemployed adults have had to postpone medical treatment—57 percent—or cut back on the spending for food—56 percent; 1 out of 4 have had to move out of their house and move in with friends and relatives; 38 percent lost telephone service or are worried about losing their phone; and more than a third have had trouble paying their gas or electric bills.

These are real American families who have worked hard, paid into the fund, and are in hard times. The fund itself is in surplus. It can afford this kind of a commitment.

Finally, when you look at what the Senate has done a few hours ago—given some \$350 billion in tax breaks, primarily to the wealthiest individuals—we are asking for fairness for workers

in this country who need this helping hand. Other Republican and Democrat Presidents have found reasons to do that. That is simply what this amendment is about.

The point has been raised: Senator, you have had your vote on this. You have had your vote once, twice, or three times. That is right. We are going to have a vote on it four times, five times, six times, or seven times until we are able to get this passed.

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

Mr. EDWARDS. Mr. President, the decisions we are making in the Senate today say a lot about our values, who we are, what we care about. Earlier today, the Vice President cast the tie-breaking vote that enabled wealthy investors to cut their taxes by tens of billions of dollars. It does virtually nothing for ordinary Americans.

If you look at this bill, for the next 5 years, the very little help working people get gets smaller and smaller, while the help for people who live off of their wealth gets bigger and bigger.

So this bill values wealth over work. It is just that simple. Now we have an amendment from the Senator from Massachusetts that is about helping people who are hurting today. This is not an abstraction. I have been all over this country. Anywhere you go in America, you meet people who are looking for work, and they cannot find it. These are good, salt-of-the-earth people. They want to work. They have worked all their lives. There is no job available for them. They are trying to feed their families, trying to pay the rent. These are people who cannot find a job because this administration—President Bush's administration—has killed over 2 million jobs. They are going from factory to factory and store to store trying to find work—whether it is at a textile mill, drycleaner, or McDonald's. They cannot find work. They have been looking for months.

So the question for the Senate is very simple: Will we help a million people who are unemployed, through absolutely no fault of their own—good, working people who have worked all their lives? The Senate has already proven today that it cares about the wealthy. Now the question is, Do we care about people who have spent months looking for work, who have worked all their lives, who want to take care of their families, put food on the table, pay the rent but they cannot find a job? That is the question presented by this amendment. The response will show the values of the Senate.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, I join my colleagues in supporting the Kennedy amendment. We are trying to help over 1.1 million Americans who exhausted their benefits. These are hard-working Americans who paid into the unemployment trust fund. Now is our opportunity to help them. I believe it is our

obligation. Here is an interesting point on this recession. In the 20th century, the average bottoming out of unemployment comes within 15 months of the beginning of the recession, but we have seen 25 months of continuing unemployment. This, indeed, is the longest in terms of the persistence of long-term unemployment that we have seen since the 1930s.

These people need our help. The trust fund has the resources. We should vote today to give these people benefits. As Senator KENNEDY pointed out, in every other recession every other President has done it. There should be no exception today. If we want to help 1.1 million Americans, just as we helped lots of fortunate Americans today, we should support this amendment.

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

Mr. REED. Yes.

Mr. SARBANES. What are the people to do? They have exhausted their unemployment insurance benefits in a labor market that, instead of opening up so there are opportunities for jobs, is actually closing down. The unemployment rate has now risen to 6 percent. The number of long-term unemployed is at a near 20-year record. The other side is talking about doing some kind of an extension, but as I understand it, they will not cover exhaustees; is that correct? Is that the Senator's understanding?

Mr. REED. Yes. It is my understanding that 1.1 million Americans have exhausted their benefits, and they are still looking. They are well-trained, well-skilled people. The jobs are gone. They want to work. We are ignoring them—we are not, but the other side's proposal totally ignores them.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. I think it is imperative to focus on the fact that we have people who have exhausted their benefits for the time period given to them, and they are not able to get a job. The argument is always made that they ought to get out and find a job. That is one of the premises of the system. But the job market is getting worse, not better.

Where are they going to find these jobs? How are they going to support their families? Furthermore, money has been paid into the unemployment insurance trust fund to build up a balance in order to make payments when we hit hard economic times.

Those surpluses that have been paid in are now about \$20 billion. The purpose of paying them in to the fund is to draw on them when we hit economic times such as we are now confronting. This economy remains soggy. It is not picking up. We have the very human problem of people who have worked that are now left out. You do not collect unemployment insurance benefits unless you have built up a work record. In order to get the benefits, you must have an established work record. So we

are not talking about nonworkers. By definition, we are talking about workers, people who have an employment record.

Through no fault of their own hard-working people have lost their jobs because the economy has gone soft. If you are at blame, you do not get unemployment; that is another provision of the system. They have drawn unemployment insurance benefits for a limited period of time. They then exhaust them. What are they to do?

The answer, "You ought to go find a job," might be an answer in a time when the job market is opening up, but the job market is closing down. The unemployment rate is rising, and the proposal of the able Senator from Massachusetts which would encompass these exhaustees is extremely important.

Furthermore, it would provide an impetus to the economy in providing some stimulus to get the economy moving again.

Ms. CANTWELL. Will the Senator from Maryland yield for a question?

Mr. SARBANES. Certainly, I yield for a question.

Ms. CANTWELL. I am interested in your—

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland has the floor and has yielded for a question.

Mr. SARBANES. I yield for a question.

Ms. CANTWELL. The Senator's understanding of Senator KENNEDY's amendment. I am concerned with the point you are making because just today the Boeing Company has announced it is sending warrant notices to another 1,150 employees. We have already had thousands—5,000—bringing the total to 3,000 employees laid off, and now we are hearing about another 1,100 today who will receive layoff notices probably in June or July.

This amendment would cover both employees—those who have already exhausted their benefits and employees who, in the next several months, will run out of benefits; is that your understanding?

Mr. SARBANES. That is my understanding, but the Senator makes a very important point in the context in which she presented it. Typically, after the earlier layoffs that the Senator talked about at Boeing, the economy would have picked up again. Boeing would have resumed work and would have started hauling people back in off of the unemployment rolls and putting them back to work.

The fact that they are now laying off additional people confronts us with providing for them, which the extension the other side is talking about may do, but it does not provide for going back and picking up the previous people who were laid off and who have exhausted their benefits.

The economy is not working the way it has traditionally worked. It is a very serious concern. The earlier people, instead of being called back because

Boeing's job orders are picking up, in fact confront a situation in which Boeing is now laying off even more people.

Ms. CANTWELL. I thank the Senator for that clarification because that is the point.

Mr. NICKLES. Regular order.

Ms. CANTWELL. We have to take care of those who have lost their benefits. The reason we should do that is your very point in your clarification that it is not getting better. I thank you for your clarification.

The PRESIDING OFFICER. The Senator may only yield for questions.

Mr. SARBANES. Have we answered the able Senator's question, I hope, in the course of this discussion?

Mrs. CLINTON. Will the Senator from Maryland yield for an additional question?

Mr. SARBANES. Certainly.

Mrs. CLINTON. As I look at the proposal of the Senator from Massachusetts and the specific financial hardships of unemployment, is it the position of the Senator from Maryland that in the absence of extending unemployment benefits to those who have already exhausted their benefits, there is no opportunity on the horizon for them to have income because the jobs are just not there?

Mr. SARBANES. Exactly. These people, in effect, will fall off the cliff, and they are hard-working people. They would not have gotten the unemployment benefits to begin with if they had not had a job record, I say to the able Senator from New York.

Mrs. CLINTON. Does the Senator from Maryland have any idea how many of the people who have exhausted their benefits have children in their homes?

Mr. NICKLES. Regular order.

Mr. SARBANES. I do not.

The PRESIDING OFFICER. The Senator is yielding for a question.

Mrs. CLINTON. Would it surprise the Senator from Maryland that the number of parents who have been unemployed for 6 months or longer has increased 245 percent?

Mr. SARBANES. I think that is consistent with the economic slowdown—

The PRESIDING OFFICER. The Senator will suspend. Senators are reminded to address questions through the Chair.

Mrs. CLINTON. Madam President, if I can continue in this line of questioning with the Senator from Maryland. Is the Senator from Maryland aware that in the year 2000, there were approximately 176,000 long-term unemployed parents but that last month there were 607,000?

Mr. SARBANES. I did not know the exact figures but I knew there has been a very significant increase. That reflects the broader fact that the number of the long-term unemployed has now risen, not just parents, which was the thrust of the Senator's question, but the number of long-term unemployed has risen to just under 2 million. These

are the highest numbers we have had in almost 10 years.

Mrs. CLINTON. Is it correct that the Senator from Massachusetts—

Mr. NICKLES. Regular order.

Mrs. CLINTON. Madam President, a further question to the Senator from Maryland: Is it correct that in previous years with previous Presidents and Congresses, the concern about long-term unemployment has let us, as a nation, provide benefits for those people who have exhausted their source of income and cannot find a job?

Mr. SARBANES. That is my understanding, and it is further my understanding that the extensions which have been done thus far in this recession compare very poorly with what was consistently done in previous economic downturns under both Republican and Democratic administrations. It is a very marked contrast that the response this time to the unemployed problem falls far short of what occurred in previous economic downturns.

Mrs. CLINTON. Finally, Madam President, to the Senator from Maryland, is the Senator from Maryland aware that the rate at which people are exhausting their unemployment benefits, without finding a job in this jobless economy that we are currently experiencing, was at its highest level ever recorded in February and its second highest level ever recorded in March, and that for 23 straight months the private sector has lost jobs, the longest stretch since World War II; is the Senator from Maryland aware of that?

Mr. SARBANES. That is a very dramatic statement of what is happening out there in terms of the shrinking of the job market and the incredibly difficult situation in which the unemployed find themselves. As the Senator has emphasized in particular, those who are parents are confronted with how they are going to provide for the needs of their families. The Senator is absolutely correct.

Mr. KENNEDY. I would like to, if I can, ask the Senator a question as well. Is the Senator aware that there are 18,000 members of the Armed Forces who have left the military and are now unemployed?

These are men and women who were serving in the military in recent times, are now unemployed, are now depending upon unemployment compensation, brave men and women who served this country gallantly and are now dependent upon unemployment compensation. They will be at risk as well.

Mr. SARBANES. In response to the Senator's question, that is just another dimension with respect to this problem. This problem really reaches throughout our society. As the able Senator from North Carolina stated earlier, he is encountering it all across the country. The former military personnel bring another dramatic dimension to this problem and the necessity, in my view, to enact the amendment the Senator from Massachusetts has offered.

The PRESIDING OFFICER (Mr. AL-EXANDER). The Senator from Wyoming.

Mr. THOMAS. Mr. President, I yield to the Senator from Oklahoma.

Mr. NICKLES. This has been a very interesting dialog, but it has absolutely nothing to do with this bill. Yesterday we made a unanimous consent request to pass a clean extension of unemployment compensation. The House has now passed a bill. We will ask unanimous consent again to pass a clean extension of unemployment compensation.

Mr. SARBANES. Will the Senator yield?

Mr. NICKLES. I will not yield. We have voted on this three times already this year. Some people on the other side say this is such a great issue, we are just going to get to vote on it a lot, and so now they offer it on a debt limit bill. Incidentally, they happen to know the House has already left. They know we have to pass a clean debt limit bill. They know a budget point of order lies against it. They know it is nothing but political gamesmanship.

I told our colleagues yesterday that they jeopardized passing a clean extension of unemployment comp. We could have done it yesterday. I hope we can do it today. Instead, they do not want to pass just a clean extension, they want to increase the program.

This amendment we are looking at today is a little different than the amendment we looked at last time. It has not had a hearing. It has not been vetted. It is not the bill that passed the House. The House has already left town. So if my colleagues want to do something to help people who are losing their unemployment compensation, they have to pass the House bill—and they are not in session, they have left. So we—

Mr. REID. Will the Senator yield?

Mr. NICKLES. No, I am not yielding.

If we take this modification, this change, on the debt limit bill, it will complicate the debt limit bill. If we amend unemployment comp that we are going to try to pass later by unanimous consent, that will not pass. We want to provide assistance to them, and we can pass a clean extension for the next 7 months. That happens to be nearly the same thing the Senator from New York and I did in January. It happens to be nearly the same thing the Senator from New York and I did last November.

So if my colleagues want to help people who have lost their unemployment benefits, we can pass a clean extension. We are not going to pass a major expansion, as this amendment would propose. This amendment would allow some people to receive 59 weeks of benefits—of unemployment comp. We are not going to do it. I will tell my colleagues that right now. So they can make all the speeches they want, but some of us want to pass this bill and move on.

I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The assistant legislative clerk called the roll.

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

I further announce that, if present and voting, the Senator from West Virginia (Mr. BYRD) would vote "nay".

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

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 199 Leg.]

YEAS—50

Alexander	Dole	McConnell
Allard	Domenici	Miller
Allen	Ensign	Murkowski
Bennett	Enzi	Nickles
Bond	Fitzgerald	Roberts
Brownback	Frist	Santorum
Bunning	Graham (SC)	Sessions
Burns	Grassley	Shelby
Chafee	Gregg	Smith
Chambliss	Hagel	Snowe
Cochran	Hatch	Stevens
Coleman	Hutchison	Sununu
Collins	Inhofe	Talent
Cornyn	Kyl	Thomas
Craig	Lott	Voivovich
Crapo	Lugar	Warner
DeWine	McCain	

NAYS—49

Akaka	Durbin	Lieberman
Baucus	Edwards	Lincoln
Bayh	Feingold	Mikulski
Biden	Feinstein	Murray
Bingaman	Graham (FL)	Nelson (FL)
Boxer	Harkin	Nelson (NE)
Breaux	Hollings	Pryor
Campbell	Inouye	Reed
Cantwell	Jeffords	Reid
Carper	Johnson	Rockefeller
Clinton	Kennedy	Sarbanes
Conrad	Kerry	Schumer
Corzine	Kohl	Specter
Daschle	Landrieu	Stabenow
Dayton	Lautenberg	Wyden
Dodd	Leahy	
Dorgan	Levin	

NOT VOTING—1

Byrd

The motion was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. THOMAS. Mr. President, I ask before the next vote that we have 10-minute votes in the future. I ask unanimous consent the following votes be 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. REID. We have no objection.

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

The Senator from Nevada.

Mr. REID. The next amendment we have in order is that offered by Senator FEINGOLD, but Senator KENNEDY is here, wishing to present a unanimous consent request.

Mr. NICKLES. Mr. President, just for the information of our colleagues, I

think we stated this before, but I want to repeat it. It is our intention to ask unanimous consent to pass the House-passed bill on unemployment compensation upon completion of the debt limit extension. It is also our intention again to ask unanimous consent to pass the sense-of-the-Senate resolution that the Senate would not curtail COLAs. No one was planning on doing it, but because we had an amendment earlier I think we want to clarify that. We will pass both of those on free-standing items upon completion of the debt limit extension.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, having listened to the leader, I ask unanimous consent the Senate proceed to the consideration of the House unemployment compensation bill, H.R. 2185, which the House passed last night by a vote of 409 to 19, that the bill be read a third time and passed, the motion to reconsider be laid on the table, and the preceding all occur without intervening action or debate.

Mr. MCCONNELL. Mr. President, reserving the right to object, and I will object, we are in the process, I think the Senator from Massachusetts knows, of trying to clear that on this side of the aisle. The Senator from Oklahoma has indicated we expect to be able to pass the House-passed unemployment extension later in the day. We cannot, however, clear it at this particular moment. Therefore, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Oklahoma.

Mr. NICKLES. Just to repeat, I tried to do that yesterday, and the Senator from Massachusetts objected—or somebody from the other side of the aisle objected. I just want to make that point as well. Some of us tried to pass a clean extension yesterday and I urged my colleagues to do it and it was objected to. Now we have had a couple of votes. I hope we can clear it and will pass the House-passed bill.

Mr. KENNEDY. Mr. President, as I understand it, the objection is coming from the Republican side to the bill that passed last night in the House of Representatives 409 to 19. We are prepared. We believe it should include exhaustees. But we want to find the earliest time to let those people who are unemployed know that the Senate is going to be responsive. It passed last night. We are asking now that it be passed right now.

If there is going to be an objection by the Republican leadership, the RECORD ought to reflect that. We are prepared.

This is our first priority—to say to those who are receiving unemployment compensation that they will continue to receive it.

Do I understand there has been an objection by the Republican leadership?

The PRESIDING OFFICER. There was.

Mr. KENNEDY. Otherwise, I renew the request.

The PRESIDING OFFICER. Objection was heard.

Mr. REID. Mr. President, will the majority be willing to enter into a time agreement on the amendment offered by Senator FEINGOLD in relation to pay-go? He has agreed to 15 minutes on our side. I ask that in the form of a unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Reserving the right to object, 15 minutes on that side. How much on this side?

Mr. REID. Whatever you want—15 minutes.

Mr. NICKLES. Ten minutes on this side would be more than sufficient.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Wisconsin.

Mr. REID. Mr. President, will the Senator from Wisconsin yield for a question?

Mr. FEINGOLD. I yield for the purpose of a question.

Mr. REID. The distinguished Senator from Oklahoma wouldn't yield for a question that I wanted to ask earlier but he said the reason we can't amend this bill even a little bit is because the House was not here. I ask my friend from Wisconsin: Does he think it would be a good idea to ask the House leadership to call on Governor Ridge to send all the airplanes he has available to see if they can return?

Mr. FEINGOLD. It sounds like a good plan. I hope that is done while I offer my amendment.

Mr. NICKLES. Mr. President, I appreciate so much the concerns of my friend and colleague from Nevada about being able to find legislators who have wondered afar from the legislative field. We did have a slight invasion in our State by a few Democrat legislators who were somewhat fretting but I am happy to report they returned safely to the State of Texas, much to the appreciation of both States.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 835

Mr. FEINGOLD. Thank you, Mr. President.

I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. CARPER, Mrs. FEINSTEIN, and Ms. CANTWELL, proposes an amendment numbered 835.

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

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

The amendment is as follows:

(Purpose: To extend the current-law pay-as-you-go requirement)

At the appropriate place, insert the following:

SEC. . EXTENSION OF PAY-AS-YOU-GO.

(a) IN GENERAL.—Section 275(b) of the Balanced Budget and Emergency Deficit Control

Act of 1985 (2 U.S.C. 900 note) is amended by striking "2006" and inserting "2008".

(b) EXTENSION OF PAY-AS-YOU-GO.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902) is amended—

(1) in subsection (a), by striking "2002" and inserting "2008"; and

(2) in subsection (b), by striking "2002" and inserting "2008".

(c) APPLICATION.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902), as amended by this section, shall not apply to direct spending and receipts legislation enacted prior to the enactment of this section.

(d) EFFECTIVE DATE.—the amendments made by this section shall take effect September 30, 2002.

Mr. FEINGOLD. Mr. President, I am pleased to join with the Senator from Delaware, Mr. CARPER, the Senator from Washington, Ms. CANTWELL, and the Senator from California, Mrs. FEINSTEIN, in offering this straightforward amendment. Our amendment would simply extend the pay-as-you-go law that has been in force in one way or another since 1990.

On October 16 of last year, Senators CONRAD, DOMENICI, GREGG, and I joined to offer an amendment to extend the budget process. The Senate agreed to our amendment, but with a modification that limited the extension to April 15.

During debate on the budget resolution, a number of us offered an amendment to extend the critical budget process rules, known as pay-go, and I was pleased that the Chairman of the Budget Committee, Mr. NICKLES, accepted our amendment.

I regret that this absolutely critical budget rule was dropped in the final version of the budget resolution. In its place, the conference committee approved a far weaker set of rules. In fact, instead of acting to restrain the fiscal appetites of Congress, the rules established in the budget resolution actually whet those appetites.

They carve out an enormous exception in the pay-go rules, exempting over one-and-a-half trillion dollars in tax cuts and spending increases from the sensible restraints we had long imposed on ourselves.

The result is that we are currently legislating in an environment that is almost completely unconstrained by any budget discipline at all.

Were our budget position stronger than it is, the lack of budget restraint would be troubling enough. But given the extremely serious fiscal challenges we face, the inadequate budget rules adopted in the budget resolution are simply and grossly irresponsible.

The last two years have seen a dramatic deterioration in the government's ability to perform one of its most fundamental jobs—balancing the nation's fiscal books.

In January of 2001, the Congressional Budget Office projected that in the 10 years thereafter, the government would run a unified budget surplus of more than \$5 trillion.

With the adoption of the budget resolution, we are now facing unified bud-

get deficits of \$1.7 trillion through 2013. That is a dramatic swing of nearly \$7 trillion, just in the space of a little more than two years.

And without counting Social Security, we are expected to run deficits of \$4.5 trillion through 2013 under the policies outlined in the budget resolution. And many have noted that the assumptions on which those projections are based are overly optimistic, that in particular they assume spending levels that Congress is unlikely to observe.

This kind of budgeting is absolutely reckless. There is no other word for it. And the lack of adequate rules compound the damage.

We must stop running these debilitating deficits.

We must stop running deficits because they cause the government to use the surpluses of the Social Security trust fund for other government purposes, rather than to pay down the debt and help our nation prepare for the coming retirement of the baby boom generation.

We must stop running deficits because every dollar that we add to the Federal debt is another dollar that we are forcing our children to pay back in higher taxes or fewer government benefits.

When the government in this generation chooses to spend on current consumption and to accumulate debt for our children's generation to pay, it does nothing less than rob our children of their own choices. We make our choices to spend on our wants, but we saddle our kids with debts that they must pay from their tax dollars and their hard work. And that is not right.

That is why I am offering this amendment to reinstate the budget statute under which we operated for many years. We need a strong budget process. We need to exert fiscal discipline.

This amendment would simply return us to the pay-go budget discipline that was in effect until September of last year. It would reinstate the across-the-board sequester law that imposed some useful budget discipline during the 1990s.

That is what this amendment would do. It is the least that we should do to ensure fiscal responsibility and sound budgeting.

We must stop using Social Security surpluses to fund other government programs. We must stop piling up debt for our children to pay off. We must continue the discipline of the budget process.

THE PRESIDING OFFICER. Who yields time?

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

THE PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, I express my gratitude to Senator FEINGOLD and join with him and Senators CANTWELL and FEINSTEIN in offering this amendment today.

The budget enforcement requirements first established in the Budget Enforcement Act of 1990 were important factors in the successful bipartisan effort over the course of the 1990s to bring our Federal budget deficit under control.

At a time now when our deficit is again growing rapidly, it is most unfortunate that these budgetary constraints have been allowed to lapse.

One of the most important of the 1990 controls was the so-called pay-go law. The pay-go law requires the Congress to live under the same constraints as most typical American families.

American families—at least most of us—understand very well that if they want to spend more lavishly, they must find some way to bring in more income. Similarly, if one parent decides to leave the workforce to stay at home, then the family must find a way to make do with less.

Put simply, pay-go required that we acknowledge these same simple realities of life. It required the Congress come up with the revenues to pay for any new entitlement spending or else find ways to accommodate that new spending by tightening our belts somewhere else. It required that should Congress decide to reduce the revenues we use to pay for Federal spending, either we have to cut the spending those revenues financed or else find new revenues to pay for that same spending.

The purpose of pay-go is to prevent Congress and the President from running up the bill on our Nation's credit card, which is exactly what we are doing today, to the tune of nearly \$1 trillion.

The pay-go law expired last fall, as Senator FEINGOLD has said, as did the discretionary spending caps that were also part of the successful formula that brought the deficit under control by the end of the 1990s.

A related pay-go rule that we had here in the Senate was extended until this April 15. It was then replaced with new rules that are widely acknowledged to be weak and porous. The statutory pay-go requirement—the legally binding requirement—has not been renewed at all. This is a serious mistake.

We cannot undo today all the actions over the last 2 years that have led us to the point we are, but here we are preparing to raise the ceiling on the Federal debt by nearly \$1 trillion. Today alone, we will pay \$1 billion in interest on our national debt—not on debt service, not on principal payment—just on interest, \$1 billion today alone.

By this time next year, some 20 cents of every revenue dollar we collect for the Federal Treasury will go to pay just for interest alone—20 cents of every dollar just to pay for interest alone.

While we cannot today retrace the steps that we need to, to ensure that all those wrongs will be righted, we can take a step to ensure that we will not be back here in a few months or a year to charge lavishly on the Nation's credit card once again.

Senators FEINGOLD, CANTWELL, FEINSTEIN, and myself are proposing a first step in that direction—restoring one of the most important constraints that helped instill fiscal discipline in this place in the 1990s.

I hope our colleagues will join us and support this amendment.

I thank the Senator from Wisconsin for his leadership and for yielding time to me.

RESTORING THE PAY-GO RULE

Ms. CANTWELL. Mr. President, I rise today to offer my support for the Feingold amendment reinstating the Senate's pay-go rule. The premise underlying this amendment is that we as a body must return to using the budget enforcement measures that have helped us be fiscally responsible in the past.

We have responsibilities to live up to and commitments to fulfill, but we also must have fiscal discipline as we make budget decisions. We must have a framework and strict budget enforcement rules to guide through this difficult, and as we have seen this week, contentious and politically charged process.

This amendment helps us at a time when we have seen a multitrillion-dollar surplus turn into a multitrillion-dollar deficit. Perhaps now more than ever, it is critical that we exercise fiscal restraint. Reinstating the pay-go rule by approving this amendment is a good first step.

This amendment would extend the "pay as you go" budget rule that expired on April 15. The pay-go would subject any tax cuts or new mandatory spending to a 60-vote point of order unless those cuts or spending increases are fully offset. Pay-go had been in effect from 1990 until just a few weeks ago when our colleagues across the aisle allowed it to expire, choosing to replace it with a far weaker provision. The pay-go provision proposed in Senator FEINGOLD's amendment would restore the stronger rule, which in the past decade has proven an important tool for the Senate to maintain fiscal discipline and keep Federal spending within reasonable limits.

The actions of the Senate today made clear the absence of fiscal discipline in our Government under this administration. I hope the American people see this morning's tax vote and this subsequent effort to increase the debt limit by nearly \$1 trillion—the largest increase in our Nation's history—for what it is: A poor decision that will burden taxpayers with an outrageous debt load for years to come.

We know the current and ever-growing deficit is a direct result of the 2001 tax cut, the ongoing recession, and the tragic events of September 11, 2001. For us to enact another poorly targeted tax cut is a mistake. And it is outrageous that minutes after the tax cuts were approved, the Senate began the debate to raise the Government debt limit by more than \$900 billion. This is proof that fiscal discipline is not the guiding

principle when making decisions about the country's future financial health. This is the second time in 2 years we have been faced with this issue, a clear indication that current fiscal policies are not improving the economic reality.

One of the most important actions we can take for the Nation's future economic stability is to pay down the National debt. According to the Chairman of the Federal Reserve Board, Alan Greenspan, paying down the National debt lowers interest rates and keeps the capital markets and investment going.

I want to make it clear that I do support efforts to provide hardworking Washingtonians and all Americans with tax relief such as eliminating the marriage penalty, making college tuition tax deductible, allowing States with no State income tax to deduct their sales taxes from their Federal income tax return, and assisting workers in savings for their retirement. But we must look at all budget issues—taxes and spending alike—from a total and comprehensive view.

Our total budget must be crafted within a framework that maintains fiscal discipline, and stimulates economic growth through continued Federal investment in education and job training, while also protecting the environment. Furthermore, we need to invest in our Nation's economic future by making a commitment to public research and development in science and technology—maintaining our status as a global leader.

It is a balance. We need to make these investments, but within a framework that ensures we don't spend beyond our means. If we want our economy to be strong, if we want revenues, and if we want to make the right decisions, we need to keep paying down the debt.

We must have fiscal discipline in the budget and appropriations process. We cannot focus solely on the individual items and programs in our budget but must look at the whole picture. The budget enforcement procedures such as pay-go help us do this, and help us keep our spending under a reasonable amount of control.

Budget enforcement rules like pay-go worked successfully as we struggled to get out of the deficit spending in the 1990s, and it will work as we struggle to get out of the recession and deficit financing we face today. I urge my colleagues to support the Feingold amendment and reinstate the Senate's pay-go rule.

The PRESIDING OFFICER. Who yields time?

The Senator from Wyoming.

Mr. THOMAS. Mr. President, I yield time to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I inquire of my colleagues—I am going to make a budget point of order shortly. You have not used all your time. I will

not use all our time. Maybe we can move forward a little quicker.

Is there anybody else on your side who wishes to speak?

Mr. FEINGOLD. Mr. President, if Senator CANTWELL wishes to speak, I would want to reserve an opportunity for that.

Mr. NICKLES. Mr. President, I will proceed. She is not on the floor right now.

Mr. President, first a couple comments.

I have had the pleasure of working with Senator FEINGOLD in the Budget Committee and on several occasions on the floor, and we have shared an interest, at various times, being a coalition, trying to curb the growth of Federal spending. I say that to my colleague. I appreciate his work and how sincere he is with this amendment and with budget process.

As chairman of the Budget Committee, I will tell you, budget process should come through the Budget Committee. The Senator has an amendment. It is not perfect. It needs to be improved. It needs to go through the Budget Committee. Actually, the Budget Act says it should go through the Budget Committee.

I would like to consult with all Members—Democrats and Republicans—on budget reform. I think we need budget reform, both in process and in implementation.

Now, in pay-go, a lot of people get confused, but we actually have pay-go in Senate rules, and we used to have statutory pay-go. One is in the statutes of the United States Code. One is in Senate rules. We have pay-go in Senate rules. We had—past tense—pay-go in the statutes.

I am willing to reinstate pay-go and maybe change the way it is drafted to some extent. The former chairman of the Budget Committee, Senator DOMENICI, is in the Chamber, and he utilized it, but the statute had not been utilized very often in the past. It was very seldom. It actually had a sequester. It was hardly ever used. Maybe the threat of it is worthwhile, but, anyway, it had not been used. We also have pay-go in Senate rules. That has been used quite frequently.

So I just make the comment that we need some budgetary changes in rules. I think we certainly do. The way that the budgets are managed with the vote-aramas—we ended up having 51 votes, most of which were stacked in the last day or so of the management of the budget—I think is demeaning to the Senate. The same thing in reconciliation; and that actually is done under the budget procedure. Again, we had a limited number of hours for consideration of the reconciliation bill and then a vote-arama.

Again, maybe it is not the best way to be considering legislation of such importance. So I am willing to work with my colleagues on both sides, and I appreciate the interest of the Senator from Delaware and the Senator from

Wisconsin in passing budget reform, and I will work with them. If we do a bill dealing with budget reform, in my opinion, it is going to take bipartisan support.

I see the former chairman of the Budget Committee. It is going to take a bipartisan effort or it will not happen. I recognize that. I realize that. I happen to think there are enough of us around wrestling with budgets who know that procedures need to be improved.

We also want them to be effective: To have a Budget Act with enforcement, but not have it be ineffective, i.e., you can waive it on account of emergency, you can waive it on a lot of things where they are not effective. We do not want to do that. We want to be effective in exhibiting some discipline.

I might also mention, just for the information of our colleagues, in the budget we did pass there is a direction to all the authorizing committees to report back to the Budget Committee by September 2 for ideas on curbing wasteful spending, with at least a target of 1 percent.

I mentioned this to some of my colleagues, and I will mention it on the floor, because some authorizers are going to say: Wait a minute. What are you doing telling us to come up with some savings? But a lot of programs have waste or fraud or accounting errors that need to be stopped. The House actually had a mandatory cut. We ended up saying: Well, we are going to request the committees to report back to us. We expect and look forward to their cooperation.

We did not do anything in this last year's budget, frankly, on entitlements. We probably should. We need to look at all Federal spending. We need to eliminate waste. It bothers me to look at a program, such as the earned income tax credit, and have Treasury report back to us that 30 percent of the program is a mistake—some of it fraud, some of it a mistake, accounting errors, you name it. We should not have programs which are that wasteful, that much of a mistake. We need to improve management of our Government.

I told the former chairman of the Budget Committee, Senator CONRAD, that I hope to do a lot of oversight to make Government work better. We will be doing some of that as well.

I say to my colleagues, I do not believe this amendment on the debt limit—without going through the committee—is the proper approach.

So, Mr. President, I am going to make a point of order that the amendment offered by the Senator from Wisconsin, Mr. FEINGOLD, contains mat-

ter—

Mr. FEINGOLD addressed the Chair.

Mr. NICKLES. I am not going to ask for the vote now.

Mr. FEINGOLD. Will the Senator withhold?

Mr. NICKLES. I will withhold.

I was not going to push for the vote on it until you completed your time. I

will make the point of order. I know Senator DOMENICI wishes to speak, as well.

Mr. President, I make a point of order that the amendment offered by the Senator from Wisconsin, Mr. FEINGOLD, contains matter within the jurisdiction of the Committee on the Budget, and the underlying bill was not reported from the committee. Therefore, I raise a point of order against the amendment under section 306 of the Congressional Budget Act of 1974.

I make that point of order, and I now wish for the Senator to complete his time. I also ask that—

Mr. FEINGOLD. Mr. President, is it necessary for me to move to waive the point of order at this point?

The PRESIDING OFFICER. The Senator may use his time first.

Mr. NICKLES. I say to the Senator, you can use your time. You can move to waive, and we can still debate.

Mr. REID. Mr. President, even though the motion by my friend from Oklahoma has been made too early, I ask unanimous consent that when Senator FEINGOLD completes all the time he has been allotted, the request made by the Senator from Oklahoma be valid, and then Senator FEINGOLD could move to waive.

Mr. NICKLES. Mr. President, reserving the right to object, I ask to modify that request, and that the Senator from New Mexico be entitled to speak for 2 minutes.

The PRESIDING OFFICER. There is still time remaining for debate on the amendment.

Without objection, it is so ordered.

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, those of us who came here in the early 1990s found an incredible fiscal mess in this country. And we believed—so many of us worked on both sides of the aisle; and it was bipartisan—that without these kinds of budget rules, we never would have been able to get the deficit eliminated and actually have a surplus by the early part of this decade.

That is why it is so important that we restore this statutory language and move in the direction of fiscal discipline.

I do appreciate the words and the actions of the chairman of the Budget Committee. He has shown a genuine interest in trying to get these rules in place. I appreciate his commitment to work with us on a bipartisan basis to do it. I can tell you that this is not the first effort in this regard. I worked all last year with Senators from both sides of the aisle to try to figure this out. Senator GREGG, Senator Phil Gramm, and others tried every approach we could to make sure these rules would be in place. Unfortunately, it did not work. So there is no lack of willingness on this side of the aisle to work together to restore these budget rules. I think a good chance to do that is right now, on this amendment today, on a bipartisan basis to get some fiscal discipline to return.

I thank the Senator from Delaware. He has been absolutely determined since he came to the Senate to help us restore these kinds of rules and have some kind of fiscal discipline.

Finally, as I yield time to the Senator from North Dakota, who in my view has been the leading advocate for fiscal discipline in this body over many years, I am grateful to his leadership and commitment to have these rules in place. Even though it is possible that we won't prevail on this amendment today, I do believe there is a bipartisan interest in trying to resolve this problem.

I yield 3 minutes to the Senator from North Dakota.

The PRESIDING OFFICER (Mr. BURNS). The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the Senator from Wisconsin. I especially commend him for his leadership on this issue. It has been over an extended period of time that he has tried to remind our colleagues repeatedly of the need for fiscal discipline.

The Budget Enforcement Act of 1990 first established what we called pay-go. Pay-go has two separate enforcement mechanisms: a 60-vote point of order in the Senate, and sequestration. The majority extended the pay-go point of order but they included a huge loophole for all of the policies assumed in this year's budget resolution, including its tax cuts. So we have pay-go, but we are closing the barn door after the cows have all left. They did not extend sequestration, which expired on September 30 of last year. Therefore, we are currently operating without the key tools that have been used to help enforce budget discipline over a dozen years.

Given the huge loophole that now exists in the pay-go point of order, we need pay-go sequestration all the more.

Under sequestration, mandatory spending and tax legislation that reduced surpluses or increased deficits had to be fully offset with mandatory savings or revenue increases in order to avoid across-the-board cuts in mandatory spending at the end of a fiscal year. The threat of these cuts helped prevent the enactment of costly and fiscally irresponsible legislation that was not paid for, such as today's tax bill that just passed that is going to dramatically deepen the deficit and debt of this country.

I support the amendment of the Senator from Wisconsin. I urge my colleagues to do so as well.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. How much time do we have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes.

Mr. NICKLES. Mr. President, if this amendment were adopted, it would more than complicate the debt limit extension. We have already mentioned that. Senators are aware of that.

I have already said I will work with members of the committee. I will work

with other Members for budget process reform. I welcome ideas and input. We can do a better job. Under present law, if this passed, for those people who have an interest in passing a prescription drug bill, it won't happen. The budget resolution says we can have a prescription drug bill within \$400 billion reported by the Finance Committee. A budget point of order would not lie against it. If this amendment passed, every penny of it would have to be paid for with either revenue increases or cuts, presumably in Medicare or Medicaid. My guess is you would not have it.

I yield the balance of my time to the Senator from New Mexico, who was chairman or ranking member of the Budget Committee for 25 years.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, first, I want to say my congratulations to the other side for attempting to tighten up the Budget Act, particularly Senator FEINGOLD. On the other hand, this is not the way to do it nor the time to do it.

The motion that has been made by the distinguished chairman that this amendment must fail is not a frivolous one. To have this kind of a change in the Budget Act requires hearings. That is what this is about. The statute says before you change this law—and we thank the Lord all the time that they put this in this law—on the floor, you have to send it to the committee. That is kind of new around here but it is very good stuff. So that you know the ramifications before you do the amending. The ramifications of this amendment are so farfetched that it is not farfetched to say you are voting against prescription drug reform if you vote for this amendment or to override the motion by the chairman who says we should not do this.

Secondly, I want to offer an explanation. Today there is much talk about the tax bill, and people are saying that the tax bill, since many of the tax proposals do not go on forever, is jiggering the Tax Code. I should remind everyone that the tax bill we have done is done under the Budget Act. In turn, it is done under a reconciliation instruction. It is not done under the ordinary law of the Senate. Therefore, we are bound by the law not to pass permanent tax law changes. So it is not anybody trying to play with the Tax Code. It is the law that says, if you want the benefit of the Budget Act under reconciliation, which means no filibuster and minimal amendments, then you cannot make the tax changes permanent. In other words, it gives you a benefit, and it is a safeguard of permanency not being available at the same time.

That is the explanation for those who are writing and talking about the fact that these tax provisions are not permanent.

I thank the Senator for yielding.

The PRESIDING OFFICER. Who yields time? The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I want to make a point. Of course, my amendment does not prevent the prescription drug benefit. It just means that we have to actually pay for it. It seems to me that is reasonable. The amendment in no way prevents a paid-for prescription drug benefit. I would not support such an amendment if I were given that.

How much time remains?

The PRESIDING OFFICER. One minute 40 seconds.

Mr. FEINGOLD. Let me again thank not only the current chairman but the previous chairman of the Budget Committee. They have sincerely shown an interest—I am a member of the committee—in trying to get these budget rules back in place. I understand why this motion is being made. The point is, the chairman has indicated a willingness to move forward. I understand he will hold those hearings the Senator from New Mexico was just referring to that are a part of the process. I want them to know I sincerely would like to see us come together on this in the coming months.

It was absolutely essential for the American people to have the confidence that we cared about the deficit issue, that we finally gave the American people that wonderful sense of confidence that it mattered to us that we were running deficits. It helped everybody's mood. It helped the economy. It was a terrific thing for this country.

That confidence is now gone. The way you rebuild it is by getting these rules in place so people can point to those rules and say: We can't go beyond these limits.

That is what we need. I think we need it in statute as well as in the rules of the Senate.

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

Mr. THOMAS. Mr. President, we yield back our time.

Mr. FEINGOLD. I yield back my time, Mr. President. I assume this would be the appropriate time for me to move to waive the point of order?

The PRESIDING OFFICER. The Senator is correct.

Mr. FEINGOLD. Pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

Mr. THOMAS. Mr. President, can we make sure people know this is a 10-minute vote?

The PRESIDING OFFICER. The Chair reminds Senators this is a 10-minute vote.

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

The assistant legislative clerk called the roll.

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

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

The yeas and nays resulted—yeas 47, nays 52, as follows:

[Rollcall Vote No. 200 Leg.]

YEAS—47

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

NAYS—52

Alexander	DeWine	McConnell
Allard	Dole	Miller
Allen	Domenici	Murkowski
Bennett	Ensign	Nickles
Bond	Enzi	Roberts
Breaux	Fitzgerald	Santorum
Brownback	Frist	Sessions
Bunning	Graham (SC)	Shelby
Burns	Grassley	Smith
Campbell	Gregg	Specter
Chafee	Hagel	Stevens
Chambliss	Hatch	Sununu
Cochran	Hutchison	Talent
Coleman	Inhofe	Thomas
Collins	Kyl	Voinovich
Cornyn	Landrieu	Warner
Craig	Lott	
Crapo	Lugar	

NOT VOTING—1

Kennedy

The PRESIDING OFFICER. On this vote, the yeas are 47, the nays are 52. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

Mr. REID. Mr. President, I move to reconsider the vote and lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. At this time, I renew the unanimous consent request on unemployment insurance earlier offered by the Senator from Massachusetts, Mr. KENNEDY.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Objection is heard.

Mr. McCONNELL. I did not hear the Senator.

Mr. REID. Earlier today, Senator KENNEDY asked that the Senate approve the unemployment insurance legislation which was sent from the House to the Senate early this morning. I have asked to renew the request of the Senator from Massachusetts that that be adopted by the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, I do object simply because there may be somebody on this side of the aisle who may want to make that motion. So if we could go ahead and process another amendment, we will have further discussions.

The PRESIDING OFFICER. The objection is heard. The Senator from Nevada.

Mr. REID. I certainly understand, and that would be satisfactory. We do not need to make the request, but we would hope that it would be made very quickly.

In the interim, the next amendment we would ask to be considered is that of the Senator from South Carolina, Mr. HOLLINGS. He has agreed to 20 minutes for himself. We ask if there would be a like time agreed to by the majority? That would be 40 minutes equally divided, with no second-degree amendments in order. There have not been any offered so far. I ask that in the form of a unanimous consent request.

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

The Senator from South Carolina.

Mr. HOLLINGS. I have an amendment at the desk and ask the clerk to report.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 836.

Mr. HOLLINGS. 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:

At the appropriate place, insert the following:

SECTION 1. APPLICABILITY OF PUBLIC DEBT LIMIT TO SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION OF SOCIAL SECURITY TRUST FUNDS.—

(1) DELAY OR FAILURE TO INVEST.—No officer or employee of the United States shall—

(A) delay the deposit of any amount into (or delay the credit of any amount to) any social security trust fund or otherwise vary from the normal terms, procedures, or timing for making such deposits or credits; or

(B) refrain from the investment in public debt obligations of amounts in any such fund.

(2) EARLY REDEMPTION.—No officer or employee of the United States shall redeem prior to maturity amounts in any social security trust fund which are invested in public debt obligations for any other purpose other than payment of benefits or administrative expenses from such fund.

(b) DEFINITION.—In this section, the term "public debt obligation" means any obligation subject to the public debt limit established under section 3101 of title 31, United States Code.

SEC. 2. CONFORMING AMENDMENTS.

Subsections (j), (k), and (l) of section 8348 and subsections (g) and (h) of section 8438 of title 5, United States Code, are repealed.

Mr. HOLLINGS. Mr. President, this merely stops the Secretary of the

Treasury from looting the Social Security trust fund in order to make the national debt appear smaller than it actually is. On Sixth Avenue in New York, they have a debt clock showing, day to day, the increase of the national debt.

On March 5 of this year, that debt clock stopped, courtesy of the Secretary of the Treasury, who immediately started using trust funds, particularly Social Security trust funds—Enron accounting—to make the debt appear smaller.

I ask unanimous consent that the daily history of debt results be printed in the RECORD.

THE DAILY HISTORY OF DEBT RESULTS—HISTORICAL RETURNS FOR 3/4/2003 THROUGH 5/22/2003

Date	Amount
3/4/2003	\$6,445,657,357,431.67
3/5/2003	6,460,621,838,679.66
3/6/2003	6,460,801,790,956.35
3/7/2003	6,460,766,227,729.85
3/10/2003	6,460,659,531,541.01
3/11/2003	6,460,621,340,512.27
3/12/2003	6,460,585,777,680.29
3/13/2003	6,460,744,895,144.64
3/14/2003	6,460,709,229,897.82
3/17/2003	6,460,602,930,313.42
3/18/2003	6,460,568,106,011.18
3/19/2003	6,460,533,569,239.51
3/20/2003	6,460,712,491,314.69
3/21/2003	6,460,674,090,486.67
3/24/2003	6,460,570,026,872.52
3/25/2003	6,460,535,345,690.24
3/26/2003	6,460,500,338,259.08
3/27/2003	6,460,683,851,496.24
3/28/2003	6,460,649,275,186.23
3/31/2003	6,460,776,256,578.16
4/1/2003	6,460,741,982,363.11
4/2/2003	6,460,707,711,622.02
4/3/2003	6,460,883,083,990.99
4/4/2003	6,460,848,478,613.52
4/7/2003	6,460,744,653,570.51
4/8/2003	6,460,697,206,431.50
4/9/2003	6,460,664,200,138.40
4/10/2003	6,460,828,617,061.12
4/11/2003	6,460,792,544,188.95
4/14/2003	6,460,686,804,499.03
4/15/2003	6,460,651,308,615.55
4/16/2003	6,460,617,585,976.91
4/17/2003	6,460,780,111,309.05
4/18/2003	6,460,747,047,775.30
4/21/2003	6,460,647,854,361.95
4/22/2003	6,460,605,341,148.70
4/23/2003	6,460,572,277,868.61
4/24/2003	6,460,743,188,902.46
4/25/2003	6,460,710,818,047.88
4/28/2003	6,460,613,708,360.89
4/29/2003	6,460,581,338,149.98
4/30/2003	6,460,380,745,789.28
5/1/2003	6,460,544,146,581.37
5/2/2003	6,460,512,105,716.15
5/5/2003	6,460,415,975,242.13
5/6/2003	6,460,377,391,888.34
5/7/2003	6,460,345,350,371.45
5/8/2003	6,460,497,884,145.02
5/9/2003	6,460,466,362,233.10
5/12/2003	6,460,371,786,677.29
5/13/2003	6,460,340,581,249.18
5/14/2003	6,460,308,855,091.23
5/15/2003	6,460,444,642,526.75
5/16/2003	6,460,414,110,545.71
5/19/2003	6,460,322,505,519.43
5/20/2003	6,460,276,922,875.71
5/21/2003	6,460,247,153,270.68

Note: The debt is published each business day. If there is no debt value for the date(s) you requested, the value for the preceding business day will be displayed.

Mr. HOLLINGS. Mr. President, my distinguished colleague, the Senator from Oklahoma, Mr. NICKLES, raised this particular point back in 1995. He cosponsored a bill along with Senator SANTORUM, Senator SHELBY, and Senator THOMAS. I refer my colleagues to page S. 18819 of the RECORD of December 18, 1995, at the introduction of S. 1484, a bill to enforce the public debt limit and to protect the Social Security trust funds. It is just the darnedest thing you have ever seen. We are using Enron accounting. We are looting the Social Security funds, and the debt goes up, up, and away.

The Congressional Budget Office already reports, Senator DOMENICI, where we had a \$428 billion deficit last year. We are running \$138 billion ahead, so it is up to \$566 billion this minute.

Let's understand what we are all about. This week, the Republicans are asking the Congress to casually vote to raise the limit on the national debt by \$984 billion, from \$6.4 trillion to \$7.384 trillion. I say casually because the seriousness of this move is passed over and barely discussed. It took us 200 years of our history and the cost of all of the wars to ever get to a trillion-dollar debt. Today, by a vote, we are going to add \$1 trillion to the debt.

It was not always this way. Just over 2 years ago, in his first speech to Congress, President Bush bragged he wanted to pay down \$2 trillion in debt. Earlier, there was a crowd standing on the Capitol steps hailing their Contract with America to stop deficit spending. There was the balanced budget amendment to the Constitution cry-out that went so far as to forbid deficits.

Some Republicans may not realize the reason for this 180-degree turn, but Carl Rove knows. It is about getting rid of the Democratic Party. Republicans hope this increase in the debt limit is large enough so that any further increase will not be needed until after the 2004 Presidential election. In the meantime, the Government will be able to borrow money for all the tax cuts the President wants to get reelected.

Borrow, we will. This is the first installment of the Republican-passed budget that increases the debt from \$6 trillion to \$12 trillion over the next 10 years. That is an average of \$600 billion deficit each and every year for a decade. It took 38 Presidents and 192 years to reach \$1 trillion in debt. It took Ronald Reagan 4 years, and it has taken George W. Bush just halfway through his term.

The Bush policy takes Reaganomics to the extreme. If it means getting rid of the Government at the same time, so be it.

I hesitate to add that the President is not alone in his mission. The Democratic Party is in lockstep with him. When President Bush says, we need not pay for the war, the Democrats agree. This is the first time we have sent GIs to fight a war and then want them to hurry back to pay the bill. We in Congress are not going to pay for it. We need a tax cut to get elected next year.

When the President says, increase the debt, we Democrats say, yes, that is what the country needs, just not as much as the President wants.

The President calls for fast-track trade negotiating authority to export America's jobs faster and the Democratic leadership says, right on. Both parties triangulate, so, as George Wallace used to say, there is not a dime's worth of difference between the two major parties. We are bogged down in the needs of the campaign rather than the needs of the country.

The country needs fiscal discipline, and we are getting it at the State level. Fourteen Republican Governors are increasing taxes to provide for the States' needs, but the cost of the war does not move Washington. We already are spending \$500 billion to \$600 billion more than we are taking in. Alan Greenspan, Paul Volcker, and Robert Rubin believe this is enough stimulus.

The President's tax cut merely increases the debt which will increase the interest costs, which increases waste. Before long, all the Government will be able to afford is defense, Social Security, health care, and interest costs that must be paid.

Karl Rove knows the more we spend on interest charges, the less there is for programs. The Democrats thrive on programs and their constituencies. Less programs equals less supporters, which equals less Democratic Party.

Already the Democratic Party is in a fix. Labor, its main supporter, is being shipped overseas. And money, the main support of the Republican Party, is flourishing. The only thing to save the Democratic Party and the country is the free press.

But the free press is worse than both parties. The media is charged with telling the truth but they avoid it. The other day, when the Congressional Budget Office reported the government would hit a record in deficit spending for the year, the Washington Post buried the news on the bottom of page A5; but it gave front page billing to Presi-

dent Bush's tax cuts, which the President claims has no impact on those record deficits. Recently, when I offered an amendment to stop tax cuts and limit the explosion of the debt, nobody in the press wrote a story.

James Fallows in his book, *Breaking the News*, tells of the debate for a democracy between Walter Lippman and the educator John Dewey. Lippman allowed that the way to provide for a strong democracy is to gather around the table the experts in defense, health, highways, foreign policy, and the economy. Let them hammer out the needs of the country and give it to the congress for enactment. "No", said Dewey. Let the free press report the truth to the American people and the people will reflect these truths and needs through their representatives in Congress.

The press avoids the truth. They are completely bemused by politics, promoting conflict between the candidates and the parties. The increase in the debt before us reflects the true national debt, but hereafter the press will obscure the national debt by Ernon accounting, making the debt and deficit look smaller than they are.

The press will report the "on-budget deficit", "unified deficit", and "public debt" as separated from the "government debt"—numbers that do not take into account what the government loots from Social Security and other trust funds, which is the true deficit and debt. The taxpayers can't follow

this, they can't know. Little do they realize the deficit last year exceeded the sum total of 30 years of deficits during the Truman, Eisenhower, Kennedy, Johnson, Nixon and Ford years. We are spending and cutting taxes like drunken sailors.

Europe's fiscal discipline requires a nation's debt not to exceed 60 percent of its gross national product before it can become a member of the European Union. Our national debt exceeds 60 percent, and is rising. We don't even qualify to enter the European Union.

Today interest costs are almost \$1 billion a day, and with \$600 billion deficits it will exceed \$400 billion a year. Without this waste we could double the defense budget or give everybody in America the best health care. But with this waste, the dollar drops in value, interest costs rise, and the Nation is impoverished.

For the first time in history our generation will leave a lesser nation for the next generation. But rather than report on the state of the Union, all the free press can report is that Gary Hart is not running.

In the interest of time, I ask unanimous consent to have printed in the RECORD the budget realities demonstrating the state of the Union.

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

HOLLINGS' BUDGET REALITIES

(In billions)

Presidents and fiscal years	U.S. budget (outlays)	Borrowed trust funds	Unified deficit with trust funds	Actual deficit without trust funds	National debt	Annual in- creases in spending for interest
Truman:						
1947	34.5	-9.9	4.0	+13.9	257.1	
1948	29.8	6.7	11.8	+5.1	252.0	
1949	38.8	1.2	0.6	-0.6	252.6	
1950	42.6	1.2	-3.1	-4.3	256.9	
1951	45.5	4.5	6.1	+1.6	255.3	
1952	67.7	2.3	-1.5	-3.8	259.1	
Eisenhower:						
1953	76.1	0.4	-6.5	-6.9	266.0	
1954	70.9	3.6	-1.2	-4.8	270.8	
1955	68.4	0.6	-3.0	-3.6	274.4	
1956	70.6	2.2	3.9	+1.7	272.7	
1957	76.6	3.0	3.4	+0.4	272.3	
1958	82.4	4.6	-2.8	-7.4	279.7	
1959	92.1	-5.0	-12.8	-7.8	287.5	
1960	92.2	3.3	0.3	-3.0	290.5	
Kennedy:						
1961	97.7	-1.2	-3.3	-2.1	292.6	
1962	106.8	3.2	-7.1	-10.3	302.9	9.1
Johnson:						
1963	111.3	2.6	-4.8	-7.4	310.3	9.9
1964	118.5	-0.1	-5.9	-5.8	316.1	10.7
1965	118.2	4.8	-1.4	-6.2	322.3	11.3
1966	134.5	2.5	-3.7	-6.2	328.5	12.0
1967	157.5	3.3	-8.6	-11.9	340.4	13.4
1968	178.1	3.1	-25.2	-28.3	368.7	14.6
Nixon:						
1969	183.6	0.3	3.2	+2.9	365.8	16.6
1970	195.6	12.3	-2.8	-15.1	380.9	19.3
1971	210.2	4.3	-23.0	-27.3	408.2	21.0
1972	230.7	4.3	-23.4	-27.7	435.9	21.8
1973	245.7	15.5	-14.9	-30.4	466.3	24.2
1974	269.4	11.5	-6.1	-17.6	483.9	29.3
Ford:						
1975	332.3	4.8	-53.2	-58.0	541.9	32.7
1976	371.8	13.4	-73.7	-87.1	629.0	37.1
Carter:						
1977	409.2	23.7	-53.7	-77.4	706.4	41.9
1978	458.7	11.0	-59.2	-70.2	776.6	48.7
1979	504.0	12.2	-40.7	-52.9	829.5	59.9
1980	590.9	5.8	-73.8	-79.6	909.1	74.8
Reagan:						
1981	678.2	6.7	-79.0	-85.7	994.8	95.5
1982	745.8	14.5	-128.0	-142.5	1,137.3	117.2
1983	808.4	26.6	-207.8	-234.4	1,371.7	128.7
1984	851.9	7.6	-185.4	-193.0	1,564.7	153.9
1985	946.4	40.5	-212.3	-252.8	1,817.5	178.9
1986	990.5	81.9	-221.2	-303.1	2,120.6	190.3
1987	1,004.1	75.7	-149.8	-225.5	2,346.1	195.3

HOLLINGS' BUDGET REALITIES—Continued

[In billions]

Presidents and fiscal years	U.S. budget (outlays)	Borrowed trust funds	Unified deficit with trust funds	Actual deficit without trust funds	National debt	Annual in- creases in spending for interest
1988	1,064.5	100.0	-155.2	-255.2	2,601.3	214.1
Bush:						
1989	1,143.7	114.2	-152.5	-266.7	2,868.3	240.9
1990	1,253.2	117.4	-221.2	-338.6	3,206.6	264.7
1991	1,324.4	122.5	-269.4	-391.9	3,598.5	285.5
1992	1,381.7	113.2	-290.4	-403.6	4,002.1	292.3
Clinton:						
1993	1,409.5	94.2	-255.1	-349.3	4,351.4	292.5
1994	1,461.9	89.0	-203.3	-292.3	4,643.7	296.3
1995	1,515.8	113.3	-164.0	-277.3	4,921.0	332.4
1996	1,560.6	153.4	-107.5	-260.9	5,181.9	344.0
1997	1,601.3	165.8	-22.0	-187.8	5,369.7	355.8
1998	1,652.6	178.2	69.2	-109.0	5,478.7	363.8
1999	1,703.0	251.8	124.4	-127.4	5,606.1	353.5
2000	1,789.0	258.9	236.2	-22.7	5,628.8	362.0
Bush:						
2001	1,863.9	268.2	127.1	-141.1	5,769.9	359.5
2002	2,011.0	270.7	-157.8	-428.5	6,198.4	332.5
2003	2,137.0	222.6	246.0	468.6	6,667.0	323.0

* Historical Tables, Budget of the US Government; Beginning in 1962, CBO's The Budget and Economic Outlook: Fiscal Years 2004–2013.

Mr. HOLLINGS. I ask unanimous consent to have printed in the RECORD another article from the Financial Times today that the U.S. administration throws prudence out the window.

[From the Financial Times, May 23, 2003]

TAX LUNACY

President George W. Bush declared victory yesterday in the long-running congressional wrangle over his tax proposals. "This is a Congress which is able to identify problems facing the American people and get things done," he said after House and Senate Republicans struck a deal on a \$350bn tax cut over 10 years. If only that were true.

The long-run costs of financing huge US fiscal deficits, which stretch far into the future, will weigh heavily on future generations. With little of the tax cut having an immediate effect, the necessary short-run economic stimulus will be negligible.

Democrats are prone to exaggerate the culpability of the current administration in the deterioration of the US public finances from a surplus of 1.4 per cent of gross domestic product in 2000 to a projected 4.6 per cent deficit this year. The Congressional Budget Office estimates that only a third of this deterioration is due to legislative changes, the rest being either due to the cyclical downturn or excessive optimism in previous tax forecasts. The fiscal loosening over the past few years has mitigated the economic slowdown. But those caveats aside, on the management of fiscal policy, the lunatics are in charge now of the asylum.

Including "sunsetting" provisions to cut the 10-year cost of the tax measures is an insult to the intelligence of US people. Anyone who genuinely believes that in 2007 Congress will automatically reverse these tax cuts needs therapy. Much of Mr. Bush's 2001 tax-cutting package was also deemed temporary, only for the measures to be made permanent later.

Long-run US fiscal forecasts are still based on unrealistic assumptions of spending restraint that have not been met, either by this administration or by its predecessor.

And the latest wheeze in Republican circles is to dismiss forecasts of fiscal deficits because they rely on "static" forecasting techniques. "Dynamic scoring" which takes account of the effect of tax cuts on economic growth would transform the picture, they insist. But the evidence is not so kind to these assertions. The 1990s, when taxes were raised, was one of the more dynamic in US history; and fiscal deficits raise the cost of capital, reducing growth.

Never mind these facts, more extreme Republicans often say, big deficits are in our

interests. Proposing to slash federal spending, particularly on social programs, is a tricky electoral proposition, but a fiscal crisis offers the tantalizing prospect of forcing such cuts through the back door.

For them, undermining the multilateral international order is not enough, long-held views on income distribution also require radical revision. In response to this onslaught, there is not much the rational majority can do: reason cuts no ice; economic theory is dismissed; and contrary evidence is ignored. But watching the world's economic superpower slowly destroy perhaps the world's most enviable fiscal position is something to behold.

Mr. HOLLINGS. Mr. President, I draw the attention of my colleagues to an article in the Wall Street Journal of May 23, 2003 by J.D. McKinnon entitled "Get Ready for Era of Budget Deficits." It says it better than I can.

Finally, as has been related in David Hale's column in today's Financial Times, what we have is those who were telling the truth like Lawrence Lindsey and Paul O'Neill. They have gotten rid of them. For those who avoid the truth or get tired of trying to avoid it, like Mitch Daniels and Ari Fleischer, they are on the way out.

As the Financial Times reported here yesterday, the Secretary of the Treasury is merely a salesman and the true Secretary of the Treasury is Carl Rove. Mr. Hale writes:

"Economic policy appears to be under the control of the political advisers. The White House will not be able to encourage a dollar rally until Carl Rove holds a press conference on the subject."

I ask unanimous consent to have this printed in the RECORD.

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

[From the Financial Times, May 20, 2003]

WASHINGTON'S WEAK DOLLAR POLICY

(By David Hale)

The circumstances now confronting the US economy are unique in the modern era. The Federal Reserve has warned about the risk of deflation after a year in which the US dollar has fallen by nearly 30 per cent against many leading currencies. Despite the weakness of the currency, US Treasury bond yields have fallen to 45-year lows and are 37 basis points under the yields of German government debt.

The dollar's decline has been painless for US financial markets because investors are complacent about inflation. The failure of bond yields to rise has also produced a policy of benign neglect in Washington. Federal Reserve officials say the falling dollar is a European problem, not a US one. John Snow, the US Treasury secretary, effectively abandoned the previous administration's strong dollar policy over the weekend by issuing his own definition of what constitutes a strong currency. It does not include market prices.

The dollar began to weaken more than a year ago but its decline has accelerated during recent weeks for three reasons.

First, the markets are concerned that the Bush administration's fiscal policy could boost the federal budget deficit to \$400bn–\$500bn and create a domestic savings imbalance that will expand the current account deficit to \$600bn.

Second, the markets are alarmed that the US is embarking upon an imperialist foreign policy that will have unknown consequences for its fiscal position, foreign trade and relationship with other countries. In the heyday of empire, the UK ran large current account surpluses. There is no precedent for a country playing the role of global superpower with a large external payments deficit. During the cold war, the US was able to finance its defence spending in part through offset programmes with other countries. The Bundesbank, for example, stockpiled dollars as a quid pro quo for US defence spending in Germany. During the 1991 Gulf war the US received large subsidies from Japan, Saudi Arabia and other countries. With the US pursuing a more unilateralist foreign policy it will have to absorb all of the costs without help from traditional allies.

Last, the markets perceive a vacuum at the centre of US economic policymaking. In this administration power is highly centralised at the White House. The only highly visible cabinet ministers are at the departments of state and defence. The Treasury's stature and influence declined during the tenure of Paul O'Neill because of his caustic comments about many issues and his poor relationship with Congress. Mr. Snow has worked hard to improve ties with Congress but the markets see him as a salesman, not an architect of policy. Larry Lindsey and Glenn Hubbard, the people who created the administration's economic policy, have resigned.

The other institutions of economic policy are also weak. The new director of the national economic policy council is focused on internal administration rather than influencing markets. Mitch Daniels, director of the Office of Management and Budget, is leaving to pursue a political career in Indiana. The Council of Economic Advisors is

being evicted from the White House. Economic policy appears to be under the control of White House political advisers, not the traditional institutions of government. In fact, the White House will not be able to encourage a dollar rally until Karl Rove holds a press conference on the subject.

As Mr. Snow's recent comments have made clear, Washington will do nothing to stabilise the dollar until there is a big correction in bond prices that might jeopardise the boom in the US housing market. But in the absence of a threat to the US housing market, the burden of adjustment will fall elsewhere. Asia will resist dollar depreciation through large-scale market intervention. China's foreign exchange reserve will expand from \$280bn to \$330bn this year. Japan's foreign exchange reserves will mushroom from \$500bn to \$600bn this year and reach \$1,000bn by 2008.

If Asia is able to stabilise its exchange rates, the US will have to reduce its current account deficit through larger devaluations against other currencies. This pressure for devaluation will set in motion a process of competitive monetary reflation with the eurozone, Britain, Canada, South Africa and other countries with variable exchange rates. These countries will be compelled to cut interest rates to prevent their currencies from appreciating against the dollar.

The Bush administration is prepared to pursue aggressive fiscal and monetary policies to ensure a healthy recovery in the run-up to the 2004 presidential election. Its new weak dollar policy is designed to put pressure on other countries to reinforce this domestic growth agenda. During the late 1980s Japan created a bubble economy with rocketing prices for land and equities by pursuing a monetary policy designed to stabilise the dollar. The coming round of competitive monetary reflation is also likely to force central banks to pursue far more aggressive interest rate cuts than they expect. If it does, President George W. Bush will not win re-election. There could be Bush bubbles in many asset markets during late 2004 and 2005.

Mr. HOLLINGS. I yield the floor.

Mr. ROCKEFELLER. Mr. President, I rise today in strong support of extending the Temporary Extended Unemployment Compensation (TEUC) program. Congress created this program in March of last year to provide federally funded unemployment benefits for millions of Americans who have exhausted their regular State-funded benefits after falling victim to our weakening economy. This vital program is nearing expiration and now millions of Americans need our help.

If Congress and the President do not act before May 31, 2003, nearly 4 million long-term unemployed workers will lose benefits, including almost 14,000 West Virginians. These unemployed workers and their families need and deserve an extension—every one of them. Unless immediate action is taken, American workers who have lost their jobs through no fault of their own will be left vulnerable to economic hardship, and without a safety net. How will these families pay their mortgages and provide for their children? During these difficult economic times, how can we turn our backs on 4 million Americans?

Earlier this month, the Department of Labor announced that the Nation's

unemployment rate had risen to 6 percent, representing 8.79 million Americans out of work. This is the highest national unemployment rate we have witnessed in nearly a decade. When President Bush released his growth and stimulus package, he maintained that creating jobs was his No. 1 priority. Yet, despite rising unemployment—500,000 more Americans in February and March alone—and unprecedented fiscal crises in our States, the President's proposal fails to provide assistance for unemployed workers, adequate State fiscal relief, and neglects Americans who need help the most.

West Virginia families will soon be faced with some very difficult choices. Choices between paying their mortgage or defaulting; between having health insurance or going without; between sending their children to college or dipping into their pensions to cover everyday living expenses while ruining their retirement. These are West Virginians who want to work—who are trying to work—but simply cannot find a job in the current economy. I urge my colleagues to act swiftly so that American families aren't forced to make these kinds of decisions so this dire situation is not further exacerbated.

I feel strongly about this issue because of the very real impact inaction could have on my constituents. Just recently, I was contacted by Janice Walters from Mercer County in my home state of West Virginia. She called my office searching for help. Ms. Walters truly epitomizes the American worker that we must help.

In September of last year, Ms. Walters was laid off from a communications company. As a 49-year-old single mother of two with many cost-of-living expenses, she now has no income and no health insurance coverage, forcing her to face some of the stark choices I discussed earlier. To support her family, she began collecting unemployment insurance. In addition, she took a part-time job and began taking classes in computer sciences at a local college to learn new skills that she could apply to a new career. Unfortunately, she will not exhaust her State benefits until the week after the current TEUC program expires, leaving her ineligible for TEUC benefits. If the TEUC program is permitted to expire, Ms. Walters, and millions like her, will be left unemployed and unassisted.

Fortunately, such a tragedy is preventable. If we act on an extension today, Ms. Walters will get an extension and she will receive benefits. This is progress. It is good to pass an extension for 2.5 million workers, including about 9,000 West Virginians. This is good news for families in need.

One particular extension leaves out and leaves behind the long-term unemployed families. A simple extension, which is all that the majority will consider, excludes 1.1 million unemployed workers, and 3,900 of those people live in West Virginia. They face real hardship, and they too deserve help.

Throughout this debate, I have supported the efforts of Senator KENNEDY and others to provide comprehensive unemployment benefits to all 3.6 million unemployed workers. If we can enact a huge tax cut targeted to the wealthiest Americans, shouldn't we also help every unemployed worker?

Providing unemployment benefits helps the unemployed, and it also helps our economy as a stimulus. History tells us that unemployment benefits are spent quickly, and every \$1 of such benefits generates \$1.73 in economic activity. This is a real and an immediate stimulus for local economies. There is no certainty about how changes in corporate dividends will affect the economy. This administration should recognize the urgent needs of all unemployed workers.

I am pleased that we are taking action to help many unemployed workers, like Ms. Walters. I also believe we should help the 1.1 million long-term unemployed. This is the definition of real economic stimulus and real compassion.

Mr. KOHL. Mr. President, today the Senate passed up yet another opportunity to extend and expand unemployment benefits. Instead we passed a necessary, but inadequate, 13-week extension of eligibility for extended benefits. Unfortunately, this extension will not help the 1.1 million long-term unemployed workers in this country who have already exhausted 26 weeks of unemployment. Senator KENNEDY's attempt to give these hard-working folks who have not been able to find a job for over 6 months additional benefits has been voted down once again by the other side of the aisle.

The Congress has been talking for weeks and months about the importance of stimulating the economy and putting money into the hands of consumers. It is clear, however, that the Republicans are not interested in giving all consumers a little extra money but only those who have high paying jobs. What can be more stimulating to the economy than putting money in the hands of people who need it tomorrow, instead of waiting months or years for tax cuts to have an impact? Why can't the Congress give the same benefits to unemployed workers today that they have received in the past? Benefits that these workers have paid for by paying into the unemployment insurance fund? Not only have today's workers earned these additional benefits but they have paid for them as well. The unemployment trust fund can afford an extension of an additional 13 weeks of benefits for those who have exhausted the 26 currently provided, and Congress should do it again as we have in the past.

I do not understand the priorities of those who are willing to let working families lose their benefits and go into debt while handing out tax cuts to people who do not need them. It is a shame to turn our backs on the people who helped fuel the strong economy in the

1990s. We owe them more for making this country successful and prosperous. We owe them a strong secure safety net when they lose their jobs through no fault of their own. Thirteen additional weeks of unemployment benefits is only a small tribute to the strength and perseverance of the American worker, and I am disappointed that this Congress has once again denied them the respect they deserve.

Ms. SNOWE. Mr. President, I rise today in support of legislation to extend Federal emergency unemployment benefits to the millions of Americans who have exhausted their regular benefits.

I strongly believe that, given the state of the economy, Congress has an obligation to extend the Federal Temporary Extended Unemployment Compensation, TEUC, program before we leave for the Memorial Day recess. This is especially urgent when considering the U.S. Department of Labor has estimated that by the end of 2003 more than 2.1 million workers will have exhausted their State unemployment compensation benefits without finding work. In my State of Maine, almost 11,000 unemployed Maine workers are projected to exhaust their State and Federal unemployment benefits in the next 6 months and more than one-quarter of these workers, 26 percent, will have exhausted all benefits available under the extension and still be unable to find work.

The bill before us today is similar to Senator MURKOWSKI's legislation, S. 1079, of which I am a cosponsor, and is an extension of the current Federal TEUC program due to expire at the end of May. H.R. 2185 will extend TEUC for an additional 7 months, to December 31, 2003, and will provide benefits to an estimated 2.1 million Americans.

But we must think of these many millions of unemployed Americans as more than just numbers. In Maine, they live in towns like Millinocket, Old Town, and Sanford, where large, established employers have either closed their doors or downsized, and in the process forced longtime workers onto the unemployment rolls. If the program is not extended, according to the Maine Department of Labor, 6,000 Maine workers will exhaust their State unemployment benefits without ever receiving any Federal benefits. Extending temporary Federal benefits is particularly important for hard-hit mill towns like Millinocket, where every store and every landlord has been affected by the layoffs. The TEUC program can get help to those individuals and those communities that need it most.

In closing, Mr. President, I believe that it is critical for Congress to continue to provide the temporary support to families who have been hurt by the economic downturn, and give these families access to the resources they need to stay afloat until they can find new, gainful employment. As such, I am proud to be a cosponsor of the Sen-

ate version of H.R. 2185, and urge my colleagues to join me in support of this effort.

UNEMPLOYMENT COMPENSATION AMENDMENTS OF 2003

The PRESIDING OFFICER. The Senator from Alaska.

Ms. MURKOWSKI. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 2185 to extend the Temporary Extended Unemployment Compensation Act of 2002; providing further that the bill be read the third time and passed, and the motion to reconsider be laid upon the table.

Mr. HOLLINGS. I object.

Let me get it straight. Do we have the yeas and nays?

Mr. REID. We will take care of you. Let's get this done.

Mr. HOLLINGS. I withdraw my objection.

Mr. REID. If I might, I appreciate very much the consideration of the Senator from South Carolina because we have not finished his amendment. We failed to tell him that the Senator from Alaska was going to offer this request.

This is, as I understand it, the House passed unemployment insurance compensation action; is that true?

Ms. MURKOWSKI. That is correct.

Mr. REID. We have no objection.

We are very grateful this is completed. As we indicated earlier, we are sorry it is not an extended benefit but we are better off than we were an hour and a half or 2 hours ago. We extend our appreciation to the majority.

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

The bill (H.R. 2185) was ordered to a third reading, read the third time, and passed.

INCREASING THE STATUTORY LIMIT ON THE PUBLIC DEBT— Continued

AMENDMENT NO. 836

Mr. HOLLINGS. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. REID. I say to the Senator from South Carolina, the Senator from Iowa will speak for a very brief period of time and then he is going to, I understand, move to table your amendment.

I wonder, is the Senator going to yield back his time?

Mr. HOLLINGS. I am happy to yield back my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. GRASSLEY. I will yield back my time.

I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

Mr. GRASSLEY. The Hollings amendment would prevent the "disinvestment" of the Social Security Trust Fund. What that means is if we did not increase the debt limit, the Social Security Trust Fund could not be used to pay Social Security benefits. We need to defeat this amendment and pass a clean debt limit bill so Social Security checks can go out on time.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 836.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from North Carolina (Mr. EDWARDS) are necessarily absent.

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

The result was announced—yeas 52, nays 46, as follows:

[Rollcall Vote No. 201 Leg.]

YEAS—52

Alexander	Dole	Miller
Allard	Domenici	Murkowski
Allen	Ensign	Nickles
Bennett	Enzi	Roberts
Bond	Fitzgerald	Santorum
Brownback	Frist	Sessions
Bunning	Graham (SC)	Shelby
Burns	Grassley	Smith
Campbell	Gregg	Snowe
Chafee	Hagel	Specter
Chambliss	Hatch	Stevens
Cochran	Hutchison	Sununu
Coleman	Inhofe	Talent
Collins	Kyl	Thomas
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	McCain	
DeWine	McConnell	

NAYS—46

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

NOT VOTING—2

Edwards Kennedy

The motion was agreed to.

Mr. REID. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATOR PETE V. DOMENICI'S TWELVE-THOUSANDTH VOTE

Mr. FRIST. Mr. President, may I have the attention of the Senate. On the last rollcall vote, No. 201, the one we just completed, the distinguished senior Senator from New Mexico, current chairman of the Energy and Natural Resources Committee, and the former long-serving chairman of the Budget Committee, Senator PETE V. DOMENICI, cast his twelve-thousandth vote in this Chamber—12,000 votes.

(Applause, Senators Rising.)

Senator DOMENICI now joins a very historic and select club of Senators who can claim this distinction. Senators now cast more votes in each Congress than they did in the past. So while historical records are not perfect, our Senate Librarian says we are safe to conclude that among all Senators who have served since the beginning of the Republic, Senator DOMENICI is in a class of only ten.

Since the beginning of the Republic, only Nine other U.S. Senators have similarly cast more than 12,000 votes in their careers in the Senate. Five of them are serving today. The Club of Nine now becomes the Club of Ten with Senator DOMENICI's last vote today.

The Club of Nine has been: Senator Claiborne Pell; Senator William Roth; Senator William Proxmire; the current President pro tempore, Senator TED STEVENS; Senator EDWARD KENNEDY; Senator DANIEL INOUE; Senator ERNEST HOLLINGS, Senator Strom Thurmond; and—with over 16,685 votes—the all-time record, Senator ROBERT C. BYRD.

Senator DOMENICI, I know I speak for all of your colleagues, all of your fellow Senators, when I say: Congratulations on this achievement. But, more importantly, thank you for your tremendous service over the years to New Mexico, to your country, and, most importantly, to the U.S. Senate.

Mr. DOMENICI. Thank you.

(Applause, Senators rising.)

I thank you very much. I know people are ready to catch airplanes, and we are on a time schedule, and I should say only a couple of words, if any. So I will say that sometimes it seems as if I am just starting. Sometimes late at night, it seems as if I have been here forever. I don't know how my wife, who is watching, is taking this. It may be that she might be thinking it is going to come to an end soon and perhaps we will not be here any longer. I hope not.

But let me say to all of you: Thank you for your kind words. But, most of all, thanks to the Senate. It did not take 12,000 votes to learn how to be a Senator but it took some time. Once you get there, you know you are. Once you are a Senator, there is just nothing like it. Once you know what the Senate is, you know there is nothing like it. I have been given enough time for both.

I believe I know how to be a Senator, and I believe I know what the Senate is. Both have been heralded and written about. Whatever it is that has been said is all true. It is a rather fantastic place. You cannot serve with a greater group of people. There is no conceivable way that I, as an American, could spend time with 100 men and women of the caliber that we have here, whatever that is in terms of their variety of skills, measures, and attributes; and that is for sure.

With that, and for that, I thank all of you. In particular today, for doing this, I thank our distinguished majority leader.

Thank you very much.

(Applause, Senators rising.)

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, in the interest of time—I want to turn to the Democratic leader for his comment—but I have asked all of our colleagues to withhold further comments on this celebration, to submit them for the RECORD or to give them after we complete the voting today. We are trying to keep the bill moving.

Again, I want the Democratic leader to comment but then I do ask our colleagues to wait to speak on this celebration. They will have an opportunity to do so later.

Mr. REID. Will the majority leader yield?

Mr. FRIST. Yes.

Mr. REID. Mr. President, I ask unanimous consent that all Senators wishing to make statements regarding Senator DOMENICI be allowed to do so, and at such time as they are completed, that they be put in a proper cover and given to Senator DOMENICI.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Democratic leader.

Mr. DASCHLE. Mr. President, I add my heartfelt congratulations, as well, as we celebrate this special moment in the distinguished career of our friend and colleague, Senator DOMENICI.

It was Teddy Roosevelt who once said: Life has no blessing like that of the ability to work hard at work worth doing. No one knows that better than Senator DOMENICI. He has worked hard at work worth doing now for all of these years.

I remember I was a young staff person in 1973, and he was a newly elected Senator from New Mexico, formerly the mayor of Albuquerque. Even back then many of us recognized—because of his intelligence, his good will, and the way he was able to demonstrate his ability to work across the aisle—that we would have the good fortune to work with him for a long, long time.

He has now cast more votes than 1,877 of our colleagues, including most of us on the Senate floor.

As we mark this occasion—knowing he has many more years to go, knowing he has many more thresholds to break—we congratulate him, we wish him good fortune, and we recognize this extraordinary achievement today.

I yield the floor and, again, congratulate him heartily.

Mr. DOMENICI. Thank you very much.

Mr. DASCHLE. Mr. President, we have three Senators who are seeking recognition to offer amendments. Senator DORGAN has an amendment that will take 10 minutes; Senator HARKIN, 10 minutes; and Senator DURBIN, 5 minutes. They will all ask for a voice vote on their amendments. Following that, we will be ready to go to final passage.

Mr. REID. Mr. President, could I ask unanimous consent those be the only amendments in order.

The PRESIDING OFFICER (Mr. ROBERTS). Is there objection?

The Chair hears none, and it is so ordered.

The distinguished Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, let me also congratulate my colleague from New Mexico: A hearty congratulations to you.

AMENDMENT NO. 837

Mr. President, I know airplanes are waiting and jet engines are idling, and there are some Members wishing to leave this Chamber quickly.

Let me, in a matter of a couple minutes, say a word about the national debt and then about the trade debt.

We worry a lot about the national debt, as a result of budget policy in the Congress. So we actually come to the Congress, and we come to the floor of the Senate, and we vote on putting a limit on Federal debt. We have a debt limit. However, there is another debt, and there is no limit on that debt. I am referring to the foreign debt—the debt that results from trade deficits.

We have a Federal budget deficit this year that is expected to be somewhere around \$317 billion. That is the current estimate. But if last year's figures are any guide, our trade deficit this year will be much higher than the federal budget deficit, well over \$435 billion. And that trade deficit means an increase on our foreign debt.

There is no limit on the foreign debt. Whatever it is, it is. Wherever it goes, it goes. That is just the way we, apparently, have decided to live with it as country, for as long as we can get away with it.

Well, in my judgment, we ought to have some basic limitation with respect to trade debt, or at least some mechanism that triggers actions if the trade debt exceeds a certain level.

My amendment, which I have at the desk, would say that when U.S. foreign debt exceeds 25 percent of GDP, or the trade deficit exceeds 5 percent of the GDP, it triggers the following: USTR will be required to, within 15 days of such a breach, convene an emergency meeting of the Trade Policy Review Group, and within 45 days present to Congress, from that group, a report detailing the Trade Policy Review Group's trade deficit reduction plan.

My feeling is we ought to have some basic limitation on what we are doing with respect to international trade. I do not suggest we put borders around this country or we, in any way, inhibit trade. But trade needs to be fair trade—and it is not.

As shown on this chart, this is what has been happening to our trade deficit. The ink is all red and it is escalating at a very serious rate.

Let me use one example to show the absurdity of what is happening in international trade. It involves the country of South Korea.

I just picked this but I could pick China, Europe, Japan, Canada, Mexico. I just happen to pick South Korea.

In 2001, Korea shipped 618,000 vehicles into our country—Hyundais, Daewoos, etc.—all around our country. Do you know how many cars we were able to ship to South Korea? We shipped 2,800 American cars to South Korea.

Why is that the case? South Korea does not want our cars sold in that country. They put up every kind of imaginative trade barrier you can think of.

We just had an example in the first part of this year with the Dodge Dakota pickup. Daimler-Chrysler started to sell the Dodge Dakota pickup in Korea. They were actually fairly successful. They had 60 orders in February and they had 60 orders in March. They don't make a pickup that is equivalent to the Dodge Dakota in South Korea. So at an annualized rate, that would have been almost a 50-percent increase in U.S. car imports alone in that country just with the Dodge Dakota pickup.

Guess what happened.

In March, an official from the Ministry of Construction and Transportation decided: Enough of those Dodge Dakotas. He said people were going to put optional cargo covers on them and that might make them dangerous if passengers rode in the back. He announced that cargo covers on pickups and Dodge Dakotas are illegal. South Korean newspapers had big headlines: "Government Ministry Finds Dodge Dakota Covers Illegal."

Guess what happened. Immediately, Korean customers cancelled their orders for Dodge Dakotas. And all of a sudden, we were not selling Dodge Dakota pickup trucks in Korea anymore. So here we are, 618,000 cars headed to the United States, and we only get to sell 2,800 in Korea.

I could talk about China and wheat, Europe and beef, Canada and durum. I could talk about Mexico. I don't have the time today because several of you want to leave. I respect that. But I do want to at least offer this amendment. I will accept a voice vote.

I will come back with this amendment because this country ought to have the spine to stand up for fairness in trade. One of the reasons we are hemorrhaging in red ink is that trade circumstances with our major trading partners are simply not fair to American producers and to American workers. We need to change this.

We can attempt to ignore this forever, but we do it at our peril. You can make a case that budget deficits we owe to ourselves, and we will repay ourselves. You cannot make a similar case with the trade deficit. We inevitably will repay a trade deficit with a lower standard of living in the United States. This country should be about the business of having fair trade, requiring fair trade, and requiring enforcement of existing trade agreements.

I have a lot more to say. I will say it at some future time.

I ask that the amendment be called up. It is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows: The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 837.

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

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

The amendment is as follows:

(Purpose: To impose limits on United States foreign debt)

At the appropriate place, insert the following:

SEC. . . FOREIGN DEBT CEILING.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States has become the world's largest net debtor Nation, having run up massive trade deficits in the 1990s.

(2) At the end of 2001, the net United States foreign debt stood at over \$2,300,000,000,000.

(3) The United States foreign debt position worsened in 2002, when the United States had a record trade deficit of over \$436,000,000,000, equivalent to 4.1 percent of the United States GDP that year.

(4) The large and growing United States foreign debt represents claims on United States assets by foreign nationals, which will eventually have to be repaid. If unchecked, the foreign debt could seriously undermine our children's future standard of living.

(5) Moreover, the growing accumulation of foreign claims on United States assets, including nearly \$1,200,000,000,000 in United States Treasury securities, makes the United States economy vulnerable to the whims of foreign investors.

(6) Congress presently places a ceiling on United States public debt, but does not place a ceiling on United States foreign debt.

(7) Just as Congress recognized the importance of placing a ceiling on the United States public debt, it is appropriate that Congress place a limit on the United States foreign debt.

(b) ACTIONS TRIGGERED BY UNITED STATES FOREIGN DEBT.—

(1) IN GENERAL.—Not later than the 15th day of the second month after the date of enactment of this Act, and every 3 months thereafter, the United States Trade Representative shall determine if—

(A) the net United States foreign debt for the preceding 12-month period is more than 25 percent of United States GDP for the same period; or

(B) the United States trade deficit for the preceding 12-month period is more than 5 percent of United States GDP for the same period.

(2) ACTION BY USTR.—Whenever an affirmative determination is made under paragraph (1) (A) or (B), the United States Trade Representative shall—

(A) within 15 days of the determination, convene an emergency meeting of the Trade Policy Review Group to develop a plan of action to reduce the United States trade deficit; and

(B) within 45 days of the determination, present to Congress a report detailing the Trade Policy Review Group's trade deficit reduction plan.

(c) MEASUREMENT OF FOREIGN DEBT.—

(1) STATISTICAL SOURCES.—For purposes of the calculations described in subsection (b)(1), the United States Trade Representative shall rely on the most recent period for which the following data, published by the Department of Commerce, is available:

(A) In the case of United States foreign debt, the United States Trade Representa-

tive shall use the net international investment position of the United States, with direct investment positions determined at market value, as compiled by the Bureau of Economic Analysis.

(B) In the case of the United States trade deficit, the United States Trade Representative shall use the goods and services trade deficit data compiled by the United States Census Bureau.

(C) In the case of the United States GDP, the United States Trade Representative shall use the nominal gross domestic product data compiled by the Bureau of Economic Analysis.

(2) ADJUSTMENT.—The United States Trade Representative may adjust the data described in paragraph (1) to ensure that the determination is made for comparable time periods.

The PRESIDING OFFICER. Does any Senator wish to speak to the amendment? The distinguished Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I want to speak in opposition to the amendment. I think the information the Senator from North Dakota wants, and wants in one document or one report, is a very legitimate bit of information, not just a small bit but a legitimate amount of information that he wants, and it is a reasonable request. I think a lot of it exists in the Department of Commerce and maybe it is just a case of bringing it all together. But that can't be the issue today. The issue today is, if we amend this bill, it goes back to the House, and then we are in a situation where we are not able to operate Government. We can't wait until the month of June to get a conference with the House on this issue. The Secretary of Treasury has made it very clear that he has taken all prudent and legal steps available to him to avoid reaching the statutory debt limit.

I urge everybody to vote against the amendment regardless of the merits.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I will take a voice vote and say, this amendment will be visiting the floor of the Senate again soon on another matter. I appreciate the comments from the Senator from Iowa. I believe this is an important issue. I hope my colleagues will support it.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 837.

The amendment (No. 837) was rejected.

AMENDMENT NO. 838

The PRESIDING OFFICER. The other distinguished Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, the debt resolution that we have before us raises the debt limit by \$984 billion—a record, the biggest ever in the history of the United States. What does that mean for the average American family? It means we are adding the equivalent of \$3,500 to the credit card of every man, woman, and child in America. For a family of four, you just got \$14,000 added to your family's debt. These are

new charges. That is just what we are about to vote on here. This is the new debt on top of the old debt. Now that is the debt.

How about the interest charges? Under the President's budget, we will see interest on the debt rise from an estimated \$240 billion this year to \$514 billion in 10 years under the assumptions of the budget pushed through by the majority that closely followed the President's plan in many respects. That is \$1,800 a year for every person in the country. That is just on the interest, \$7,200 a year for a family of four in 2013 and higher sums thereafter. The ranking member of the Finance Committee, the Senator from Montana, said it right: We are imposing, No. 1, a debt tax on our children and grandchildren. But we are also imposing an interest debt tax on our families.

We just went through this whole thing about this tax bill that skews everything to the wealthy. We all know that. Yet what about our families? I am sure they will say: We got some good things for families. We got a little marriage penalty thing there; we have a child credit, all that. But in 10 years, the interest just on the debt we are voting on today will be \$7,200 a year for a family of four, right out of their taxes, \$7,200 a year. Tell me about how much we have helped our families with this crazy tax bill we just passed this morning?

And right now, I think the vote we are about to take on this debt bill says it all. Tax cuts for those at the top, a few little things for working families, but we are going to gouge the working families of this country by making them pay the interest on the national debt—\$7,200 a year for a family of four, just on the interest.

More and more every year we go down the pike, more and more of the taxes that our hard-working Americans pay will go for what? To pay the interest on the national debt. Will we get any more education? No. Will we pay our teachers better? No. Will we invest more in medical research? No. Will we have better prescription drugs for the elderly? No. We won't do all those things because it is going to go to pay the interest on the national debt. That is what we are about to vote on right here.

Just the other day I went over to the Cannon House Office Building. They had a big demonstration there of fuel cells, renewable energy. That is what we ought to be investing in. That is what the Government should be investing in to make us energy independent. Guess what. We won't put the resources into that important need like we should. We will dribble a little bit here and there, but we won't do it right. Why? Because we are paying interest on the national debt. And why are we raising the debt? Because we have this big tax cut. Why do we have this big tax cut? It does please the wealthy contributors of the Republican Party. That is a part of it.

Now we are going to vote to increase the national debt, put it on the backs of every man, woman, and child in the Nation.

Well, there is one other thing. Because of this exploding debt and the interest on the debt that we will have to pay, it is a threat to the solvency of Social Security and Medicare. The President's tax plan is larger, if made permanent, then the entire 75 year estimated shortfall in both Social Security and Medicare. Later this year, the President says he wants us to work a prescription drug benefit for the elderly for \$400 billion. He is going to squeeze everybody into HMOs type organizations. Why? Because we don't have enough money to pay for a good plan because it is going to pay the interest on the national debt so we can cover outrageous giveaways to the very wealthy.

I might talk about Medicare fairness. We voted this week on an amendment offered by my colleague from Iowa to take care of some Medicare fairness. Eighty-six Senators voted for it. It was not in the President's plan. The President said, no, we can't do that now. It is squeezing everything out.

I want to talk about the specifics of my amendment, to provide for a true cost of tax bills requirement. The official score or estimate of what the tax bill is supposed to cost is \$350 billion. But, that is not what really occurred. Don't take my word for it, take the word of the Speaker of the House. This was in Congress Daily today:

Although the \$350 billion tax cut bill moving toward President Bush's desk is half of the original request, House Speaker HASTERT told Congress Daily Thursday that the final package incorporates key features of the House plan. "The 350 billion number takes us through the next 2 years basically," HASTERT said. "But also it could end up being a trillion-dollar bill because this stuff is extendable. That is a fight we are going to have to have, and it is not a bad fight to have."

There you go. It is not \$350 billion. It is closer to \$1 trillion. The editorial in the Washington Post this morning said the same thing.

According to the Center on Budget and Policy Priorities, if we keep these tax breaks going, the total cost will be a minimum of \$815 billion. And now, after all of that, what are we asked to do? Go to the well and vote for the largest increase in the national debt ever held paying for this tax break for the wealthy.

My amendment is very simple. I call it the "telling the true cost of the tax bill" requirement. The premise is that Congress and the American people should know the real cost of major tax provisions—not the Enron kind of budgeting we have had for this tax bill.

My amendment would require the Joint Tax Committee to reveal the true 10-year cost of provisions in the tax bill that cost over \$1 billion a year when fully in effect. In other words, to show the full cost, the Joint Tax Committee would provide true costs regardless of the variety of gimmicks we have

seen used in the 2001 tax bill, as well as the tax bill being passed this morning.

If a provision sunsets early, the cost will be provided as if it is in place for the full 10-year period. That is what this amendment does. I have the amendment here. I will send it to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 838.

Mr. HARKIN. Mr. 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: Requiring estimates of certain decreases in Federal revenues for periods after the decrease is sunset)

At the appropriate place, insert:

SEC. ____ TELLING THE TRUTH ABOUT THE LONG-TERM COST OF TAX CHANGES.

(a) IN GENERAL.—If the Joint Committee on Taxation prepares an estimate of any applicable proposed change in Federal revenue law, the committee shall include with such estimate an estimate of the decrease in Federal revenues which—

(1) in the case of an applicable proposed change described in subsection (b)(1), would have occurred without regard to the reduction or termination described in such subsection during the portion of the period covered by the estimate after the reduction or termination, and

(2) in the case of an applicable proposed change described in subsection (b)(2), will occur during the 10-fiscal year period beginning with the fiscal year following the first fiscal year in which the proposed change becomes fully effective.

(b) APPLICABLE PROPOSED CHANGE.—For purposes of this section, the term "applicable proposed change" means any of the following proposed changes in Federal revenue law:

(1) SUNSET OR REDUCED CHANGES.—Any proposed change which—

(A) when fully effective will have an estimated decrease in Federal revenues of more than \$1,000,000,000 in each fiscal year, and

(B) provides for the termination of such change, or a reduction in such revenue decrease, on or before the close of the period covered by the estimate which the Joint Committee on Taxation is otherwise preparing for such proposed change.

(2) DELAY IN FULL EFFECT.—Any proposed change which—

(A) becomes fully effective at any time during the last 4 years of the period covered by the estimate which the Joint Committee on Taxation is otherwise preparing for such proposed change, and

(B) when fully effective will have an estimated decrease in Federal revenues of more than \$1,000,000,000 in each fiscal year.

Mr. GRASSLEY. Mr. President, as well intentioned as the amendment is to bring information to the Congress from the Joint Committee on Taxation, to bring a greater degree of transparency to where we are on certain tax legislation, I have to ask my colleagues to vote against this amendment because if it were adopted, it would force the bill back to the House

and we would not be able to fund Government. We would also have a situation of having to have a conference. I urge my colleagues to vote against it.

The PRESIDING OFFICER. Does any other Senator wish to speak on the amendment?

The Senator from Iowa.

Mr. HARKIN. Mr. President, look, one more time. The reason we cannot have amendments to this bill is because the House has gone home? We are going to have the biggest increase in the national debt this country has ever seen and the House went home? That is why we cannot amend it?

Please explain that to my constituents in Iowa, or anywhere in the country, that somehow it makes sense that we cannot amend it because the House went home and we are going to have the biggest increase in debt in this country.

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

The amendment (No. 838) was rejected.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

AMENDMENT NO. 839

Mr. DURBIN. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 839.

Mr. DURBIN. Mr. 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 require a CBO report on any new debt created by a budget resolution upon the reporting of that budget resolution)

At the end of the resolution, insert the following:

SEC. ____ CBO REPORT ON DEBT IMPACT OF BUDGET RESOLUTION.

Section 301 of the Congressional Budget Act of 1974 (2 U.S.C. 632) is amended by adding at the end the following:

“(j) CBO DEBT IMPACT REPORT.—Each budget resolution reported out by the Committee on the Budget of the House of Representatives or the Senate shall be accompanied by a report from CBO containing CBO’s best estimate of the following:

“(1) The amount of new debt subject to limit, in aggregate and divided by the most recent estimate of the United States population, according to the Bureau of the Census, that would be created if the budget resolution is adhered to, assuming reserve funds are spent and reconciliation instructions are fully complied with.

“(2) The amount of new debt subject to limit, if any, in aggregate and divided by the most recent estimate of the United States population, according to the Bureau of the Census, that would have been created if the budget resolution simply reflected the CBO baseline without policy changes.

“(3) The difference between paragraphs (1) and (2).

“(4) Of the amount determined in paragraph (3)—

“(A) the amount of new debt subject to limit, in aggregate and divided by the most recent estimate of the United States population, according to the Bureau of the Census, that is attributable to tax changes; and

“(B) the amount of new debt subject to limit, in aggregate and divided by the most recent estimate of the United States population, according to the Bureau of the Census, that is attributable to policy changes other than tax changes.”.

Mr. DURBIN. Mr. President, today, the once proud Senate is no longer a voice, it is an echo—an echo of a by-gone era when giants in the Senate strode the halls of this great institution. But not today. On amendment after amendment after amendment, we are told that the Senate is voiceless, the Senate is powerless, the House has left and there is nothing we can do. We have turned into a unicameral legislature before your eyes.

Now a majority of the Senators parade in the halls of this great institution with signs that read “me, too,” signs that read “the House of Representatives knows best,” signs that read “the Senate no longer has time to think or to act. We just do what the House tells us to do.”

No matter how good the suggestion or amendment on the floor of the Senate today, it has been summarily rejected by the majority. Efforts to protect Social Security, rejected; efforts for accountability in budgeting, rejected; efforts for accountability of this White House and future Presidents, rejected. Why? Because the House told us to take it or leave it.

Well, I have hope for the Senate and the Members. I give you an amendment now that you can embrace to show you still believe in the Senate as it once reigned on Capitol Hill, embrace because you understand that on its face it is so logical, straightforward, so easy that you can embrace this amendment with the full knowledge that when you vote on final passage and go home, at least once today you stood up for the dignity of this great institution; at least once today, you thought for yourself; at least once today, common sense prevailed.

What does this amendment do? It simply calls for accountability. Once each year, the CBO will tell us what our actions have done to add to the national debt. It will tell us whether tax increases are going to create more debt for our children. It will publish that number and put it into terms so every single American will know whether we have increased the mortgage on America for our children and grandchildren to carry. That is it. It is so simple, straightforward.

My friend from Iowa, the chairman of the Senate Finance Committee, from that commonsense bastion in the Midwest, that great State of Iowa, I know he believes in accountability, he believes in standing up for a report card on Congress, and that he will stand with me shoulder to shoulder, bipartisan, proud to tell the American people what we have done, proud to admit

to the American people if we have added to their debt. I know he will be with me on this and he will break the shackles of the House of Representatives, and we will finally come together in a bipartisan fashion for the future of the Senate. I will applaud him for standing in support of the amendment.

I am only going to ask for a voice vote because I know it is going to be unanimous.

The PRESIDING OFFICER. Does any other Senator wish to speak to the Senator’s embracing amendment?

Mr. GRASSLEY. Mr. President, I want to speak the common sense of Iowa to the Senator from the political machine of Chicago and to express a simple statement of fact: If, in fact, we had adopted the minority’s budget, the Democrat budget, earlier this year, we would be facing the exact same increase in the debt ceiling now and by almost the same exact amount of money throughout the rest of the year. So it doesn’t matter whether you are in the majority or we are, we would be doing about the same thing right now. So don’t try to fool the people of America. You cannot do it even if you are from Chicago.

The PRESIDING OFFICER. Any other Senators wishing to be heard? The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, Chicago can handle itself, whether we are playing Iowa in sports or in politics, but I ask my friend from Iowa, if you believe the deficits don’t count, stand tall, stand proud, and admit that to the American people. Just go ahead and tell them once a year whether you have added to the national debt by the actions in Congress. It is that simple. It is a report card on what we do. I am sure the Senator from Iowa is in favor and doesn’t want to leave any taxpayer behind.

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

The amendment (No. 839) was rejected.

The PRESIDING OFFICER. If there be no further amendments to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 51) was ordered to a third reading and was read the third time.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. FRIST. Mr. President, once again, I thank the chairman of the Finance Committee for his hard work yesterday and today. In addition, I thank all Members for their patience and cooperation throughout this legislative period, a very productive few weeks of session. We have had busy days and long nights. It was worth the effort.

The next vote will be the last vote prior to the Memorial Day recess. The Senate will reconvene on Monday, June 2. However, no rollcall votes will occur that day. Members can expect the next

rollcall vote on Tuesday at approximately 12 noon. That vote most likely will be in relation to an amendment to the energy bill.

I wish everyone a safe recess, and I look forward to working with everybody following this recess.

Mr. ENSIGN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The joint resolution having been read the third time, the question is, Shall it pass? The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from North Carolina (Mr. EDWARDS), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote "nay".

The result was announced—yeas 53, nays 44, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—53

Alexander	DeWine	McConnell
Allard	Dole	Miller
Allen	Domenici	Murkowski
Bennett	Enzi	Nickles
Bond	Fitzgerald	Roberts
Breaux	Frist	Santorum
Brownback	Graham (SC)	Sessions
Bunning	Grassley	Shelby
Burns	Gregg	Smith
Campbell	Hagel	Snowe
Chafee	Hatch	Specter
Chambliss	Hutchison	Stevens
Cochran	Inhofe	Sununu
Coleman	Jeffords	Talent
Collins	Kyl	Thomas
Cornyn	Lott	Voinovich
Craig	Lugar	Warner
Crapo	McCaIn	

NAYS—44

Akaka	Dorgan	Lieberman
Baucus	Durbin	Lincoln
Bayh	Ensign	Mikulski
Biden	Feingold	Murray
Bingaman	Feinstein	Nelson (FL)
Boxer	Graham (FL)	Nelson (NE)
Byrd	Harkin	Pryor
Cantwell	Hollings	Reed (RI)
Carper	Inouye	Reid (NV)
Clinton	Johnson	Rockefeller
Conrad	Kohl	Sarbanes
Corzine	Landrieu	Schumer
Daschle	Lautenberg	Stabenow
Dayton	Leahy	Wyden
Dodd	Levin	

NOT VOTING—3

Edwards	Kennedy	Kerry
---------	---------	-------

The joint resolution (H.J. Res. 51) was passed.

Mr. FRIST. I move to reconsider that vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS CONSENT AGREEMENT—DEFENSE AUTHORIZATION

Mr. FRIST. I ask unanimous consent when the Senate receives from the House the companion to S. 1050, the Defense authorization bill, the Senate proceed to its consideration at a time

determined by the majority leader, after consultation with the Democratic leader; provided further that all after the enacting clause be stricken and the text of S. 1050 as passed be inserted in lieu thereof; and further, any other amendments in order be: Warner, two amendments regarding BRAC; Dorgan-Lott, BRAC amendment, 30 minutes equally divided, no second degrees; Kennedy-Cornyn-Brownback-McCain, immigration, 30 minutes, equally divided; Reid-Inhofe, concurrent receipts; that the amendments be subject to relevant second degrees under the same debate limitation except where noted.

I further ask consent that following the disposition of the above mentioned amendments, the bill be read the third time and the Senate then proceed to a vote on passage of the House measure, as amended; finally, I ask that the Senate then insist on its amendment, requesting a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

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

MORNING BUSINESS

Mr. FRIST. 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.

ORDER OF PROCEDURE

Mr. DASCHLE. Mr. President, I think the Senator from West Virginia requested 20 minutes and I ask the unanimous consent request be modified to accommodate Senator BYRD's request.

Mr. FRIST. Mr. President, I will ask unanimous consent that the Senator from New Hampshire have 5 minutes, followed by Senator BYRD for 20 minutes, followed by Senators BOND and TALENT for 10 minutes, and prior to the Senator from New Hampshire, 30 seconds to Senator SPECTER.

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

PROTECTING SOCIAL SECURITY BENEFICIARIES FROM COLA CUTS

Mr. SPECTER. I ask unanimous consent that the Daschle amendment numbered 834 be modified to be placed in the form of a Senate resolution; that the resolution, be adopted the preamble be adopted, with a motion to reconsider being laid upon the table.

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

Mr. SPECTER. Mr. President, this resolution provides that Social Security cost-of-living adjustments shall be maintained.

I thank the Chair. I thank my colleagues. I thank the Democratic leader.

The resolution (S. Res. 155) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 155

(a) FINDINGS.—The Senate finds that:

(1) Social Security provides a relatively modest insurance benefit for seniors—many of whom rely on Social Security for part or all of their monthly income. Without Social Security, forty-eight percent of beneficiaries would be in poverty today.

(2) In order to protect benefit levels against inflation, Social Security beneficiaries receive an annual cost-of-living adjustment (COLA) based on Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

(3) The January 2003 COLA provided only a 1.4 percent increase in Social Security benefits, increasing the average monthly benefit for all retired workers by only \$13 (from \$882 to \$895).

(4) Annual growth in Medicare premiums and out-of-pocket health care costs for retired individuals on fixed incomes far exceeded the small COLA increases provided to Social Security beneficiaries.

(5) Reducing COLAs will disproportionately harm low-income Social Security beneficiaries and push millions of seniors into poverty.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Social Security cost-of-living adjustments should not be reduced.

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

MEDICARE VISION REHABILITATION SERVICES ACT OF 2003

Mr. SUNUNU. Mr. President, today I rise to ask my colleagues to join me in supporting the Medicare Vision Rehabilitation Services Act of 2003. This is legislation I introduced in the Senate this past week to deal with vision impairment, one of the most common disabilities affecting seniors today.

Millions of Americans currently have impaired vision. The number of people in the United States with vision impairments continues to increase. The vision impairment is a loss of vision that is not correctable by standard glasses, contact lenses, medicine or surgery. One of the leading causes of vision impairment and blindness in the United States is age-related disease and that is why it is important we begin to deal with this serious illness under our Medicare system.

Vision rehabilitation assists individuals with this serious vision loss so they can safely navigate in their own homes and within their local environments. Vision rehabilitation services help people avoid medication errors, help them cook and use kitchen utensils safely, and help avoid burns and falls; in short, help them to be more independent in their own community and enable them to enjoy a better quality of life.

Importantly, vision rehabilitation services promote safety and that all-important independence for our elderly. This legislation would ensure that Medicare coverage for vision rehab

services would be made available to all of our elderly citizens in the United States.

It would make the coverage available nationwide. It would establish strict qualifications in the Medicare Program for specially trained vision rehabilitation professionals who operate under physician supervision and allow them to provide the highest possible quality services in the home when deemed medically necessary.

One in five older Americans, over 7 million people, report some degree of serious vision impairment. More than 700,000 older Americans are legally blind. According to the CDC, falls among older people cost the Government more than \$20 billion a year, and vision problems were specifically cited as one of the leading causes of these falls. If only one in five of the hip fractures due to vision impairment were prevented, each year the annual cost savings would be hundreds of millions of dollars.

Nearly anyone suffering from vision loss can benefit from vision rehabilitation services that can help patients make the most of whatever vision they do have remaining.

Specifically, this bill takes a number of important actions. It establishes national coverage under Medicare for the provision of rehabilitation services. It defines rehabilitation services as services provided to a person with a vision impairment under a plan of care developed by a physician, allowing these services to be furnished both in-office and in a patient's home. It defines a vision rehabilitation professional as well as setting out the educational criteria these providers must have.

This legislation ensures payment under the existing physician fee schedule. That is important. There was an awful lot of work put into developing this legislation, so we did not have to create a new or separate physician fee schedule. The legislation also requires the patient care plan be developed by a physician in order to receive reimbursement under Medicare. That plan has to attest that vision rehabilitation services are medically necessary, and is a plan that periodically is reviewed by a physician.

It is a strong, focused program that provides coverage for these very important services under Medicare. In over a 5-year period, the independently estimated cost is less than \$10 million—less than \$10 million, to begin to address one of the leading causes of accidents that disable our elderly citizens in their homes. It is less than \$10 million over a 5-year period to increase independence, to increase quality of life, and to provide a better quality of care in a home setting.

I think this is an important piece of legislation that can make an enormous difference for millions of older Americans under Medicare.

I do thank the cosponsors who have already agreed to support this legislation—Senator STEVENS, Senator

MCCAIN, Senator COLLINS, Senator BUNNING, Senator SPECTER, Senator BURNS, Senator ALLEN, Senator KERRY, Senator LINCOLN, Senator MILLER, Senator ROCKEFELLER, Senator CANTWELL, Senator KENNEDY, and Senator LANDRIEU.

It is a strong, bipartisan coalition that will work throughout this year to see that this legislation is signed into law, making a difference by adding vision rehabilitation services to Medicare and making that difference in the lives of millions of elderly Americans.

Mr. President, I yield the floor.

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

MEMORIAL DAY

Mr. BYRD. Mr. President, this coming Monday is the last Monday in May. Since the adoption of the National Holiday Act, Public Law 90-363, the last Monday in May has been celebrated as Memorial Day. The origins of Memorial Day extend far earlier than 1971, stretching back to the Civil War, when the practice of decorating the graves of fallen soldiers became widely practiced in the United States. And in the earlier years, the people, particularly the people of the southern states, celebrated this as Decoration Day.

Honoring the fallen in battle is an ancient custom, extending at least to the ancient Greeks. Thucydides provides us with one example. It was the custom in Athens to conduct an elaborate funeral for all those killed in battle. A sacrifice would be made, the fallen laid to rest with ceremony, and then a funeral oration would be given. After the first battles of the Peloponnesian War, the brilliant politician and general, Pericles, was the orator. He used his speech to honor the dead but also to pay homage to the state for which they had fought. His love and admiration for Athens reflects the feelings of patriotism, pride, and love for the United States that have swelled in our breasts since the terrible events of September 11, 2001, and since the brave performance put on by U.S. forces in Iraq this spring.

Pericles said, in part:

... fix your eyes upon the greatness of Athens, until you become filled with the love of her; and when you are impressed by the spectacle of her glory, reflect that this empire has been acquired by men who knew their duty and had the courage to do it, who in the hour of conflict had the fear of dishonor always present in them, and who, if ever they failed in an enterprise, would not allow their virtues to be lost to their country, but freely gave their lives as the fairest offering which they could present at her feast. The sacrifice which they collectively made was individually repaid to them; for they received again each one for himself praise which grows not old, and the noblest of all tombs, I speak not of that in which their remains are laid, but that in which their glory survives, and is proclaimed always and on every fitting occasion both in word and in deed. For the whole earth is the tomb of famous men; not only are they commemorated by columns and in-

scriptions in their own country, but in foreign lands there dwells also an unwritten memorial of them, graven not on stones but in the hearts of men.

So in the hearts of every family reunited, every child now free to attend school, everyone of every faith now allowed to worship freely, dwell the unwritten memorials to American fighting men and women. In France, in Flanders field, in Belgium, in Austria, Sweden, all across Europe, in the Philippines and across Southeast Asia, still beat hearts that remember the faces of American G.I.s who liberated them.

At home, as well, the fallen live on. In the hearts of their families, in the caring hands that place poppies on graves in military cemeteries, in the flags snapping proudly in the breeze at doorsteps around the Nation, the Nation's fallen heroes are remembered. Without them, our Nation and our history would be forever altered. Without the heroes of Bunker Hill and Lexington and Yorktown, we might still be a British colony. Without the heroes of Gettysburg and Appomattox, we might not be a United States but two separate nations. Without the heroes of the Ardennes and Ypres, of Normandy and Tarawa, the globe would be redrawn in very different shapes. Without the heroes at the Yalu River and at Da Nang, the Iron Curtain might have encircled the globe.

To each generation of heroes, we offer our silent thanks. And to the Creator, we must offer our prayers that the succeeding generations will be equally brave and equally patriotic, as ready to meet the rigors and challenges to come as are our soldiers, sailors, airmen and Marines today. We must hope that we bequeath to our future generations a nation worthy of such sacrifice, a nation, as Pericles proclaimed of Athens "... for whose sake these men nobly fought and died; they could not bear the thought that she might be taken from them; and every one of us who survive should gladly toil on her behalf."

The United States' guiding philosophy, our signal principles of freedom, liberty, opportunity, of government by the people—these are the enduring monuments of America's greatness. They are our greatest treasure, to be guarded most jealously and defended most zealously. For them have the fallen filled our military cemeteries. Even as we continue the so-called "war on terror," we must guard against undermining our principles for the sake of some gossamer illusion of security.

Our government must operate openly, before the view of the people. The people's branch—here it is. The people's branch, the Congress, must defend its prerogatives lest the Executive assume the powers of a tyrant. We must deal freely and fairly and honestly on the world stage, using our strength for the common good and maintaining the friendship built upon freely spilled blood and shared sacrifice. And we must treat our people as citizens, not

potential terrorists, to be profiled and bugged and tapped and taped and held indefinitely without the full protections of the law. All the law enforcement techniques and technologies in the world will not eliminate all risk. If we are to honor the greatness of our Nation and the sacrifice of all those who have laid down their lives in her defense, we must be careful not to frighten ourselves into some kind of quasi police state.

This Memorial Day, we honor the fallen from our wars by marking their graves with flowers and flags. In life, they were just like us. They came from all walks of life, from every State and territory, from farms and city streets. They were young, and funny, and brave. They were our children, our brothers and sisters, our fathers and mothers. They were members of many families and members of the American family. In death, they are a silent reminder of the high price some must pay so that the rest of us might enjoy the benefits of living in this great Nation. Put a flag or a flower down this weekend, but for the rest of the year, guard dearly the principles of the Nation they fought and died for. The greatest and most lasting memorial to our Nation's dead is to cherish and pass what is best about our Nation.

I close with the words of Van Dyer in his poem "America For Me."

As schoolchildren, we all memorized this poem and others like it:

'Tis fine to see the Old World, and travel up
and down
Among the famous palaces and cities of re-
nown,
To admire the crumbly castles and the stat-
ues of the kings,—
But now I think I've had enough of anti-
quated things.
So it's home again, and home again, America
for me!
My heart is turning home again, and there I
long to be
In the land of youth and freedom beyond the
ocean bars,
Where the air is full of sunlight and the flag
is full of stars.
Oh, London is a man's town, there's power in
the air;
And Paris is a woman's town, with flowers in
her hair;
And it's sweet to dream in Venice, and it's
great to study Rome,
But when it comes to living, there is no
place like home.
I like the German fir-woods, in green battal-
ions drilled;
I like the gardens of Versailles with flashing
fountains filled;
But, oh, to take your hand, my dear, and
ramble for a day
In the friendly western woodland where Na-
ture has her way!
I know that Europe's wonderful, yet some-
thing seems to lack!
The Past is too much with her, and the peo-
ple looking back.
But the glory of the Present is to make the
Future free,—
We love our land for what she is and what
she is to be.
Oh, it's home again, home again, America for
me!
I want a ship that's westward bound to
plough the rolling sea,

To the blessed Land of Room Enough beyond
the ocean bars,
Where the air is full of sunlight and the flag
is full of stars.

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

UNANIMOUS CONSENT REQUEST— S. RES. 154

Mr. BOND. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 154 regarding the European Union action against agricultural biotechnology, a resolution submitted earlier today by me and Senators TALENT, LINCOLN, LUGAR, and BAUCUS. I further ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table, and that any statements relating to this matter be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, I object to the request made by my good friend from Missouri, that land from which Old Crumb, that great hunting dog, came. I believe it is Warrensburg, MO, where that statue stands today, the statue of Old Crumb, that great hunting dog.

But I must on this occasion object. I do it at the behest of another Senator. I assure the distinguished Senator that I bear no ill will toward him, certainly. But, on this occasion, I have promised that I would object, and I do object.

The PRESIDING OFFICER. Objec-
tion is heard.

Mr. BOND. Mr. President, I understand how this place works. We knew there was to be an objection. But we have submitted a resolution which will be referred to committee because it is a matter of great importance. While apparently 99 Senators did not have an objection, we will have an opportunity when this matter is reported out of the appropriate committee to deal with what I think is a very serious issue.

This resolution before us today expresses strong support for President Bush's decision to stand up for our trade rights before the World Trade Organization. The action taken by our President is right on principle, right on law, right on science, and it is morally right.

Two years ago, the European Environment Commissioner, Margot Wallstrom, told a news conference the following:

We have already waited too long to act. The moratorium is illegal and not justified. The value of biotechnology is poorly appreciated in Europe and there's a risk the biotechnology industry will not develop.

In short, we could not have said it better. We appreciate the Commissioner's courage to be so candid.

Since reason has not prevailed in Europe, it is time for our overtaxed patience to give way to the need to exercise our rights before the World Trade Organization. If the Europeans had

been satisfied to exist as a "plant technology free zone" without aggressively attempting to influence other nations, this action would not have become as imperative as it is.

Mr. President, this European ban on plant biotechnology is a lesson about the serious harm that can come in the form of unintended consequences. Too-clever politicians in Europe, coupled with the hysterical anticommmercial activists, decided they could whip their public into a frenzy and shield the European Union producers from U.S. competition by suggesting that the new technology is not safe.

Even perhaps more venal—if that is possible—certain leftwing organizations decided they could raise fears and cause unfounded scares in the public and raise money through solicitations to fund their own salaries by spreading lies about the food that we in the United States eat every day.

But now that the European Union politicians are listening to their scientists and realize that the technology is safe, they say they cannot accept it because their public is against it. In other words, they now claim to be hostage to the misinformation they created and, indeed, fostered.

Consequently, we now have a major trade infraction. Our farmers have lost \$300 million a year in corn exports. The European public doubts the credibility of their science community. European investment in new plant science is in sharp decline. Their farmers do not have access to new technology. Most importantly, world-renowned scientists are leaving the European Union.

They are coming to Missouri, where our leading scientists, such as Dr. Roger Beachy and Dr. Peter Raven, are hiring them and providing them a refuge where they can practice their science free from the Luddite hysteria or "Eurosclerosis" from which they came.

But most tragically—most tragically—the countries in the developing world have been frightened into refusing to feed their starving people the food we have sent them—which is food we eat—because they fear the hysterical European rejection is more serious than death by starvation. We have sent food, humanitarian efforts, to aid and keep these people alive. Unfortunately, their leaders have been frightened by Europeans who say they will never import from them again.

Regrettably, I would say that Europe's fastest-growing exports are hysteria and underappreciated plant scientists. We would like Europe to join us in our efforts to help feed the hungry in the world, not scare the world into needless, wanton starvation.

I do not believe this is where the Europeans wanted to be when they started this nonsense but this is where it has predictably taken them.

This technology was developed, studied, tested, reviewed, approved, planted on several hundred million acres over 7 years, rereviewed and reapproved,

using a strict and science-based system. We are basing our review on science and on experience—lots of experience.

All of us in America today are eating the food that has been improved by genetic modification. We recognize that no technology will ever be 100-percent safe. We must regulate this and other technologies aggressively and thoroughly and scientifically. But this has been the most scrutinized new food technology of our age—or any age—and it has been planted on several hundred million acres around the world for many years. The naysayers still have not identified a single stomachache coming from biotechnology, despite their desperate search.

Our findings are not unique in the world. The case we have taken against the EU is joined by the Governments of Argentina, Canada, Egypt, Australia, Chile, Colombia, El Salvador, Honduras, Mexico, New Zealand, Peru, and Uruguay.

The U.S. National Academy of Sciences completed a report that “emphasized it was not aware of any evidence suggesting foods on the market today are unsafe to eat as a result of genetic modification.”

I can list those which agree with us: the World Health Organization, France’s Academy of Sciences, the American Medical Association, the French Academy of Medicine, the Royal Society of London, the Brazilian Academy of Sciences, the Chinese Academy of Sciences, the Indian National Science Academy, the Mexican Academy of Sciences, and many others.

Twenty Nobel laureates, including Dr. Norman Borlaug, known as “the father of the Green revolution,” with whom I spoke earlier this week on this subject, has come out in strong support. All of the major U.S. scientific societies are behind this technology. Dr. Patrick Moore, founding member of Greenpeace and a trained biologist, said directly:

I believe we are entering an era now where pagan beliefs and junk science are influencing public policy. GM foods and forestry are both good examples where policy is being influenced by arguments that have no basis in factor logic.

The scientific consensus on this matter is overwhelming. In this country, farmers, scientists, regulators, courts, shareholders, elected officials, editorial boards, and consumers have all ratified the product and process and future of biotechnology in their own ways. For all practical purposes, it is a settled issue, and remains so.

In my office last week I had a South African cotton farmer who said that new technology in a seed has changed his life. He now has a harvest. He produces profitably. He has a savings account. And now all his neighbors are using that technology.

U.S. agriculture continues to be on the forefront of the application of modern science. In 1940, it took one farmer to feed 19 people. Now one farmer feeds

129 people. But tragically, 800 million children in the world remain hungry. New applications of biotechnology in the U.S. have increased crop yields by 4 billion pounds, saved growers \$1.2 billion, and reduced pesticide use by 46 million pounds in the year 2001 alone.

If wealthy citizens in Europe want to shop at trendy expensive food boutiques, that is their right, but their government should not be preventing the public from choosing their diet, and it most certainly should not be discouraging the developing world from trying to eat well to grow and live a better life.

I am very proud of the work President Bush and Ambassador Zoellick, Administrator Natsios, Under Secretary Larson, Ambassador Hall, and many others have done to preserve the viability of this new technology. The EU has made agreements with us to abide by rules they are now flagrantly ignoring. These promises should be kept.

I appreciate the cosponsors of this resolution, the support of farm groups, including the National Corn Growers, Missouri Farm Bureau, and Missouri Soybean Association.

The best arguments on behalf of this are contained in Wednesday’s article in the Wall Street Journal by U.S. trade ambassador, Robert Zoellick. I ask unanimous consent that it be printed in the RECORD.

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

[From the Wall Street Journal, May 21, 2003]

UNITED STATES V. EUROPEAN UNION

(By Robert B. Zoellick)

The U.S.—joined by Argentina, Canada and Egypt, and supported by nine other countries—last week asked the European Union to lift its moratorium on approving agricultural biotech products, in accordance with the rules of the World Trade Organization.

The world stands on the threshold of an agricultural revolution. The science of biotechnology can make crops more resistant to disease, pests and drought. By boosting yields, biotechnology can increase farmers productivity and lower the cost of food for consumers. It can help the environment by reducing pesticide use and preventing soil erosion. And new crops offer the promise of something greater still: foods fortified with nutrients that could help stem disease—including saving the eyesight of over 500,000 children who go blind each year because they lack Vitamin A. Where food is scarce, or climates harsh, increased agricultural productivity could spell the difference between life and death, between health and disease for millions. Biotech rice, for example, is twice as resistant to drought and saltwater, while withstanding temperatures about 10 degrees lower than other varieties.

For almost five years, the EU has violated its own rules and procedures—and disregarded the advice of its scientific committees and commissioners—by arresting action on applications for biotech food products. This moratorium violates the EU’s basic WTO obligations to maintain a food approval process that is based on “sufficient scientific evidence” and that acts without “undue delay.”

Some Europeans have asked why the U.S. and its 12 partners would not wait longer.

Yet the European commissioners working to lift the moratorium are the hostages of their member states. As Environment Commissioner Margot Wallstrom concluded last October: “I have stopped guessing when the moratorium would be lifted—[S]ome member states are opposed—and will have to move the goal posts.” We stopped guessing, too.

As we have waited patiently for European leaders to step forward and to deploy reason and science, the EU moratorium has sent a devastating signal to developing countries that stand to benefit most from innovative agricultural technologies. This dangerous effect of the EU’s moratorium became evident last fall, when some famine-stricken African countries refused U.S. food aid because of fabricated fears—stoked by irresponsible rhetoric—about food safety.

As a major importer of food, Europe’s decisions ripple far beyond its borders. Uganda refused to plant a disease-resistant type of banana because of fears it would jeopardize exports to Europe. Namibia will not buy South Africa’s biotech corn for cattle feed to avoid hurting its beef exports to Europe. India, China and other countries in South America and Africa have expressed the same trepidation. “Thirty-four percent of the children [in Africa] are malnourished,” says Dr. Diran Makinde of the University of Venda in South Africa. Yet Africans are told of biotech crops: “Don’t touch them.”

For five years, the world has waited patiently, assured by European officials that a change in policy is “just around the corner.” But around every corner we have found a new roadblock. First, we were asked to wait until new biotech approval regulations were drafted. Then it was to wait for a labeling scheme, then for rules on legal liability, and then for new regulations on where biotech crops can and cannot be planted.

While Europe has added barrier after barrier to fight fictions, biotechnology has demonstrated benefit after benefit based on facts. “No till” biotech farming has reduced soil erosion by one billion tons a year. Over the past eight years, biotech cotton and corn have reduced pesticide use by 46 million pounds of active ingredients. The Chinese Academy of Science estimates biotech could reduce China’s pesticide use by 80%.

Overwhelming scientific research shows that biotech foods are safe and healthy—a conclusion that the EU’s own Directorate-General for Research reached two years ago. The National Academies of Science and Medicine in France concur. So do the scientific Academies of Brazil, China, India, Mexico, the U.K. and the U.S. Dr. C.S. Prakash of Tuskegee University presented me with a statement signed by more than 3,200 scientists world-wide, including 20 Nobel laureates, supporting agricultural biotechnology.

Some claim that we are “forcing” biotech foods on European consumers. Yet all we ask is for consumers to have the right to make their own decisions, a right they are now denied because the EU is blocking access to foods that EU regulators and scientific associations acknowledge are safe. The legal case for biotechnology is clear, the science overwhelming, and the humanitarian call to action compelling. We hope this debate will lead the EU to finally lift its moratorium without imposing new barriers.

Mr. BOND. I join with many of my colleagues in commending the President and his team as they go to Europe aggressively to press their case before the G-8 meeting in France next week.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. TALENT. Mr. President, I ask unanimous consent that Senator

BUNNING be added as a cosponsor of this resolution.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. TALENT. Mr. President, I spoke on this last night, and my friend and colleague from Missouri has covered the ground well, but I wish to say a couple things that I think are important to emphasize.

The first is, it is becoming increasingly obvious to everyone around the world that there is no reason, other than market protection, not to permit a biotech product into Europe. It is not bad for the environment. It is good for the environment.

In 2001 alone, biotechnology reduced the application of pesticides by 46 million pounds in addition to reducing soil erosion and creating an environment more hospitable to wildlife.

It would be good for the environment of Europe and the world to allow a biotech product there. It would be good for them, frankly, to start using it in raising their own product.

It is also increasingly obvious that there is no safety hazard. Practically everybody in America has eaten biotech corn or product made from biotech soybeans. There has not been a single case or suspicion of anybody being hurt by it. And, of course, there would not be because producers have been adjusting plant genetics for decades and decades and decades. This is just a new way of doing a very old and a time-honored thing that is very important to the production of the agriculture and to the advancement of human welfare.

I congratulate the administration on filing this WTO action. It is, if anything, overdue. I congratulate my friend and colleague for his comments. I hope the Senate can get behind the resolution just as quickly as possible and support the administration in this effort.

I know the support for biotech is bipartisan in this Chamber. I believe very strongly that it is overwhelming. I know we have tried to do this quickly this week, and maybe too quickly. Maybe we will not get it done today but I hope we can get it done soon and the Senate can go on record.

I close by saying, it is not just a question anymore of fairness and fair trade and the truth prevailing—as important as all those issues are. It is a question of hunger in the world. To me, the turning point was when the European Union countries not only refused to take the biotech product themselves, which I don't even think is defensible, but then they began trying to convince African countries that are in danger of famine to turn down shipments of safe, nutritious U.S. humanitarian biotech food aid.

This is now a question of trying to get food to people who are starving. That is too much, even for the European Union. I think it is time we said it. That is the point of this WTO ac-

tion. That is the point of our resolution. That is the reason my colleague from Missouri has spoken on this important issue late at the end of this week. That is the reason I wanted to come down to the floor and join him in his comments.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, before I begin, I should note my good friend, the senior Senator from Missouri, is on the floor. He had to put a unanimous consent request earlier, knowing that under the procedures we follow, it would be objected to by the senior Senator from West Virginia.

I will tell my friend from Missouri that in my 29 years here, I have never heard an objection so eloquently stated as was stated by the senior Senator from West Virginia. I think of the number of times we all make these requests, and most of the time unanimous consent requests are granted, as the Senator knows. For example, he recently made one allowing the junior Senator to speak and for me to follow. I can't help but think it would be nice if sometimes it wouldn't get so raucous around here, if we could hear more of the words of Senator BYRD in this regard. He included a history, geography and literature lesson, all in a simple "I object." It makes life better.

I wish my friend from Missouri a good break, as I do my friend, the distinguished Presiding Officer. He will soon, I am sure, be heading to New Hampshire, as I will to Vermont.

GLOBAL HEALTH AND THE PRESIDENT'S BUDGET

Mr. LEAHY. Mr. President, I rise to speak on a far more serious matter. I listened to the speech the President gave at the Coast Guard Academy a few days ago. I must say that this Democrat agrees with so many of the things the President said. I was especially pleased to hear him speak about the importance of foreign aid to America's security. But I became concerned after I looked behind the rhetoric of the President's speech. I wanted to see if the President's own budget request reflected his words. It does not.

At the Coast Guard Academy, the President spent a good deal of time talking about the global AIDS crisis, the worst public health threat in human history. I commend President Bush for that. He has shown great leadership on AIDS, although a bipartisan group in Congress has been pushing for action on AIDS for years.

The bill we passed last week, an authorization bill, authorized \$15 billion over 5 years to combat AIDS, tuberculosis and malaria. It is an important step forward. It showed that we are beginning to take the AIDS pandemic seriously. But before we all applaud ourselves and pat ourselves on the back, let's have a dose of reality. This was an authorization bill. It does not appropriate any money.

For all intents and purposes, it is like writing a check without enough money in the bank. I can recall a meeting on a different subject where someone was offering a pledge of close to \$1 billion to fund an initiative. Kidding around, I said: I will double that. I will give you my check for \$2 billion. In fact, I had \$138 in a checking account.

That is what we have done here. By passing the AIDS authorization bill, we have promised to write a check without enough money in the bank.

Let me explain. The President's budget request contains only about half of the \$3 billion authorized for AIDS for fiscal year 2004. It remains to be seen whether the promise of that bill—a promise with which I agree—will be fulfilled. To do that, the President is going to have to submit a budget amendment for the balance of these funds.

It also remains to be seen whether the Foreign Operations Subcommittee will get the allocation that supports that amount.

The bill we passed also authorized \$1 billion for the global fund to fight AIDS and TB and malaria. Again, another promise. For fiscal year 2004, the President has only budgeted \$200 million for the Global Fund, that is one-fifth of the amount we authorized. In addition, it is a cut of \$150 million from what was appropriated last year.

There is another problem. While the President's fiscal year 2004 budget for foreign operations does include approximately \$1.2 billion to combat HIV/AIDS, it robs Peter to pay Paul to pay for increases in HIV/AIDS programs, as the President's budget cuts other essential international health programs anywhere from 5 to 63 percent.

Let's take a look at the chart. The information on this chart, incidentally, is from the United States Agency for International Development.

Child survival and maternal health programs are cut by 12 percent. These are the programs that provide life-saving child immunizations. They also help to reduce needless pregnancy-related deaths each year. People will be astounded when they hear how many of these types of deaths occur each year. Six hundred thousand deaths. Many of these deaths could be easily prevented if we just put more resources into these programs. Instead, the President's budget cuts these programs by 12 percent.

It would cut programs for vulnerable children by 63 percent.

It would cut programs to combat other infectious diseases such as measles.

Measles kill 1 million children—not 100,000 or 200,000—but 1 million children a year. Again, this is something which is easily preventable. Every one of us can just go to the doctor's office and get our children and grandchildren immunized against measles. In many poor nations, parents and grandparents do not have that luxury. They need our help.

Does the President's budget show leadership on this issue? No. It cuts the programs which help combat measles, as well as polio, SARS, and other deadly diseases by 32 percent.

These are not my numbers, these are the administration's numbers. These numbers are in the President's budget.

Are we in favor of stopping children in poor countries from dying of measles? Of course we are. Are we in favor of fighting SARS? Of course we are. Are we in favor of fighting polio? Of course we are. Who is going to say they are against it? No one.

But, when you look at this budget, there are cuts to these and other critical international health programs. These cuts also include programs for disease surveillance. In the past, these funds for disease surveillance have been used to strengthen the World Health Organization's ability to respond quickly to outbreaks like SARS.

Everybody in this Chamber knows we will have another outbreak of either SARS or, perhaps, something far worse. There is no question that we need disease surveillance programs, because every one of these diseases is just one airplane trip away from the United States. Why would we want to cut funds for these programs?

The President's budget would also cut funds for drug resistance, which is a looming public health crisis. Many lifesaving antibiotics are already virtually useless because of resistance caused by the misuse of these drugs. The President's budget cuts funds to combat drug resistance.

While the President's budget would increase funding to combat AIDS—although nowhere near the amount promised in the bill we passed last week—it does so by cutting the budget for other global health programs.

These cuts will hurt children the most in countries where vaccines costing a few pennies make the difference between life and death. That is not acceptable.

If somebody said to us, look at those five children, you can save their lives by spending a dollar, would we do it? Of course, we would do it. Why then does the President's budget do the opposite by cutting these programs? I find this deeply troubling.

These are not Democratic or Republican programs. I have been joined time and again by colleagues on the other side of the aisle who support these initiatives in both the Senate and the House.

Mr. President, anyone who knows anything about public health knows that building the health infrastructure in developing countries is essential if you are going to effectively combat AIDS. It is the same thing with child nutrition. It is the same thing with maternal and reproductive health. You don't fight AIDS in a vacuum. It isn't an either/or proposition. People who are malnourished, who are in poor health, who have weak immune systems, who are at risk of other infec-

tions, are far more vulnerable to AIDS. It is common sense.

In addition to helping to combat AIDS, these international health programs are vitally important for their own sake. They save millions of lives for very little money. They fight diseases that we eradicated in the U.S. years ago. When I was growing up, the municipal pool would close in the summer because of polio. You never hear of such things anymore. We should be doing the same thing overseas with these types of diseases—making them a thing of the past.

Over the past 5 years, we have built up these global health programs, and each year they yield more and more results. It would be unconscionable to cut these programs. But that is exactly what the President is asking Congress to do—cut these programs.

Last week, Republicans opposed our amendments to correct some serious problems in the AIDS bill—problems they acknowledged. They said we could not take time to get the bill right, because we needed to act quickly so the President could point to this bill as a sign of U.S. leadership at the Group of Eight meeting in France next month.

Let's be serious. If the White House had wanted, they easily could have supported those amendments and made this a better bill. We also could have made sure that this bill got to the President's desk in plenty of time. It is clear to me that the other side's opposition had a lot more to do with political ideology than the President's travel schedule. And, that is simply not enough to justify the provisions in the bill that are going to make it more difficult to prevent the spread of AIDS. As a result, the President will go to France with an AIDS bill that is only half funded.

In addition, he is going to use that bill to urge other nations to do more to fight AIDS. Now, I agree that other nations should do more. This is not something the U.S. could or should do alone. But the world should ask the President, the leader of the wealthiest nation on earth, whether he is going to back up his own words with deeds.

When he asks others to do more, as he should, his own budget should not slash funding for the Global Fund to Fight AIDS and for other international health programs. The world should also ask why the United States is spending less than 1 percent on programs to combat poverty, including global health. After all, we are the wealthiest Nation on Earth. It is not only in our security interests, but also our moral responsibility, to do more.

Mr. President, at the Coast Guard Academy, President Bush spoke about other important foreign aid programs, such as the Peace Corps, Famine Fund, and the Millennium Challenge initiative. Not surprisingly, these are some of the programs his foreign aid budget favors.

But he did not mention that his budget not only slashes funding for

global health but also for development assistance, which pays for everything from children's education, to agriculture research, to democracy building. His budget cuts food aid and assistance to refugees—the world's most vulnerable people. And, we have all seen the images of refugee camps around the world. People pushed from their homes because of famine or war or natural disasters often end up living in horrendous conditions.

This is not compassionate conservatism. It may conserve money, but it is not compassionate. It is shameful.

More to the point, the President's national security strategy recognizes the essential role of foreign aid. While we read about the importance of foreign aid in his national security strategy, we don't see it in his budget request.

Look at this chart. Food aid is cut by 17 percent. International disaster assistance for floods and earthquakes and wars is cut by 18 percent.

We hear a lot of speeches on the floor talking about our moral responsibility to the rest of the world.

While we may feel good about giving these speeches, I do not feel good about the lofty rhetoric that bears little resemblance to reality. And, unfortunately, we have another great example of this in the President's budget request. Great speeches, bad reality.

The President should do what he says. He should do what he is asking others to do. He should submit a budget amendment for the \$3 billion authorized to fight AIDS. He also should request the funds to prevent the cuts to other vital global health programs.

Most importantly, he should start treating foreign aid for what it is: a critical investment in America's security. Less than 1 percent of the Federal budget is used to combat the conditions that cause poverty and conflict around the world. This is woefully inadequate. It shortchanges America's future. It invites insecurity.

One would have thought that if September 11 taught us anything, it was that business as usual is no longer tolerable. As I have said before, the President deserves credit for his Millennium Challenge initiative. It provides some additional foreign aid funds.

But, I ask Senators to look behind the curtain to see how it is funded. Some is new money. Sadly, the rest is from cuts to other essential programs.

And let's keep things in perspective. Before we congratulate ourselves too much, let's remind everyone that the Millennium Challenge, on an annual basis, amounts to less than what my own little State of Vermont of 600,000 people spends on public education. That is not a serious response to the challenges we face.

I also credit the President for his famine fund initiative, but I question what the real point is. He already has the authority he needs to respond to famines. The problem is that his fiscal year 2004 budget would cut title II food aid by more than the amount the famine fund would add. Again, robbing

Peter to pay Paul. Unfortunately, both Peter and Paul are starving.

If we are going to lead, and especially if we are going to ask others to do more, we are going to have to stop playing shell games with the foreign aid budget. Leadership is good policy. Leadership means resources. Leadership means ideas. Leadership is not a press release.

Senator FEINSTEIN, Senator HAGEL, Senator SMITH, and so many others, Democrats and Republicans, have spoken out about the need for substantially more resources to protect America's interests abroad. When are we going to stop talking and start acting?

As I have told the President before, I would strongly support him on these issues. But, I am not going to support empty rhetoric. I want to see the money. It is one thing to go on foreign trips and talk to leaders and say: Look at this AIDS authorization bill I have. But, it does not make much sense if the money is not there. And, in this budget, the money is not there.

I call on the President: Let's forget the politics. Let's come up with the right ideas on AIDS. Let's come up with the right ideas on the Millennium Challenge Account. But, once we have the right policies, let's put real resources behind these policies. And, to pay for these increases, we should not cut programs for global health, disaster assistance, refugees, food aid, development assistance, and immunizations.

Let's get rid of the rhetoric. Let's put some reality in there. If we do that, then the United States can show the promise and the moral leadership a great Nation should show.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

GENETIC INFORMATION NONDISCRIMINATION ACT OF 2003

Mr. FRIST. Mr. President, last Wednesday marked an important day in the progress of medicine and national policy. I am pleased to note that on that day the Health, Education, Labor, and Pensions Committee voted unanimously to report out S. 1053, the Genetic Information Nondiscrimination Act of 2003.

For more than 6 years, I have had the opportunity to work with Senators SNOWE, JEFFORDS, ENZI, GREGG, HAGEL, COLLINS, and DEWINE on this important legislation. I believe with the invaluable contributions of Senators DASCHLE and KENNEDY that we brought to the forefront of the congressional agenda solid legislation that will provide patients with real protection against ge-

netic discrimination in health insurance.

I will first express how much I appreciate the work of my colleague on this issue, the Senator from New Hampshire, Mr. JUDD GREGG, who is chairman of the Health, Education, Labor and Pensions Committee. It is his commitment and dedication to this issue that is primarily responsible for getting us to this point of reporting out this Genetic Information Nondiscrimination Act.

At this juncture, I also commend President Bush for his commitment to ensuring strong protections against genetic discrimination and for calling attention to this critical matter.

We began work on this issue many years ago. It was interesting when we started this work—well, not many years, about 5 years ago. But when we started this work, it was way off in the future that we anticipated decoding of the human genome would actually occur, but we were able to identify the problem, recognizing that the advances in technology, this unraveling of the genetic code, which was so revolutionary in thought at the time, would indeed introduce new challenges to the way we handled health information.

So we jump a few years later and now we can look back, and over the last few weeks the complete decoding of the human genome has been announced. That is about three billion bits of information that we did not know about a year ago. Now we know.

Just last month, America celebrated two wonderful milestones in medical science. Scientists working in collaboration with the National Human Genome Research Institute at the NIH, National Institutes of Health, published a final draft documenting that entire sequence of the human genetic code. The publication occurred more than 2 years ahead of schedule. I should also add, it came under budget. There are very few things we do in Washington that are completed ahead of schedule and under budget. This tremendous discovery, this unraveling of the genetic code of the human genome, is one of them.

The publication of this occurred more than 2 years ahead of schedule, as I mentioned, but also almost 50 years to the day from the historic publication by two icons in terms of science, Dr. James Watson and Dr. Francis Crick. The helix, called the DNA, which is a double helix—all of us have seen pictures of almost a figure 8, a three dimensional helix which was described now a little over 50 years ago. The dazzling accomplishment of this decoding of the human genome has ushered in a new era which we will see unfold over the next few years, next 5, 10 years, which will enable us to better understand diseases, how the human body functions but, importantly, how diseases affect that functioning of the human body.

This decoding has also begun to expand our understanding of human de-

velopment throughout life, health, and disease processes. Specifically, the discovery of disease genes—that is, variations in the genetic code that can be associated with the manifestation of symptoms and what becomes disease—brings promises for hope for ultimately not just prevention of those diseases but also treatment and cure. Scientists very likely will be able to design drugs to treat specific genes or the manifestation of these genes. In my own field of heart and lung transplantation and other types of transplantation of tissues, organs may be specifically engineered for use in the field of transplantation. Even preventive care, where we are woefully inadequate in terms of knowledge but also in application of that knowledge today, may potentially be based in large part to genetic testing.

This potential explosion of knowledge, which is exciting to me as a scientist and as a physician, is also associated with risk. When I first joined my distinguished colleague from Maine, Senator SNOWE, in this effort several years ago, almost one-third of women who were offered a test for breast cancer risk—and this is a genetic test—at the National Institutes of Health declined. They said, no. They say: I understand that test may be able to tell whether I will get breast cancer but I decline.

You ask why. They say: The only reason, and the reason I say no, is the risk that information will be used by a health insurance company or an employer against me. What if that information got out?

I strongly believe then, as I do now, that we have an obligation, a responsibility, to protect people from the threat that their genetic information can be used against them in any way. I would say that from a medical standpoint, and from a societal standpoint, this is a moral responsibility. It is a practical responsibility. If unchecked, the fear of genetic discrimination will prevent individuals from participating, whether it is in research studies, or in the gathering of information that can be used and applied more broadly to people, either in this country or indeed across the globe. It will prevent people from taking advantage of the new technologies which can be and, in fact, almost certainly will be lifesaving. It will keep people from getting tests, even from discovering that they are not at risk for genetically related diseases. Also, the fear of genetic discrimination has the potential to prevent citizens from making informed health decisions.

If one does not have that information, they simply are not going to be able to make informed health care decisions, whether it is in lifestyle or to determine whether or not they need an annual cardiac or heart catheterization once a year, or if they have the gene for breast cancer so that they would go and get mammographies more often. If they refused to get the test because of

the fear of the discrimination, clearly they are not able to make informed health decisions for themselves.

In the past, Congress has taken on the battle against broad discrimination in all sorts of legislation. We think back to the 1964 Civil Rights Act; to 1990, the American with Disabilities Act; more recently to the Health Insurance Portability and Accountability Act.

Today, we extend those protections to citizens with genetic markers, a move that has the power, I would argue, to save lives.

As I have implied, this whole field of genetic research and testing will undoubtedly unleash thrilling advances and better health care. It will lead almost certainly to cures for diseases that we cannot even imagine can be cured today. The potential medical advances that emerge from our knowledge and our understanding and that definition of the human genome that was spelled out just a couple of months ago, I know will be more dramatic than the changes I have seen in over 20 years practicing medicine, that I witnessed in my own medical career. Clearly, there will be much more advancing and pioneering than my dad saw after 55 years practicing medicine from about the 1930s to the 1980s.

As we greet the future, the excitement, the thrill of discovering what emerges from this new body of information, this definition of the human genetic code, we have a responsibility in this body to protect our body politic. I am pleased by the progress we have made thus far.

I come to the floor to speak today because I have watched this debate, I have watched this discussion, and I have seen in a bipartisan way in the Health, Education, Labor, and Pensions Committee tremendous progress being made this past week, and hopefully it can be made in the Senate as we look at discrimination in genetic testing.

I congratulate my colleagues on their persistence and dedication to the issue. It gives us an opportunity, in advance of there being a problem, in advance of the new genetic tests, to address that potential for discrimination which, in turn, if it occurred—and I believe there is a high likelihood unless we act—would be a disservice to mankind.

This legislation stands squarely on our time-tested civil rights laws establishing comprehensive, consistent, practical, reasonable, and fair protections. I strongly support this compromise bill. I am speaking today primarily because it is a compromise bill taking the very best out of the pieces of legislation that have been proposed in the past. I strongly support this compromise bill. I look forward to its swift passage.

EQUALITY IN HEALTH CARE

Mr. FRIST. Mr. President, I speak for a moment on the issue of equality in

health care and what I have personally been able to observe, which we as a body have tried to address—in fact, have taken some major steps forward—but which stands as a major challenge which I believe we can address in this body. That is the subject of health care disparities.

In the 21st century, Americans are among the healthiest, the longest living, and robust citizens in the history of the world. We have conquered diseases that were once untreatable. Our remarkable scientists continue to develop new drugs, therapies, treatments, and procedures that every day are bringing new hope and, indeed, saving the lives of millions around the country and millions around the world. We have much of which to be proud.

At the same time, there is something we should be ashamed of because despite the dazzling medical and social progress of the last century, there remains wide health disparities and inequalities between minority and non-minority citizens. I will cite a few examples. Infant mortality rates are twice as high among African Americans versus Whites. The prevalence of HIV/AIDS in Latino populations is four times higher. And the prevalence of AIDS among African Americans is nine times higher than among Whites. African-American children are twice as likely to have asthma. They are six times more likely to die from asthma than others. And mortality rates related to diabetes are more than twice as high among African Americans and Native Americans.

The question is, why? We have made progress in understanding why, but we cannot answer that question. Why? Even when we control our access to medical services and we control for other socioeconomic factors, Americans from minority backgrounds still receive unequal care. They suffer lower quality care and, consequently, worse health outcomes. That is the challenge. The response to that challenge is we can eliminate that. We can reverse these health care disparities.

Progress has been made in recent years to close the health gap between minority and White patients. We are boosting Federal research into the cause of health disparities. We are identifying barriers to care in our communities. We are expanding the number of health professionals who have a strong commitment to the needs of minority and underserved patients. Much more, however, needs to be done.

That is why I am proposing the Health Care Gap Act of 2003. This legislation, which I plan to introduce later this year, builds on successful prior legislation to ultimately eliminate such disparities in health care. This legislation will address key areas necessary to close the health care gap in America. These include expanding access to quality health care, improving national leadership and coordination, increasing the diversity of health professionals, promoting more aggressive

professional education, promoting research to identify sources of racial and ethnic disparities, identifying promising interventions, and improving and expanding programs to prevent, too manage, and to treat diseases and conditions that disproportionately impact minority and underserved populations. As I mentioned in the data I quoted, these include asthma, they include HIV/AIDS, prostate cancer, and other types of cancer.

Last weekend, I have the privilege, as so many Members—in fact, many Members departed an hour or so ago to deliver commencement speeches at high schools, elementary schools, secondary schools, colleges, and graduate schools all over the country.

I had the privilege last week of speaking at two commencement ceremonies. One was for the School of Medicine at Morehouse College in Atlanta, and also the George Washington School of Medicine here in the Washington area. In my address, I challenged these hard-working and young people—our future doctors, our future health professionals, our scientists—to become active, to actively shape and mold our profession. I told them that in this day and time in the field of medicine, we simply can no longer, as health professionals, solely practice medicine. They must lead in medicine. The same is true of us.

This bill on health care disparities, this legislation which will be introduced later this year, will do just that. In the Senate, we must help to create a medical system that treats all patients equitably. Our national creed, that all are created equal, dictates that we must.

HONORING BOB HOPE

Mr. FRIST. Mr. President, I take a moment to honor a great American who is celebrating his 100th birthday. Bob Hope was born one of six boys in a London suburb on May 29, 1903. His family made their way to America when he was 3, and they settled in Cleveland, OH. We can only be grateful to the Hope family for making that journey.

Growing up, Bob Hope was a shoe-shine boy, butcher's mate, stock boy, newspaper boy, golf caddie, shoe salesman, and even a prizefighter—all of these things before he became one of America's most beloved and successful entertainers.

As a performer, Bob Hope had the rare and miraculous gift of being able to touch our common humanity. His famous road pictures with Big Crosby and Dorothy Lamour were the quintessential expressions of the adventure of being an American.

But he is most loved, of course, for the thousands of hours and millions, literally millions of miles he spent in selfless devotion to our troops. World War II, South Korea, Vietnam, from the Far East to Northern Africa, the Indonesian peninsula to the heart of

Europe, in refugee camps, on Air Force bases, Navy ships, jungles, forward bases, demilitarized zones, Bob Hope went wherever we needed him, and he conveyed to our troops the commitment and love of the American people.

The front rows would be filled with soldiers injured in battle, limbs destroyed, bodies wrapped in bandages. And he would manage to make them laugh. He was able, for those moments while he was on stage, giving his best to our best, to lift those young men and women out of their war-torn bodies and help them forget the fatigue, the fear, and the loneliness of battle.

Bob Hope is a giant. Bob Hope is a national treasure. We will never, ever forget his service to the United States of America.

Happy birthday, Mr. Hope.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

STATE AID MEDICAID TEMPORARY

Mr. FRIST. Mr. President, one of the many interesting challenges this Congress will face is that of fundamental Medicaid reform. The President unveiled an innovative and exciting proposal earlier this year, and the budget that we adopted in April anticipates Congressional action by creating a reserve fund of resources for modernizing Medicaid.

Of course, the jobs and growth package presently before us contains a temporary state aid program of \$20 billion. Under this interim plan, up to \$10 billion will flow through the Medicaid program over the next 18 months. This time-limited spending, proposed in the Senate by Senators COLLINS and NELSON, as well as Senator ROCKEFELLER, is provisional, lasting only until September 30, 2004. Further, Mr. President, my three colleagues entered a colloquy in the RECORD on May 14, 2003, to that effect. The language that passed the Senate, and the language contained in the conference report, clearly states that the program itself is repealed in 2004. The Senate sponsors of this provision have acknowledged that the program is not to be permanent, and both the chairman of the Finance Committee, Senator GRASSLEY, and the chairman of the Budget Committee, Senator NICKLES, agree that this program is to last no longer than September 30, 2004. As the program unfolds, based on the commitment of its sponsors and the chairmen, I will be monitoring to ensure that the program is indeed transient, and will work with colleagues to keep it temporary.

Further, in no way does this provision in the state aid package obstruct the opportunity provided in the budget resolution for the Senate Committee on Finance and the House Energy and

Commerce Committee to move ahead on Medicaid modernization. Since the administration detailed its plan, various committees in the House and Senate have explored its features, and Medicaid modernization that enhances flexibility and responsiveness is a goal many share as we move into the 21st century. I look forward to the creativity and ingenuity of the chairmen of the relevant committees, Senator GRASSLEY and Mr. TAUZIN, as they move forward in the coming weeks and months.

ALEUTIAN ISLAND VETERANS

Mr. STEVENS. Mr. President, as Memorial Day approaches, our Nation reflects upon the courage and heroism of our Armed Forces. During this time of reflection, I hope the Congress and the Nation remember those who defended Alaska during World War II.

The Aleutian Islands were a key part of our victory in World War II. The battle fought at Dutch Harbor contributed indirectly to our success at Midway, and the fight to reclaim Attu and Kiska deprived the Japanese of a base from which to raid Alaska and limit North Pacific operations. The geography, weather, and location of the islands made these missions particularly dangerous and difficult, and the members of the military who served there deserve special recognition.

The Voice of Anchorage Times recently reported that these veterans will be traveling back to Alaska this month. I ask unanimous consent that this article be printed in the RECORD.

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

[From the Voice of the Times, May 4, 2003]

THOSE ALEUTIAN ISLAND VETERANS ARE BACK
(By William J. Tobin)

Once again, as regular as the return of the long days of summer, a six-man contingent of veterans of the Thousand Mile War are back in town, preparing to leave tomorrow afternoon for Kodiak, the first stop on a journey to revisit the battlegrounds of Attu, where U.S. forces fought Japanese invaders in 1943. The 60th anniversary reunion is being led by Al King of Sunrise, Fla., who keeps Aleutian Island vets in touch with each other through his Willawaw Letter—a periodic newsletter packed with names and addresses of those who served here back in those days. Each issue also is filled with personal stories and photos provided by Willawaw warriors sharing their war stories with their fellow vets. Part of the reunion ritual again will be breakfast tomorrow morning at Gwennies Old Alaska Restaurant on Spenard Road, close by their Anchorage headquarters, the Puffin Inn.

Veterans who fought with the 11th Air Force during the Aleutian campaign and members of "Americans Home from Siberia" will hold their annual reunion later this year in a spot a bit more tourist friendly than Attu. They're going to get together at the Riviera Resort and Racquet Club at Palm Spring, Calif., for a four-day Halloween weekend beginning Oct. 30. The "Home from Siberia" fliers include members of the Doolittle Raiders, the 20th Air Force and Fleet Air Wing 4, all of whom shared in the aerial battles of World War II. Herman Thompson of Talkeetna, secretary of the national 11th Air Force Association, is the reunion treas-

urer. He's collecting the \$110-a-person registration fees that cover a Friday luncheon at the Desert Willows Country Club and a Palm Springs celebrity tour, a Saturday tour of the Palm Spring Air Museum and an evening banquet at the Riviera. Thompson's phone number, for those seeking more information, is (907) 733-2626.

MEMORIAL DAY

Ms. LANDRIEU. Mr. President, as we reflect upon this Memorial Day, Americans throughout the country should take time to remember all the brave men and women who gave their lives in the defense of freedom and to preserve the liberties we cherish in this great Nation. We must never forget our fallen heroes, and we should continue to praise them for their service and commitment to country.

This year, in particular, we must be ever reverent because America lost some of her greatest sons and daughters in Operations Iraqi Freedom and Enduring Freedom. Those who died did so in the defense of America from her enemies and to deliver downtrodden nations from the oppression of tyrants. I am both grateful and sorrowful this Memorial Day.

I want to express my deepest sympathies to the families and friends of those who only recently gave their lives fighting on behalf of the United States. My words cannot erase your pain, but please know my prayers are with you during this most difficult time.

It is said of those who fought in wars to defend America that "All gave some and some gave all." On this Memorial Day, I hope every American will pay tribute to those who gave all.

IN TRIBUTE TO MAJOR GENERAL LEROY BARNIDGE, JR.

Mr. DASCHLE. Mr. President, our Nation's Air Force will soon lose one of its exceptional leaders, MG Leroy Barnidge, Jr., who is retiring in the next few weeks after 32 years of outstanding service to this country.

Many in Congress have become acquainted with General Barnidge due to his service since 2001 as director of the Air Force Office of Legislative Liaison. I have had the great pleasure of meeting and working with Leroy much longer, due to his two tours of duty at Ellsworth Air Force Base, the last as base commander from August 1995 to February 1997.

There is no finer gentleman, nor one with a better sense of humor or more likable personality than Leroy Barnidge. As commander of the largest military installation in South Dakota, Leroy impressed me with his candor, his integrity, and his competence. Knowing and working with him has always been a joy, and Leroy will be missed not only in the Air Force but also by many of us in the Congress.

General Barnidge began his Air Force service as I did, through the Reserve Officer Training Corps, and was commissioned as an officer in 1971. Since then, he has held a variety of operations and maintenance assignments, including major command and joint staff billets. He is experienced in aircrew operations, flight line maintenance and combat support activities. The general has also performed major command staff and executive support functions, as well as duties as a force planner and division chief in the joint staff. He has commanded a combat crew training squadron, a logistics group, an operations group, a B-1B bomb wing at Ellsworth, and the B-2 wing at Whiteman Air Force Base, Missouri.

General Barnidge also completed the program for senior officials in national security at the John F. Kennedy School of Government, Harvard University, and Seminar XXI, Foreign Political and International Relations, at the Massachusetts Institute of Technology. He received special recognition in 1999 as the winner of the Air Combat Command Moller Trophy, recognizing him as the best among all 28 wing commanders. General Barnidge has amassed over 2,900 hours in the T-37, T-38, OV-10, B-52G, B-1B, and B-2 aircraft.

In his years of working with the Congress, General Barnidge provided a clear and credible voice for the Air Force, consistently providing accurate, concise and timely information. His integrity, professionalism, and expertise enabled him to develop and maintain an exceptional rapport between the Air Force and the Congress.

On behalf of the Congress and the country, I thank General Barnidge, his wife Sandy, and his entire family for their commitment and many sacrifices. Sandy always went out of her way to make my staff and me feel welcome, and I know she, too, has done much for the Air Force and her country during the past 32 years. Thanks to both of you for a job well done. On behalf of a grateful nation, we wish you all the best during your retirement.

AFRICAN AMERICAN MUSEUM OF HISTORY AND CULTURE

Mr. STEVENS. Mr. President, I am pleased to join Senators BROWNBACK and DODD to introduce legislation authorizing the establishment of the National Museum of African American History and Culture within the Smithsonian Institution.

The effort to construct a museum dedicated to African American history and culture began in the early 1900's by an association working to commemorate the valor and deed of Negro soldiers and sailors who fought in American wars and contributions of African Americans in science, art, literature, business and other endeavors.

I have conferred with African American constituents in Alaska regarding the significance of this bill—the late JP Jones, Bill Sykes, and James Hayes to name a few.

Today, we are taking an important step toward bringing this overdue effort closer to a reality.

The provisions of the bill direct the Smithsonian Institution Board of Regents to consult with the Commission on Fine Arts, the National Capitol Planning Commission, and three members of President Bush's Commission on the National Museum of African American History and Culture when selecting the museum site. The legislation directs the Board of Regents to complete this work within 18 months.

The legislation authorizes \$17 million in federal funds for the museum in fiscal year 2004. The funding for the museum will be fifty percent federal funding and the remaining fifty percent will come from non-federal sources.

I look forward to working with my colleagues as this bill moves through the legislative process.

PRESIDENTIAL SUPPORT OF RE-AUTHORIZATION OF ASSAULT WEAPONS BAN

Mr. LEVIN. Mr. President, in 1994 President Clinton signed into law a ban on the production of certain semiautomatic assault weapons and high-capacity ammunition magazines. The 1994 law banned a list of 19 specific weapons as well as a number of other weapons incorporating certain design characteristics, such as bayonets and pistol grips. This law is scheduled to sunset on September 13, 2004. If the law is not reauthorized, the production of military-style semiautomatic weapons can legally resume.

In March of this year, in testimony before the Senate Judiciary Committee, Attorney General John Ashcroft indicated the Bush administration's support for the current ban on assault weapons but would not indicate support for reauthorization of the ban. Recently, the White House indicated the President does support reauthorizing the ban. However, a senior White House adviser reportedly said that this bill would never make it to the President's desk. And a spokesperson for House Majority Leader TOM DELAY recently said "we have no intentions of bringing it up."

Failure to reauthorize the legislation would be irresponsible because the assault weapon ban works. According to National Institute of Justice statistics reported by the Brady Campaign to Prevent Gun Violence, gun trace requests for assault weapons declined 20 percent in the first calendar year after the ban took effect, dropping from 4,077 in 1994 to 3,268 in 1995. Over the same time period, gun murders declined only 10 percent and trace requests for all types of guns declined 11 percent.

Given the firepower of these firearms, it is not surprising that so many law enforcement organizations supported the Federal assault weapons ban and worked for its passage. Among the many that supported the ban were the Law Enforcement Steering Committee, the Fraternal Order of Police, the National Sheriffs' Association, the Inter-

national Association of Chiefs of Police, the Major City Chiefs Association, the International Brotherhood of Police Officers, the National Association of Police Organizations, the Hispanic American Police Command Officers Association, the National Black Police Association, the National Organization of Black Law Enforcement Executives, the Police Executive Research Forum, and the Police Foundation.

It is critical that we reauthorize the assault weapons ban. Absent such action, AK47s, UZIs, and other semi-automatic weapons will again become easily obtainable weapons of choice for gang members, drug dealers, and other dangerous criminals. I urge the President to show his support for this bill by asking the House Republican Leadership to pass this bill in the House and the Senate Leadership to pass it in the Senate.

MEMORIAL DAY 2003

Mr. DOMENICI. Mr. President, on this Memorial Day, I encourage New Mexicans to take a few moments to remember those Americans who have given their lives in the name of freedom. It is upon the sacrifice of these Americans—from all generations—that the freedom we enjoy today is built.

From the Bataan Peninsula to Normandy, from the Ia Drang Valley to Inchon, from Afghanistan to Iraq, and many other conflicts, American men and women have fought and died because they believed in their country and believed in preserving its many blessings.

As we enjoy this holiday weekend with our families and friends, let us take a few minutes to recognize the courage with which so many of our soldiers, sailors, airmen, and marines have fought when called upon by their country. Let us also remember all those who never made it back to the country they loved because they gave their lives for it in a far away land.

At this moment in America's history, I could not be more proud of our men and women in uniform. I think it is important to note that in the wake of successful combat operations in Iraq and Afghanistan, the same courage and commitment shown by Americans of generations past lives on today in the men and women of the U.S. Armed Forces.

Mr. GRAHAM of Florida. Mr. President, I rise to observe the significance of Memorial Day—and to pay tribute to the Americans we honor on this day. Three days from now, we will, as a nation, remember those who lost their lives in service to our country. They secured our freedom with the most precious gifts they could offer—their love for this country and their lives.

America has honored its fallen soldiers with a Memorial Day, sometimes called Decoration Day, since the Civil

War. Though we are grateful to these heroes every day of the year, we recognized that we ought to set aside one day in particular, the last Monday in May, to be especially mindful of the brave men and women who paid the ultimate price for our freedom.

At a time when our Nation mourns more sons and daughters than it did just a year ago, many of whom came from my State of Florida, this Memorial Day takes on additional poignancy. My heart is full of solemn gratitude to each new generation willing to risk their lives for the security of strangers.

We cannot merely make promises on this earnest occasion. We must reaffirm our commitment to the veteran soldiers still with us. We must provide full funding for veterans health care. At this moment in our Nation's history, how can we possibly justify anything but a significant increase in VA's health care budget? Not only have we been engaged in a war overseas, but, just this year, VA cut off enrollment to an entire category of veterans.

During a time when 240,000 veterans nationwide—44,000 in my home State of Florida alone—are being told they have to wait 6 months or longer just to see a doctor, how can we possibly turn our backs on these men and women? These veterans have come to VA seeking care—care we promised them they would get—and we owe it to them to fulfill that promise.

Memorial Day has a duality—at once provoking feelings of both somber meditation for those we have lost in battle and the joyous anticipation of celebrating with family and friends during a holiday weekend. Both reactions are fitting to the memories of those who are no longer with us—we remember and revere their service, and we honor what their sacrifice has brought us—the freedom to be with the people we love and hold dear.

As we and other citizens of this country prepare to enjoy the long weekend, let us take a moment to thank those who gave us a future, at the expense of their own.

JUDICIAL NOMINATIONS

Mr. LEAHY. Mr. President, the Senate has confirmed 127 judges nominated by President Bush, including 100 in the 17 months in which Democrats comprised the Senate majority. Twenty-seven have now been confirmed in the other 12 months in which Republicans have controlled the confirmation process under President Bush. This total of 127 judges confirmed for President Bush is more confirmations than the Republicans allowed President Clinton in all of 1995, 1996 and 1997—the 3 full years of his last term. In those 3 years, the Republican leadership in the Senate allowed only 111 judicial nominees to be confirmed, which included only 18 circuit court judges. We have already exceeded that total by 14 percent and the circuit court total by 33 percent be-

fore Memorial Day and with 7 months remaining this year.

The fact is that when Democrats became the Senate majority in the summer of 2001, we inherited 110 judicial vacancies. Over the next 17 months, despite constant criticism from the administration, the Senate proceeded to confirm 100 of President Bush's nominees, including several who were divisive and controversial, several who had mixed peer review ratings from the ABA and at least one who had been rated not qualified. Despite the additional 40 vacancies that arose, we reduced judicial vacancies to 60, a level below that termed "full employment" by Senator HATCH. Since the beginning of this year, in spite of the Republicans' fixation on the President's most controversial nominations, we have worked hard to reduce judicial vacancies even further. As of today, the number of judicial vacancies has been reduced to 44 and is the lowest it has been in 13 years. That is lower than at any time during the entire 8 years of the Clinton administration. We have already reduced judicial vacancies from 110 to 44, in 2 years. We have reduced the vacancy rate from 12.8 percent to 5.1 percent, the lowest it has been in the last two decades. With some cooperation from the administration think of the additional progress we could be making.

If the Senate did not confirm another judicial nominee all year and simply adjourned today, we would have treated President Bush more fairly and would have acted on more of his judicial nominees than Republicans did for President Clinton in 1995 to 1997. In addition, the 44 vacancies on the Federal courts around the country are significantly lower than the 80 vacancies Republicans left at the end of 1997. Of course, the Senate is not adjourning for the year and Chairman HATCH continues to hold hearings for Bush judicial nominees at a rate of between two and four times as many as he did for President Clinton's.

Unfortunately, far too many of this President's nominees raise serious concerns about whether they will be fair judges to all parties on all issues. Those types of nominees should not be rushed through the process. I invite the President to work with us and to nominate more mainstream individuals with proven records and bipartisan support.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred on February 22, 2003. An Arab-American teenager in

Yorba Linda, CA, was badly beaten by a group of teenagers with bats and golf clubs who were yelling racial slurs. He suffered head injuries, a broken jaw, and stab wounds. Metal plates had to be inserted into his face during reconstructive surgery, and his jaw was wired shut for nearly two months.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

SENIOR HEALTH AND FITNESS

Mr. CRAIG. Mr. President, I rise as chairman of the Senate Special Committee on Aging to discuss senior health and fitness. May is Older Americans Month and I feel that it is especially appropriate to mention two events occurring this month that help highlight healthy aging.

First, for the past 10 years, the last Wednesday in May has been designated as National Senior Health and Fitness Day. This year is no different and on Wednesday, May 28, 1,500 local organizations in every State of the Union, will again celebrate National Senior Health and Fitness Day, the Nation's largest annual health promotion event for older adults. Local organizations will host a variety of activities tailored to the needs and interests of their communities. Last year these activities included health walks, health screening, and a wide variety of other events. National Senior Health and Fitness Day is an excellent opportunity for seniors of all fitness levels to take part in locally organized health and fitness events. In my home State of Idaho, the Southwest Idaho Area Agency on Aging, the local YMCA, and a host of other organizations have teamed up to hold a walk in Boise. Idaho seniors will walk anywhere from 2 years, to 2 miles, depending on the participant's ability, a reminder that walking and being active are far more important than how far or how fast we travel.

Second, the 2003 Summer National Senior Games, the Senior Olympics, opens Monday, May 26, in Hampton Roads, VA. An estimated 10,000 senior athletes will come together to compete in a wide variety of sporting events ranging from horseshoes and shuffleboard to track and field and the triathlon. It is one of the largest multisport athletic competitions in the world. I especially salute the 15 Idahoans who will be competing. The Senior Olympians are examples to all of us.

The goals for Senior Day are to make exercise fun, to increase awareness of the benefits of a regular exercise program for older adults, and to encourage all older adults to take advantage of the many health and fitness programs

offered in their communities. As chairman of the Senate Special Committee on Aging, I share these goals. It is important to highlight fitness and nutrition for seniors as a way of life. This is a concept that is very important to our ever-growing aging population.

I salute all athletes participating in the National Senior Games and all those involved in the National Senior Health and Fitness program in their communities.

SUNSHINE IN IRAQI RECONSTRUCTION CONTRACTING AMENDMENT

Mr. WYDEN. Mr. President, with the adoption of my amendment as part of the Defense authorization bill, the Senate is shining much needed sunshine on the process of awarding contracts for the reconstruction of Iraq. This amendment will ensure that Congress and the public will not be kept in the dark about the billions of dollars of contracts for reconstruction of Iraq that have already been awarded or will be awarded under the auspices of the Department of Defense.

This amendment is also critical for ensuring the taxpayers get the best value for their money. An article in yesterday's Wall Street Journal confirms that the Senate has done the right thing. The Journal reports that in "selecting subcontractors to help with hundreds of millions of dollars in repairs and rebuilding, the work is gearing up under a cloud of politics and distrust." The article goes on to say, "Officially, the U.S. government is saying the subcontractor awarding process is going to be fair and open and that nobody will be discriminated against because of politics. But in unofficial conversations, U.S. officials display quite a different attitude."

This latest report raises troubling questions about how U.S. agencies and their contractors are playing favorites when it comes to awarding contracts and subcontracts for Iraq reconstruction.

There are two primary reasons American taxpayers deserve additional details about what has been up until now a closed bid process. First, there is a lot of money on the line—a projected \$100 billion in taxpayer funds for rebuilding. Second, the U.S. General Accounting Office, GAO, has reported that sole-source or limited-source contracts usually aren't the best buy. In my view, the need for explanation increases one hundred-fold if Federal agencies are going to employ a process that may expose taxpayers to additional cost.

Yet sole-source and limited-source contracts seem to be the rule, not the exception, for rebuilding Iraq. On March 24, the Army Corps of Engineers announced a sole-source contract to control Iraqi oil fires. It was later reported that the amount of that contract was up to \$7 billion. The details of that contract have yet to be made public.

The U.S. Agency for International Development, USAID, has also announced that it would limit competition to companies with demonstrated technical ability, proven accounting mechanisms, ability to field a qualified technical team on short notice, and authority to handle classified national security material. But when it came time to actually award these contracts, USAID ignored or circumvented the Agency's own publicly stated criteria for limiting the pool of applicants.

Under the new structure for rebuilding Iraq, these contracts will be overseen by the Office of Reconstruction and Humanitarian Assistance in the Department of Defense. In addition, the Defense Department has awarded and will continue to award its own contracts for Iraq rebuilding.

So more than ever, I believe that if the Federal Government chooses not to use free market competition to get the most reasonable price from the most qualified contractor, then, at a minimum, they should have to tell the American people why. Sunlight is the best disinfectant—and the recent news reports have shown the need for a clearing of the air.

I do understand the argument that these contracts need to be awarded quickly. I do understand that in many cases the companies receiving them have a long history of international work with USAID and other Federal agencies. I simply believe that if the need for speed can adequately justify these closed-bid processes that may expose American taxpayers to additional expenditures, then that justification should be made public. That is why our legislation says that any Federal entity bypassing competitive bidding for Iraqi reconstruction projects has to reveal the justifying documents they have prepared.

As it turns out, when it comes to their contracts USAID even seems to think that sunlight is a pretty good policy. One of the requirements for the \$680 million contract with the main U.S. contractor for Iraq reconstruction Bechtel, requires that it justify to USAID any subcontract awarded without open bids. If USAID can ask that of its main contractor, surely the American people can make the same demand of Federal agencies awarding these contracts.

According to news reports, in 1999, USAID's own inspector general reported that at that time USAID's evaluation program didn't provide sufficient assurance that they were picking the best contractors. Although a follow-up report indicated some improvement, I think that is an argument in and of itself to insist on disclosure of the facts.

Here is my bottom line: There are too many questions and the stakes are too high for Congress not to demand public disclosure of this information. The American people are footing the bill for repairs in Iraq that they often can't get in their own cities and towns

on U.S. soil. The least Federal agencies can do is be a little clearer about who is getting the money and why.

I am pleased to be joined by a distinguished and bipartisan group of colleagues in this effort. I particularly thank the chair of the Government Affairs Committee, Senator COLLINS of Maine. As chair of the committee that oversees contracting legislation, she is an expert in procurement law, a real authority on the very issue addressed by this bill. Her qualities of leadership on the committee and incredible proficiency on this topic give me great confidence that this bill is the right move for our constituents, the right move for the Senate, and the right move for America. I thank her for her support and participation in this effort.

I am also indebted to the other cosponsors of this legislation—Senator CLINTON, Senator BYRD, Senator LIEBERMAN, Senator LAUTENBERG, and Senator HARKIN. In particular, Senator CLINTON has been a strong and steadfast voice on this issue. I appreciate her support and the support of all the cosponsors.

INTRODUCTION OF THE WOMEN'S SMALL BUSINESS PROGRAMS IMPROVEMENT ACT OF 2003

Mr. KERRY. Mr. President, women business owners do not get the recognition they deserve for their contribution to our economy: 18 million Americans would be without jobs today if it weren't for these entrepreneurs who had the courage and the vision to strike out on their own. For 18 years, as a member of the Senate Committee on Small Business and Entrepreneurship, I have worked to increase the opportunities for these enterprising women in a variety of ways, leading to greater earning power, financial independence and asset accumulation. These are more than words. For these women, it means having a bank account, buying a home, sending their children to college, calling the shots.

As the ranking member of the Committee on Small Business and Entrepreneurship, I rise today to say a few words about a bill that my colleague on the committee, our chair, Senator SNOWE, intends to introduce today, the Women's Small Business Programs Improvement Act.

First, however, I commend Senator SNOWE for taking this first step in crafting legislation that addresses many of the problems faced by women entrepreneurs in receiving assistance through the SBA's programs designed to assist them. I applaud Senator SNOWE for working diligently on these issues and for giving women business owners such attention in this SBA Reauthorization process.

Second, I express my sincere and steadfast support for the growing community of women entrepreneurs across the Nation and for the invaluable programs at the SBA that provide women with the tools they need to succeed in

business. As a longtime advocate for women entrepreneurs and SBA's programs, my record in support of the SBA's women's programs and for women business owners speaks for itself. I have continually fought for increased funding of the women's programs at the SBA, for sustaining and expanding the women's business centers, for adequately staffing and improving the National Women's Business Council, and for giving women entrepreneurs their deserved representation within the Federal procurement process, to name a few. With respect to laws assisting women-owned businesses, I have been proud to either introduce the underlying legislation or advocate strongly to ensure their passage and adequate funding.

Today, it is my sincere regret that I cannot sponsor this bill. Senator SNOWE and I both support these programs, agree on many of the changes needed to strengthen these programs, and we have worked together on these issues for many years. However, having only received a copy of the bill this morning, I have not had adequate time to review the proposal and to vet it with the women's business experts that represent the women and the businesses that will be affected by these proposed changes.

One example of a troublesome provision in the proposal is its treatment of existing women's business centers. When our committee was considering my 1999 legislation on this subject, the Women's Business Centers Sustainability Act, I fought to secure a nationwide infrastructure of Women's Business Centers that was in jeopardy because their matching grants from the SBA for the most experienced centers were going to expire. The sustainability legislation allowed 29 Women's Business Centers to continue to operate, serving together with new centers 85,000 women-owned business just in 2000. In this new bill, Senator SNOWE proposes to build on the success of that law by making the existing centers permanent, and I fully support this. If we had written the bill jointly, I would have done exactly the same.

While I praise Senator SNOWE for recognizing the success of centers operating with sustainability grants and the need to make them permanent, I understand her legislation will also establish a process that may create additional and unnecessary administration burdens and costs—thus hindering the centers' ability to deliver critical services to eager entrepreneurs. In some cases, this may cause existing Women's business Centers to close their doors, eliminating access to women business owners in those locales to critical services. This and other key issues need to be carefully addressed, and I look forward to working with Senator SNOWE and other members of our Committee to do so.

I am not alone in my reservations. Just yesterday, both the Association of Women's Business Centers and the Na-

tional Women's Business Council, while still endorsing many of the bill's concepts, expressed concerns about its details and their desire to work together to craft a bill that addresses those concerns and accomplishes our mutual goal for these important women's initiatives.

Once we have had an opportunity to thoroughly examine today's bill, I am confident that all the Democratic members of our Committee stand ready to do just that.

GRANTS TO HIRE FIREFIGHTERS

Mr. DODD. Mr. President, I rise today to thank my colleagues, especially Chairman WARNER and Senator LEVIN, for their support in approving amendment No. 785 that I offered to help America's firefighters and ensure that our Nation will be prepared to respond to future acts of terrorism, should they occur. The amendment, which was approved by the Senate yesterday as part of the Department of Defense Authorization Act, will authorize the creation of a grant initiative to help local governments hire the firefighters they need to address the threat of terrorism and the dangers posed by more ordinary crises.

This amendment, Senate Amendment No. 785, is nearly identical to the Staffing for Adequate Fire and Emergency Response, SAFER, Act, which I am pleased to have co-authored with the distinguished Senator and chairman of the Senate Armed Services Committee—Mr. WARNER. I am happy to say that this amendment has enjoyed strong support on both sides of the aisle.

The amendment I offered will help ensure that America's local fire agencies have the human resources they need to meet the challenge of an extended war against terrorism. The amendment authorizes the President to provide up to \$3 billion in firefighter staffing grants to State and local governments over the next 3 years. These grants will provide a portion of the salary for new firefighters hired by State and local agencies.

Many of us in Congress have long understood that America's firefighters make extraordinary contributions to their communities every day. But on September 11, 2001, we got a glimpse of the larger role that the men and women of the fire service play. The National role of our firefighters has become apparent and our firefighters have made the Nation proud.

After September 11, we know that America needs its firefighters to be better prepared to respond to deliberate acts of mass destruction. The fire service needs to be better prepared to deal with acts of bioterrorism and it needs to be prepared to help save people who have been attacked with toxic chemical weapons. In short, America's fire departments need to be prepared for what once seemed unthinkable.

Despite the increasingly important role firefighters play as part of our Na-

tional homeland defense system, communities over the years have not been able to maintain the level of staffing necessary to ensure the safety of the public of our firefighters themselves. Since 1970, the number of firefighters as a percentage of the U.S. workforce has steadily declined and the budget crises that our State and local governments are now enduring have only made matters worse. Across the country today, firefighter staffing is being cut and fire stations are even being closed because of State and local budget shortfalls.

That is not to say that we haven't made progress—we have. In recent years, the Federal Government has recognized that it can and should be a better partner with local firefighters. In 2000, my colleagues Senator DEWINE, Senator LEVIN, Senator WARNER, and I worked successfully on this floor to help create the FIRE Act. The FIRE Act was the first Federal grant program explicitly designed to help fire departments throughout America obtain better equipment, improved training, and much needed personnel. Since September 11, 2001, Congress and the administration have provided billions of dollars to help local firefighters purchase equipment and training to respond to acts of terrorism, accidental fires, chemical spills, and natural disasters. Over the last 2 years, the Federal FIRE Act grant initiative has provided nearly \$½ billion in direct assistance to local fire departments across the country and will provide another \$750 million this year. We are beginning to significantly improve the quality of the equipment available to firefighters in every State and in communities large and small.

Today, with passage of the SAFER provision, we have taken a giant step forward toward improving staffing conditions for America's fire service. The need for this legislation is abundantly clear. Currently two-thirds of all fire departments operate with inadequate staffing. Experts believe that previous hiring limitations and the increased demands for first responder services have resulted in a shortage of 85,000 firefighters.

According to a "Needs Assessment Study" recently released by the U.S. Fire Administration, USFA, and the National Fire Protection Association, NFPA, understaffing contributes to enormous problems. For example, USFA and NFPA have found that only 11 percent of our Nation's fire departments have the personnel and equipment they need to respond to a building collapse involving 50 or more occupants. I am delighted that the Senate has taken steps to address these problems and, again, I thank my colleagues for joining me in this important effort.

In closing, let me say that this legislation honors America's firefighters. It acknowledges the men and women who charge up the stairs while everybody else is running down. But it does more

than that. This legislation is an investment in America's security, an investment to ensure the safety of our firefighters, our families, our homes, and our businesses.

Both the International Association of Firefighters and the International Association of Fire Chiefs have expressed their strong support for this legislation.

MCI/WORLDCOM

Mr. BREAUX. Mr. President, I rise today to express my grave concerns about the actions of MCI/Worldcom. MCI committed fraud on a scale that is offensive. It deceived everyone—its employees and retirees, its shareholders and State and Federal officials. The SEC took a step in the right direction by punishing this company with the largest fine in corporate history.

But I fear the rest of the Federal Government may not be following the lead of the SEC. For example, I understand that MCI has been given a contract, valued between \$23 to \$35 million, to build advanced wireless networks in Iraq. The Federal Government should not be rewarding bad actors with precious government contracts.

Other press reports indicate MCI is also using the Tax Code to reap benefits that should not be available to companies that have committed such egregious fraud. I urge the Senate Finance Committee to investigate these allegations as soon as possible.

CONSTITUTION DAY

Mr. DEWINE. Mr. President, each and every Member of the Senate has taken an oath to uphold and protect the sacred document that has guided Our nation well over 200 years: the Constitution. Indeed, we all hold the Constitution near and dear to our hearts here in the Senate, and yet I rise today to let my colleagues know that the students of Lynchburg-Clay High School in Highland County, OH, have done us one better.

You see, I received several letters late last year from students at Lynchburg-Clay High School asking me a simple question: "Why don't we have a holiday to pay tribute to the Constitution?" We have commemorative days to celebrate a great many things in this country, but amazingly enough, we don't have one to honor what is one of our Nation's greatest contributions to democracy. The students at Lynchburg-Clay High School set out to change that, and I was honored to recently introduce a resolution, cosponsored by my friend and colleague from Utah, Senator HATCH, to give life to the idea these student wrote to me about not long ago. I am very pleased that yesterday my Senate colleagues agreed to pass this very important resolution.

Our resolution is simple: It recognizes the special place the Constitution has in our National history, as well as

the extremely vital role it continues to play today. Also, it formally designates September 17, 2003, as "Constitution Day." September 17th, of course, marks the anniversary of the day in 1787 when 39 brave men signed the final draft of the Constitution at the final meeting of the convention.

An appropriate tribute to the Constitution requires more than simply attaching a name to a day on the calendar, however. The students from Lynchburg-Clay High School wrote to me, one of the two Senators representing them in the Senate and one of 20 Ohioans fortunate enough to serve on their behalf in Congress, about their respect for the Constitution. In doing so, the students embraced exactly the kind of democratic values and citizen involvement that the Constitution stands for, and I congratulate them for their effort.

It is my intention that by passing this resolution, many more Americans might come to learn about the Constitution, and that as a result, their love and respect for the Constitution might come to match that held by the fine students and fellow Ohioans at Lynchburg-Clay High School.

SENATOR AND MRS. ROBERT C. BYRD'S SIXTY-SIXTH ANNIVERSARY

Mr. ROCKEFELLER. Mr. President, today I would like to congratulate Senator and Mrs. ROBERT C. BYRD on their 66th anniversary, which they will celebrate on May 29. What a wonderful occasion this is—a truly joyous celebration.

Senator and Mrs. BYRD's devotion to one another is truly powerful. In a world that is far from old-fashioned, they have shown that old-fashioned dedication and commitment can go a long way. The Byrds have risen from humble beginnings, and proven to our State and country that honesty and devotion comes first. Senator BYRD said earlier this year on the Senate floor, "There are only two duties that will exceed my duties in the Senate. One is my duty to God and the second is duty to my family. I think my duty is to my wife." Many of us heard this speech and were struck by that line. We know that with Erma's recent illness, Senator BYRD on occasion had to request an absence from the Senate to be by the side of his lifelong sweetheart. The devotion he has shown to Erma is plain, and these last few weeks have simply been an extension of 60-plus years of love between these two people. This couple is a real gift to the State of West Virginia. We are more than lucky to have them as leaders of our State.

I have had the honor of serving in the Senate with Senator BYRD for the last 18 years, and in that time I have had the pleasure of getting to know Erma as well. Erma is a positively delightful woman. Senator and Mrs. BYRD's dedication to one another is genuine and should be inspiring to us all. They have

been devoted to one another from an early age. In recalling his high school days when he got a candy from a classmate to give to his sweetheart Erma, Senator BYRD said, "I never chewed the gum; I never ate the candy. But when the classes changed, I found Erma in the hall and gave her that candy and chewing gum. I never told her someone had given it to me, but that's the way you court a girl—with another boy's bubble gum." Erma and their family has been the top priority in the Senator's life from the start.

When the valedictorian of Mark Train High School married his sweetheart, Erma Ora James, in May of 1937, no one knew that the coal miner's daughter and adopted young boy would together become one of the most influential couples in the history of West Virginia. Even though Senator BYRD could not afford to go to college, he persisted as a young West Virginian working for his family—pumping gas, working as a produce salesman, and serving his country as a shipbuilder and welder. Mrs. Byrd became the head of the family's finances, and the glue that held their household together as she remains today. Starting as a family of two, the couple worked together to succeed.

While Senator BYRD was spending endless hours at the Capitol building serving his State and country, Mrs. Byrd raised their two lovely daughters, Mona and Marjorie. To this day, Mrs. Byrd continues to remain the stronghold in her family, proudly helping to raise their six grandchildren, and three great-granddaughters. Mrs. Byrd quietly stays out of the spotlight, and instead focuses on her responsibilities as a wife, mother, grandmother, and great-grandmother. Senator BYRD once said, "She [Erma] has been my anchor all of these years. I don't know what I would have amounted to if it wasn't for her steadfastness, her integrity, her strength." It is evident that the Senator and Mrs. BYRD have so much respect for one another, and enjoy their lives together every day. Senator and Mrs. BYRD have devoted their lives to better their family and fellow West Virginians. They have proven that working together as a team, husband and wife, can accomplish so much.

It is positively refreshing to see such an amazing couple recognized for their leadership and because of their caring. They truly exemplify a loving and happy marriage. The BYRDS are both leaders, grandparents, and great-grandparents, and compassionate and honorable West Virginians. Senator and Mrs. BYRD have set a great standard. Please join me in congratulating this wonderful couple on their 66th year together.

SALUTE TO LIBERTY: MANY JOURNEYS, ONE DREAM

Mr. LAUTENBERG. Mr. President, I would like to take this opportunity to highlight the achievements and experiences of Asian Pacific Americans in

our country. Asian Pacific American Heritage month, observed during the month of May, celebrates the diverse cultures represented by the over 13 million Americans of Asian and Pacific Island heritage in our country. The theme for this year's APA month, "Salute to Liberty: Many Journeys, One Dream" represents Asian Pacific Americans' diverse paths to achieving their goals. In New Jersey, where Asians are the fastest growing racial group, this month is particularly significant. Asian Pacific Americans in my State play important roles such as educating our students, owning small businesses, working on new technologies, and holding public office.

The difficult journeys of Asian Pacific Americans include the Chinese laborers who built our Nation's railroads, Japanese Americans who were sent to internment camps during WWII, refugees from Vietnam and other Southeast Asian nations, immigrants from the Indian subcontinent, and Filipino farm workers. Despite the great obstacles faced on these journeys, Asian Pacific Americans have accomplished a great deal and have made major contributions to our country.

First and foremost, I would like to recognize the service of Asian Pacific Americans in our Armed Forces, especially as we celebrate Memorial Day. The history of Asian Pacific Americans in military service stretches from William Ah Hang, who enlisted in the U.S. Navy during the Civil War, to the more than 25,000 Japanese Americans who served during World War II, to the young APA men and women fighting terrorism today. In particular, I would like for us to remember Lance Corporal Alan Dinh Lam, a 19 year old Vietnamese-American from North Carolina and Corporal Kempahoom A. Chanawongse, a 22 year old Thai-American who moved from Thailand to Connecticut at age 9. These two young men recently gave their lives for our country during the war with Iraq.

I would also like to take this opportunity to acknowledge the contributions of Asian Pacific Americans in space exploration. Kalpana Chawla was the first Indian-American woman to go into space. Although she lost her life during the recent space shuttle Columbia disaster, Ms. Chawla will be remembered for her work in the field of aerospace engineering. Currently, another Asian Pacific American, Eric Lu, is working on the International Space Station. His work is certain to inspire many young men and women interested in space.

The brave men and woman I mentioned today are only a small example of the difficult endeavors undertaken by Asian Pacific Americans. It is my hope that recognizing the heritage and accomplishments of Asian Pacific Americans will inspire the next generation to embark upon challenging journeys and reach their dreams.

BETTY BROWN CASEY

Mr. LEAHY. Mr. President, Washington is, without a doubt, one of the most beautiful cities in our country. It is also a city rich in history and cultural advantages.

Many people have, over the years, added to Washington's achievements and glories. One very special person who has done that is Betty Brown Casey. I have had the opportunity to meet Mrs. Casey because my wife, Marcelle, serves on the Board of the Washington Opera. Mrs. Casey has been one of the greatest supporters the Washington Opera has ever known.

On Sunday, April 13, Mrs. Casey threw a party for the Washington Opera. This will go down as one of the greatest and most memorable parties thrown in this city. Marcelle and I were fortunate to attend, and when we left Washington before dawn the next morning, we had the joy of reading Roxanne Roberts' article about Mrs. Casey, titled "Phenom of the Opera."

I hope my fellow Senators will enjoy this as much as I did, and I ask unanimous consent that this article about this extraordinarily generous woman be printed in the CONGRESSIONAL RECORD.

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

[From the Washington Post, Apr. 14, 2003]

PHENOM OF THE OPERA; PATRON BETTY BROWN CASEY GIVES A PARTY
(By Roxanne Roberts)

As fairy godmothers go, Betty Brown Casey is pretty nice to have on your team.

The low-key philanthropist has a passion for the Washington Opera, a passion that has translated into millions in donations and support for the organization. Last night Casey threw a gala concert for 2,500 fellow lovers of the opera—and picked up the entire tab herself.

"We're here to say thank you to all of you for all the years in the Washington Opera family," she told the audience. Casey ticked off a list of the thankees: Volunteers, staff, board members, subscribers and "those of you who sat—year after year—quietly, patiently and resignedly, in seats next to those who loved opera—and you didn't." "Long-suffering husbands in tuxedos broke into huge grins as knowing laughter rippled through DAR Constitution Hall.

The program included mezzo-soprano Denyce Graves, soprano Veronica Villarroel, bass Rene Pape, conductor Valery Gergiev and the Three Mo' Tenors. (Artistic Director Placido Domingo was scheduled to conduct and sing at the gala, but was sidelined by stomach flu.)

"Tonight is wonderful," said Betty Vertiz, a Washington Opera subscriber since the 1960s. "We even like our seats!"

Three generations of her family attended the gala: husband Oscar Vertiz, his daughter Virginia Cameron and granddaughter Carrie Gouskos. "It's nice for people who are faithful to the opera to feel they're appreciated," she said.

All because Casey wanted to do "something nice" after the risky move to Constitution Hall, the Washington Opera's temporary home this year while the Kennedy Center Opera House undergoes renovations. The cost of last night's soiree? "It's a private party," she demurred, but a savvy eye would chalk up seven figures.

"She's been the absolute soul of the company," Domingo said last week. "She always wants to do more and thank anybody who's been involved with the company in any capacity."

Casey, sitting nearby, flushed with embarrassment. The philanthropist shrinks from anything that smacks of self-promotion, and agreed to speak to a reporter only to highlight the contributions of everybody else.

"It's just that this company went through some hard times and there were many, many people who worked very hard to not only keep us going and to make us better and better over the years. I just felt it was a good time to say thank you to Placido—who has been the real spark plug for everything that has happened to us—and to everybody. We really feel like a family, so I felt we should have a family reunion."

Casey, 75, has had a soft spot for opera since she was a teenager. "I just love the music," she said with a smile. "I get into the music and I'm just there. Terrible as it may seem, Placido, there are times when I don't care who's singing. I just love the music."

Luckily for the opera, Casey is in a position to nurture that love. After 31 years of marriage to legendary Maryland developer Eugene Bernard Casey, she inherited an estate of more than \$200 million when he died in 1986. She has led a very private life since then, quietly doling out donations to her pet projects.

"I just think that everybody in life does what they can do," she said. "I'm naturally shy, and I'm just more comfortable when people don't think I do anything—because I don't feel like I do. I only do things that I really believe in. I only do things that I can afford, and I don't do things I ask other people to give to. I don't start something and then ask other people to give me money to do that project. So I don't try to bother anybody, so to speak."

"Betty knows, and some of us, we know it," said Domingo. "And that's enough."

Her support is funneled through the Eugene B. Casey Foundation to the Salvation Army, Suburban Hospital, George Washington University and Georgetown University and its hospital. She generated more than a few headlines when she offered to build an official residence for the District's mayor on a 17-acre estate in Northwest Washington, and created a \$50 million endowment to plant and tend the city's trees.

Casey has a special affection for the Washington Opera. She joined the board in 1974 and has been a member ever since; she now holds the title of life chairman. In 1996, she spent \$18 million to buy the Woodward & Lothrop building with the idea of converting it into a state-of-the-art opera house in the heart of downtown Washington. When the opera decided to remain at the Kennedy Center instead, the company was allowed to sell the building and keep the profits.

"She's terrific," said Opera President Michael Sonnenreich. "She's stepped up and exhibited a leadership role for the opera beyond financial. She's setting examples for others to follow."

Last night's gala comes after the company's successful move to Constitution Hall—an artistic experiment that, so far, has generated praise from critics and subscribers alike.

The evening began with a standing ovation for Casey, who thanked everyone who had contributed to the success of the 47-year-old company. She asked for whistles, bravos and bravas for two individuals who had carried the opera during the tough times: former general director Martin Feinstein and longtime board member Christine Hunter.

The program was full of familiar material—and a few surprises. The strongest applause came for Pape, who sang two arias for

his Washington debut: "Le veau d'or" from Gounod's "Faust," and "Ella giammai m'amo" from Verdi's "Don Carlo." Tenor John Matz had his role unexpectedly expanded when he filled in for Domingo in "Granada." Washington native Graves had the widest repertoire, with a French aria and an American spiritual, and the Three Mo' Tenors were also all over the map with the classic "La donna e mobile" followed by "Let the Good Times Roll."

The good times kept rolling after the concert, when 300 guests joined Casey for dinner and dancing at the Organization of American States across the street. The grand ballroom was lavishly decorated with spring bouquets, Peter Duchin kept the dance floor hopping, and the speeches were short but sincere. "I am so impressed by Betty," said Washington Opera Chairman Jim Kimsey. "Without her the opera would not be what it is today."

The hostess was characteristically low-key about the evening. "I thought it was wonderful, really great," she said, "Perfect, really, except for Placido" not being here.

Washington Post music critic emeritus Joseph McLellan contributed to this report.

ADDITIONAL STATEMENTS

RECOGNITION OF OLDER AMERICANS MONTH

• Mr. SARBANES. Mr. President, I rise today to pay tribute to America's senior citizens. In 1963, President John F. Kennedy designated May "Older Americans Month" to acknowledge the accomplishments of our Nation's elder generations. I welcome this opportunity to pause and reflect on the contributions of those individuals who have played such a major role in shaping our great Nation. For those of us in the Senate who have worked to ensure that the members of America's "greatest generation" will be able to enjoy their later years with dignity and independence, this is a chance to honor them for their hard work and the countless sacrifices they have made during their lifetimes, and to look forward to their continued contributions to the welfare of our country.

Today's senior citizens have witnessed more technological advances than any other generation in our Nation's history. Seniors today have lived through times of extreme economic depression and prosperity, times of war and peace, and have seen incredible advancements in the fields of science, medicine, transportation and communications. They have embraced these new technologies and used them to further develop their vital roles in America's communities. Older Americans are working and volunteering far beyond the traditional retirement age to give younger generations the benefit of their wisdom and experience. Moreover, they are in much better health than their counterparts in previous generations and far less likely to be impoverished, disabled, or confined to nursing homes.

Recent census figures reveal that the number of older Americans continues to grow. The population of those 85 and older grew 37 percent during the 1990s,

while the Nation's overall population increased only 13 percent. Approximately 35 million people 65 and older were counted in the 2000 census as well as 50,500 Americans who were 100 or older. Baby boomers, who represented one-third of all Americans in 1994, will enter the 65-years-and-older category over the next 13 to 34 years, substantially increasing this segment of our population.

These figures reinforce the need to demonstrate our commitment to programs such as Medicare and Social Security, and to stimulate investment in biomedical research and treatments that are improving the lives of older Americans. One of our national goals must be to ensure all older Americans benefit from these improvements. In Congress, we must ensure our legislative priorities reflect our dedication to the support that older Americans deserve. This includes expanding and strengthening those programs that effectively aid older Americans, and addressing those that fall short of assisting this valuable and constantly expanding segment of our society. I have worked with my colleague from Maryland, Senator MIKULSKI, in her efforts to provide a \$5,000 tax credit for individuals with chronic care needs. I regret this credit was not included in this year's budget resolution but I will continue to support her efforts to see that Congress passes the Family Caregivers Tax Credit Act.

By 2020, Medicare will be responsible for covering nearly 20 percent of the population. Though Medicare meets the health care needs of millions of Americans, it was created in a different time before the benefits of prescription medicines had become such an integral part of health care. Sixty percent of Medicare beneficiaries lack affordable, prescription drug coverage. Although people 65 and older are 12.5 percent of the population, they fill 34 percent of all prescriptions. Today it is impossible to imagine quality health care coverage that does not include affordable medicines to treat and prevent illness.

I have and will continue to fight for Medicare prescription drug coverage for all seniors. Earlier this year, I again cosponsored legislation to provide coverage of outpatient prescription drugs under the Medicare program and to provide greater access to affordable medications. I recognize the predicament of many older Americans as they struggle to live independently on a fixed income and at the same time spend money on costly prescription drugs. The tremendous advances in biomedical research that have led to life-saving drugs and treatments are of little use if the population that stands to benefit the most cannot afford them. It is imperative that we address the needs of the Americans who have sacrificed so much for the benefit of our society. Like all Americans, they deserve access to comprehensive health care.

One of the strengths that I admire most about older generations is their

devotion and concern for younger Americans. As we face the dilemma of funding Social Security and some of my colleagues make proposals to privatize the program, older Americans have been the most outspoken advocates of ensuring its existence for future generations. Their determination to preserve this important social insurance program is not weakened by questionable reports that privatization proposals would not alter or reduce their benefits. Instead, they fight on, trying to ensure the benefits of Social Security will be there for others for years to come. I support their efforts and strongly oppose altering the fundamental social insurance nature of the current system, the strength of which is the guaranteed benefit concept. It is our responsibility as legislators to make certain that this Nation's fiscal priorities reflect our enormous appreciation for America's senior citizens.

I continue to be impressed with the degree to which our elders contribute to American society. Our Nation's older generations are an ever-growing resource that deserve our attention, our gratitude, and our heartfelt respect. In accordance with President Kennedy's vision of Older Americans Month as a time to honor our older generations, I look forward to working with my colleagues in the Senate to implement public policies that recognize their contributions to our society. We have the opportunity to ensure the well-being of this Nation's most respected citizens, and it is my sincere hope that we pursue it with the same vigor that America's seniors have demonstrated throughout their many years of service to our country.●

FEDEX CORPORATION AND HYBRID VEHICLES

• Mrs. BOXER. Mr. President, I want to bring to my colleague's attention to great step forward for the environment that the FedEx Corporation is undertaking. The company recently bought 20 hybrid trucks and has announced that it is planning to replace 30,000 of its delivery trucks with hybrid vehicles over the next 10 years.

This means that the FedEx Corporation is one of the first big commercial fleets to move toward using environmentally friendly hybrid vehicles.

The 20 hybrid trucks that have already been purchased are the delivery trucks that we see in cities across the Nation every day. These low-emission, hybrid electric-powered delivery vehicles will decrease particulate emissions by 90 percent, reduce smog-causing emissions by 75 percent and increase fuel efficiency by 50 percent.

FedEx Express, a subsidiary of FedEx Corporation, has been working on this project for 3 years with Environmental Defense. The company and the environmental organization worked together as partners to develop the concept for manufacturers to create an "environmentally progressive commercial delivery vehicle."

I own two hybrid cars. They are amazing because as the driver I do not have to change anything. I still fill up the car—although less often—at any gas station. I don't need to change how I drive my car.

Similarly, these new hybrid delivery trucks will have no impact how FedEx does its day-to-day business. But it will improve the environment and ultimately save the company money in fuel costs. It is a win-win situation and shows yet again that what is good for the environment can also be good for the economy and business.

I congratulate FedEx Corporation for this action, and I urge other companies with large fleets to follow FedEx's lead in transforming their fleets to protect our environment.●

RECOGNIZING THE LIFE OF CHARLES E. "BUCK" CONRAD

● Ms. MIKULSKI. Mr. President, I rise today to honor a member of "the greatest generation," a World War II veteran who passed away on January 11, 2003. Buck Conrad was born in my hometown of Baltimore in 1921 and was raised just blocks from my childhood home. He is survived by a former neighbor of mine, Evelyn Dasch Conrad, his loving wife of 61 years, who now resides in Alexandria, VA. He was the proud father of two daughters, Karlene Conrad and Cindy Schafer, and Cindy's husband George Schafer, formerly of Catonsville, MD, as well as three grandchildren and great-grandchildren. He is also survived by numerous relatives in the Baltimore area, including his brother and sister-in-law, Tom and Joyce Ronci of Glen Burnie.

Buck graduated from Baltimore Polytechnic Institute and received his undergraduate degree from the University of Maryland. He was an avid Terapins fan who would not let his illness stop him from cheering the Terps on to their victory last year in the Peach Bowl.

Buck entered the Army in 1944 and retired as a regular Army colonel in 1974. He was involved in personnel and logistics for most of his career, which included tours of duty in the Office of the Joint Chiefs of Staff and as Chief of the Ordnance Branch. Overseas and wartime assignments included the Philippines, Germany, France, Korea, and Vietnam. His military decorations include the Legion of Merit with oak leaf cluster, the Bronze Star with oak leaf cluster, the Joint Service Commendation, and the Army Commendation with oak-leaf cluster. He was a member of the Infantry OCS Hall of Fame and was designated a Department of the Army Logistician in 1970.

COL Conrad was well educated by the Army. He was a graduate of the Artillery School, the Chemical School, the Infantry School, the Command and General Staff College, and the Naval War College. He received a master's degree in business management from Babson College and received a second

master's degree in international relations from George Washington University.

After retiring from the Army, Buck moved on to a successful career in the private sector and later served as a faculty member of the University of Maryland, University College.

Funeral Services were held at the Fort Myer Chapel on Wednesday, February 5, 2003 and COL Conrad was buried at Arlington National cemetery with full military honors.

We owe a debt of gratitude to men such as Buck Conrad who quietly served their country when our freedom was in peril. His son-in-law informed me that up to his dying day, COL Conrad expressed concern about the United States becoming embroiled in a war in the Middle East that could take the lives of thousands of our soldiers. Having witnessed personally the impact that war has on our young people and, just as importantly, their families, COL Conrad was hopeful that a peaceful resolution to this conflict could be achieved before any lives are lost, both our own troops and innocents in Iraq and throughout that region.●

JAMES C. MCALLISTER III

● Mr. EDWARDS. Mr. President, I rise to acknowledge the accomplishments of Mr. James C. McAllister III of Chapel Hill, NC. Mr. McAllister has been a leader in pharmaceutical management for decades. June 3, 2003, he will receive the American Society of Health-System Pharmacists' 2003 Harvey A.K. Whitney Lecture Award.

As director of pharmacy at the University of North Carolina, Mr. McAllister established a Pre-residency program for pharmacy students to work at local hospitals. This provides students with hands-on experience and gives hospitals extra resources to better assist patients. Prior to his successes at the University of North Carolina, Mr. McAllister worked at Duke University, where he served as associate chief operating officer overseeing the pharmacy.

Mr. McAllister is well known for his expertise dealing with many pharmaceutical issues, particularly pharmacy practice and medication safety. He is also widely respected for his knowledge of pharmaceutical efficiencies such as automation and information technology, which save money and save lives by reducing medical errors. Mr. McAllister is the first American pharmacist to implement an operating room pharmacy and a medication dispensing robot.

Mr. President, I ask that my colleagues join me in recognizing the contributions of James C. McAllister III.●

SOUTH CANYON ELEMENTARY SCHOOL CELEBRATES 50 YEARS

● Mr. JOHNSON. Mr. President, it is with great honor that I rise today to congratulate the South Canyon Ele-

mentary School in Rapid City, SD, which celebrates its fiftieth anniversary of service on Friday May 16, 2003.

Plans for South Canyon Elementary began in June 1949, when the current school area was a quiet alfalfa field. An area rancher, Ernest Schleuning, herded his livestock down Nordbye Lane, where the school is now. Due to overcrowding at Upper Rapid School, previously on West Main Street, South Canyon Elementary School was built in 1952 and opened for the 1952-1953 school year, with 25 to 30 students in each class. Fifty years later, the school continues to serve Rapid City and the needs of its citizens.

South Canyon Elementary School commemorated its fiftieth anniversary of service in the Rapid City school district with an all-school assembly, potluck picnic, and evening program. During the evening activities, the school was also open for tours, inviting all current and former teachers, staff members, students, parents, and alumni to attend. Attendees and guest speakers included South Canyon Elementary student council members, State Representative Ed McLaughlin, and Police Chief Craig Tieszen.

Over the last half century, the South Canyon Elementary School has provided quality educational services to the children of Rapid City. Their vision, "expecting excellence to happen, we affirm that all children can learn," has been carried out in all the children who have graduated and gone on to excel in their school careers. Not only has this school encouraged learning, but South Canyon Elementary School also strives to bring the community together in the education of its children. Their mission states just this in that, "In partnership with staff, parents, and neighborhood, we provide each child an opportunity to reach his/her potential and become a contributing member of the community."

I am pleased to announce that the South Canyon Elementary School is planning to commemorate this occasion by burying a time capsule. The capsule includes a current photo album of the school and items chosen by the students. Students from each class collected items from their classroom, such as popular books and baseball cards, and one second-grade class added a collection of popular snack wrappers to the capsule. Graduation speeches written by each fifth-grade student describing what school is presently like at South Canyon Elementary School were also added.

I am proud to have this opportunity to honor Principal Charles McLain and the South Canyon Elementary School for its 50 years of outstanding service. It is an honor for me to share with my colleagues the exemplary leadership and strong commitment to education South Canyon Elementary School has provided. I strongly commend their years of hard work and dedication, and I am very pleased that their substantial efforts are being publicly honored and celebrated.●

THE 250TH ANNIVERSARY OF
KEENE, NEW HAMPSHIRE

• Mr. SUNUNU. Mr. President, I rise today to honor a truly great American community, the city of Keene, NH, which will celebrate its 250th Anniversary during a week of festivities beginning Tuesday, May 27 and culminating on Saturday, May 31, 2003.

On September 18, 1734, a group of eight individuals eager to expand the growing colonies settled on the outer edge of New Hampshire in an area that was then called Upper Ashuelot. In 1753, when the colony of New Hampshire granted a new township in the southwest section of the province, the Royal Governor, Benning Wentworth, named the town "Keene" out of gratitude and respect for his friend and business associate, Sir Benjamin Keene, a career diplomat and one time British Ambassador to the court of Spain.

Although agriculture was an important part of the region's early economy, Keene gained a reputation as an important glass producing center. In 1814, the New Hampshire Glass Factory was founded, producing mostly window glass for the New England region for nearly 40 years. Other glass manufacturers soon opened, making bottles and flasks that are now known as "Keene Glass," and which remains highly valued today.

With the arrival of the railroad in 1848, Keene's stature as an economic center grew. Rail lines between Boston and New York allowed Keene to thrive and by the end of the 1850s, Keene had seen the addition of some 100 buildings. During the 19th century, such industrial commodities as flannel, pottery, and furniture were being produced in Keene, and at the beginning of the 20th century, Keene even made automobiles.

As Keene's economic growth expanded, so to, did its population. At the beginning of the century, the population was about 1,650 people. By 1850, there were nearly 3,400 people in Keene and by 1870, that number expanded to almost 6,000. In 1874, the citizens of Keene passed a measure which established the city of Keene—9 years after the New Hampshire State legislature voted to allow Keene to become a city and after the citizens had twice voted down the idea.

Today, more than 125 years later, Keene is still a vibrant city, home to many diverse industries, well renowned institutions of higher learning, and an acclaimed performing arts community.

Each year, students from across the State and the Nation flock to southwest New Hampshire in order to expand their horizons at Keene State College, founded in 1909, and Antioch New England Graduate School. These and other quality institutions of higher learning throughout the region educate some of America's premier students.

Culturally, Keene thrives, boasting the Redfern Arts Center on Brickyard Pond at Keene State College as well as

the non-profit Colonial Theater on Main Street and numerous singers and musicians who perform at a number of other locations in Keene. The region's largest newspaper, the Keene Sentinel, is also the Nation's fifth oldest. Having been in publication since 1799, it continues to serve as a vital source of news and information for the people of Keene.

Surrounded by mountains, lakes, and forest, in terms of quality of life, Keene is a community that has it all. In fact, the National Trust for Historic Preservation recently named Keene one of America's Dozen Distinctive Destinations, which is no surprise since the Elm City is often times described as the "suburb without the big city next door." With its commitment to historic preservation, attractive architecture, and diversity of businesses, Keene epitomizes the quaint New England municipality it has grown to be.

I congratulate Keene, New Hampshire on its 250th anniversary, and I extend my best wishes to its more than 22,000 citizens in celebration of this splendid milestone. •

THE NEW HAMPSHIRE EXCELLENCE IN EDUCATION AWARDS

• Mr. SUNUNU. Mr. President, I rise today to congratulate this year's winners of the New Hampshire Excellence in Education Awards. The "ED"ies are awarded to those individuals, schools and educational programs that have made significant contributions to public education and have met the highest standards of excellence. Educators and schools are measured on criteria, including curriculum and instruction, teaching and learning process, student achievement, leadership and decision-making, community and parental involvement, and school climate. On June 7, 2003, 35 individuals and 5 schools will be recognized for their leadership and outstanding achievements in preparing New Hampshire students for success in the 21st century, and I believe I represent my State well in conveying our appreciation and respect for the professionals they are and the sacrifices and contributions they make every day in classrooms throughout the Granite State.

The "ED"ies are presented in various categories of excellence, such as art education, world languages, school nursing, counseling and technology. The specific criteria for the "ED"ies, which is developed by the board of directors for the New Hampshire Excellence in Education Awards, has been applied to elementary, middle, and secondary schools, along with teachers, administrators, and other education professionals performing at each of these levels, as well as higher education. Selection committees are charged with the responsibility of applying these standards and evaluating nominees, and consist of some of New Hampshire's finest educators and com-

munity leaders. The committees carefully review nominees, study school applications and conduct assessments through on-site visitations.

I have very fond memories of so many teachers that had a profound impact on my life. Their work that created a positive learning environment and provided me with the direction necessary to succeed, made an enormous difference in my growth as a person and as a public servant. They allowed me to appreciate the importance of a sound public education, as well as the need for individuals to make a contribution to their community. In my most important job—that of being a parent—I realize how delicate the task of educating can be, and understand more now than ever the vital resource our schools and teachers provide to the parents in the towns and cities of New Hampshire.

Similar to the classroom heroes I knew growing up in Salem, the group of educators chosen this year for the "ED"ies have demonstrated superior dedication and service to their students, schools and communities, and deserve this prestigious honor for the important roles they play in helping our children reach their goals and succeed in school. The teachers, principals, counselors, librarians, and other school leaders being commended this year have provided students with the tools they need to become productive and engaged citizens, and have been some of our State's most treasured role models—setting positive examples for the children that surround them, teaching personal responsibility and hard work, and shaping the character of young minds. For these achievements, our State and our country owe them a great deal of gratitude.

I am proud of the strides that the President and Congress have made in working to reform our Nation's public education system. Since first elected to Congress in 1996, I have made improving education a legislative priority of mine. However, I am cognizant of the fact that the men and women on the front lines of our classrooms tackle the toughest of challenges and enable our country to realize the promise of leaving no child behind. The State of New Hampshire's education system is a true model to be highlighted, and I am confident that the success we enjoy in our State is due in large measure to the contributions and leadership of the many educators and schools being recognized here today.

Mr. President, I ask unanimous consent that the list of the 2003 New Hampshire Excellence in Education Award winners be printed in the RECORD.

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

NH Art Educators Association—Award: Art Educator of the Year—Luci Prawdzik, Peter Woodbury School.

NH Association for Gifted Education—Award: Educator of the Gifted Award—Barbara DeVore, Reeds Ferry Elementary School, Merrimack.

NH Association for Supervision and Curriculum Development—Award: Supervision & Curriculum Development Award—Marianne MacCarthy True, Plymouth State College.

NH Association of Family & Consumer Services—Award: Family & Consumer Services—Katherine Shoubash, Bow High School.

NH Association of School Principals—Award: Assistant Principal—Francis McNally, Dover High School.

NH Association of School Principals—Award: Secondary Principal—Deborah Brooks, Newmarket High School.

NH Association of School Principals—Award: Middle School Principal—Dr. John O'Connor, Dover Middle School.

NH Association of School Principals—Award: Elementary Principal—Kevin Johnson, Kearsarge Regional Elementary School.

NH Association of School Psychologists—Award: NH School Psychologist of the Year—Kristen Thibodeau, Derry School District.

NH Association of Special Education Administrators—Award: Special Education Administrator of the Year—Frances Gonsalves, SAU #48—Plymouth.

NH Association of World Languages—Award: NH Association of World Languages Teacher of Excellence Award—Connie Evans, Bow High School.

NH Business Education Association—Award: NH Business Education Association Achievement Award—Beverly S. Lannan, Pinkerton Academy.

NH Charitable Foundation/Christa McAuliffe—Award: Christa McAuliffe Sabbatical Award—Daniel E. Reidy, Moultonborough Central School.

NH College and University Council—Award: NH College and University Council Faculty Member Award—Dr. Ockle Johnson, Keene State College.

NH Council for the Social Studies—Award: Social Studies Teacher of the Year—Joan O'Donnell, ConVal High School.

NH Council of Secondary Administrators of Vocational Education—Award: Vocational Education Teacher of the Year—William Wood, Pinkerton Academy.

NH Council of Teachers of English—Award: English Teacher of the Year—Heidi Pauer, Bow High School.

NH DARE—Award: D.A.R.E. Officer of the Year—Barbara Mack-Keeney, Woodstock Police Department.

NH Driver Education Teachers Association—Award: Driver Education Teacher of the Year—Paul Ingersoll, Ingersoll Driving School.

NH Environmental Educators—Award: Middle School Level—Linda Carson, Hillsboro-Deering Middle School; and—Award: Elementary Level—Wendy Oellers, Gilford Elementary School.

NH Humanities Council—Award: Treat Award—Christopher Brooks, Souhegan High School.

NH Music Educators Association—Award: Distinguished Music Educator of the year—David Bresnahan, Memorial High School.

NH School Administrators Association—Award: NH School Administrators Association Outstanding Service Award—Mary Heath, SAU #19—Goffstown.

NH School Administrators Association—Award: Superintendent of the Year—Phillip G. McCormack, SAU #29—Keene.

NH School Boards Association—Award: School Board Excellence Award—Shaker Regional School Board, Belmont.

NH School Counselor Association—Award: NH School Counselor of the Year—Kellie Monroe, Bristol Elementary School.

NH School Nurses Association—Award: NH School Nurse of the Year—Susan A. Reiss, Sanborn Regional Middle School.

NH Society for Technology in Education—Award: Pat Keyes Technology Educator of

the Year—Beth Haarlander, North Elementary School, Londonderry.

NH Society for Technology in Education—Award: NH Society for Technology in Education Impact Award—Karen Switzer, Pleasant Street School, Laconia.

NH Teacher of the Year—Award: NH Teacher of the Year—Marilyn "Lin" Benz Lindquist, Lamprey River Elementary School, Raymond.

NH Technology Education Association—Award: NH Technology Education Association Teacher of the Year—Wayne Bartels, Monadnock Regional Jr./Sr. High School, Swanzey.

NH Technology Education Association—Award: NH Technology Education Association Program Excellence Award—The Whitefield School, Whitefield.

Presidential Awards for Excellence in Math and Science—Award: Elementary Science—Stacy Jo Stapleton, Washington Elementary School—Award: Secondary Science—Kevin Andrew Lavigne, Hanover High School.

Presidential Awards for Excellence in Math and Science—Award: Elementary Math—Suzy Michelle Gagnon, Mast Way Elementary School, Lee—Award: Secondary Math—Joshua Christian Frost, Cooperative Middle School, Stratham.

NH Schools of Excellence—Award: Elementary School of the Year—New Boston Central Elementary School, New Boston.

NH Schools of Excellence—Award: Middle School of the Year—West Running Brook Middle School, Derry.

NH Schools of Excellence—Award: Secondary School of the Year—Merrimack Valley High School, Penacook.●

TRIBUTE TO DETECTIVE RUSSELL NICHOLS

● Mr. BUNNING. Mr. President, I rise today in the Senate to honor and pay tribute to Kentucky State Police Detective Russell Nichols for being named the Trooper of the Year for Post 16 in Henderson.

This is the second time that this honor was bestowed upon Detective Nichols. As a 18-year veteran of the Kentucky State Police, he has proven himself over and over again to be a exemplary law enforcement officer. Detective Nichols was nominated for this prestigious award because of his investigations into crimes ranging from burglaries to homicides. Detective Nichols is also a field training officer who uses his expertise to train and mentor rookie troopers.

The citizens of western Kentucky are fortunate to have Detective Nichols protecting their communities. His example of leadership, hard work, and compassion should be an inspiration to all throughout the Commonwealth.

Congratulations, Detective Nichols, for receiving this award. Detective Nichols is just one of the many Kentucky State Police officers who put others before themselves by vowing to protect and serve Kentuckians. They have earned our admiration and respect, and for this we will always be grateful.●

TRIBUTE TO MR. THOMAS "BUDDY" MORGAN OF MONTGOMERY, AL, PRESIDENT OF THE AMERICAN METROPOLITAN SEWERAGE ASSOCIATION

● Mr. SHELBY. Mr. President, I rise today in honor of Mr. Thomas "Buddy" Morgan, the general manager of the Montgomery Water Works and Sanitary Sewer Board in Montgomery, AL. Mr. Morgan serves as their representative to the Association of Metropolitan Sewerage Agencies, AMSA. On May 19, 2030, the members of AMSA elected Mr. Morgan to be the first president of the association from Alabama. Mr. Morgan was selected for his exemplary commitment and dedication to a clean-water community.

AMSA's mission is to effectively maintain a strong leadership role in the development and implementation of scientifically sound, cost-effective, and environmentally friendly policies for the protection of the health of the public and the environment. In May of 2003, AMSA will celebrate 33 years of service to the clean-water community and the Nation.

Mr. Morgan has worked on many projects on behalf of the city of Montgomery. His distinguished background includes his service on the U.S. Environmental Protection Agency's Urban Wet Weather Flows Federal Advisory Committee and the Sanitary Sewer Overflow Federal Advisory Committee. He also served as chair of the Catoma Creek Watershed Committee and as a board member of the Alabama Clean Water Partnership. As a result of his involvement, Montgomery and surrounding areas of the Great State of Alabama are directly represented in national policy discussions.

Mr. Morgan was instrumental in creating the Montgomery County Water Festival, which is now in its third year. As a result of his efforts, the water festival brings together local students for a day of activities and entertainment that instills in them a sense of environmental stewardship and awareness.

Alabama is honored to be the home to Mr. Morgan. It is no secret that he is a man who, day in and day out, goes above and beyond the call of duty. He is to be commended for his extraordinary efforts on behalf of the Montgomery Water Works and Sanitary Sewer Board and his election to lead the Association of Metropolitan Sewerage Agencies.●

MESSAGE FROM THE HOUSE

At 8:30 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to provide for reconciliation pursuant to section 201 of the concurrent resolution on the budget for fiscal year 2004.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 191. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

ENROLLED BILL SIGNED

The following enrolled bill, previously signed by the Speaker of the House, was signed on today, May 23, 2003, by the President pro tempore (Mr. STEVENS):

H.R. 1298. An act to provide assistance to foreign countries to combat HIV AIDS, tuberculosis, and malaria, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

S. 1104. A bill to amend title 10, United States Code, to provide for parental involvement in abortions of dependent children of members of the Armed Forces.

PETITIONS AND MEMORIALS

The following petition or memorial was laid before the Senate and was referred or ordered to lie on the table as indicated:

POM-126. A Senate concurrent resolution adopted by the Legislature of the State of Louisiana relative to the food imports that contain the use of banned antibiotics, especially in foreign imported shrimp; to the Committee on Health, Education, Labor, and Pensions.

SENATE CONCURRENT RESOLUTION NO. 18

Whereas, it is the concern of the Legislature of Louisiana that the presence of chloramphenicol and other banned veterinary drugs in imported shrimp and the legislature calls on the federal government to take immediate and focused efforts to improve enforcement of food import restrictions of seafood imports in order to protect American consumers and ensure safety of the food supply; and

Whereas, chloramphenicol, a potent antibiotic, can cause severe toxic effects in humans, including hypoplastic and aplastic anemia, which is usually irreversible and fatal; and

Whereas, because of these human health impacts, chloramphenicol, nitrofurans, and similar veterinary drugs are not approved for use in food-producing animals in the United States; and

Whereas, countries such as Thailand, Vietnam, and China have been found to use these drugs in the aquaculture of shrimp and other seafood; and

Whereas, the United States imports over four hundred thousand metric tons of shrimp annually, and Thailand and Vietnam are the top two exporters of shrimp to the United States, and China is the fifth largest exporter of shrimp to the United States; and

Whereas, upon detection of chloramphenicol using testing protocols that detect such substances as low as zero point three-tenths (0.3) parts per billion in certain shipments of seafood from China and other nations, in 2002 the European Union and Canada severely restricted imports of shrimp and other food from these nations; and

Whereas, the United States Food and Drug Administration inspects only two percent of all seafood imports into the country and utilizes a testing procedure that cannot detect

the presence of chloramphenicol below one part per billion; and

Whereas, the Food and Drug Administration import testing did not detect chloramphenicol in shrimp imported from these nations in 2002; and

Whereas, independent testing performed by the states of Alabama, Florida, Louisiana, Mississippi, and Texas detected the presence of chloramphenicol in samples of imported shrimp from China, as well as from other countries, that were at levels considered harmful to human beings; and

Whereas, imports of seafood from nations that utilize substances banned in the United States such as chloramphenicol, nitrofurans, and other veterinary drugs pose potential threats to American consumers; and

Whereas, denial of entry to contaminated shrimp and other seafood products to the European Union and Canada will likely redirect imports to the United States of contaminated products turned away from these countries; and

Whereas, United States based companies involved in the importation and processing of shrimp are opposed to the use of chloramphenicol and are working with the domestic shrimp industry and the Food and Drug Administration to develop effective protocols, including in-country testing, certification of foreign testing facilities and other means to detect banned antibiotics and to exclude all tainted products from the United States marked; Therefore be it

Resolved That the Legislature of Louisiana expresses its concern about the presence of chloramphenicol, nitrofurans, and other veterinary drugs in seafood products especially imported shrimp and its potential impact on the safety of the food, and calls for immediate and focused efforts by the government of the United States to improve enforcement of food import restrictions of seafood imports containing chloramphenicol, nitrofurans, and other banned veterinary drugs in order to protect American consumers and ensure the safety of the food supply and further urges the Food and Drug Administration to continue to work with importers and domestic stakeholders to develop effective methods of excluding such banned antibiotics.

Be it further resolved That a copy of this Resolution shall be transmitted to the secretary of the United States Senate and the clerk of the United States House of Representatives and to each member of the Louisiana delegation to the United States Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GRASSLEY, from the Committee on Finance, without amendment:

S. 1149. An original bill to amend the Internal Revenue Code of 1986 to provide energy tax incentives, and for other purposes (Rept. No. 108-54).

NOMINATIONS DISCHARGED AND CONFIRMED

The following nominations were discharged from the Committee on Health, Education, Labor, and Pensions and confirmed en bloc by unanimous consent.

NATIONAL SCIENCE FOUNDATION

Steven C. Beering, of Indiana, to be a Member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 2004.

Ray M. Bowen, of Texas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2008.

Elizabeth Hoffman, of Colorado, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2008.

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. BINGAMAN (for himself, Mr. COCHRAN, Mrs. LINCOLN, Ms. COLLINS, Mr. DASCHLE, Mr. JEFFORDS, Ms. CANTWELL, Mrs. CLINTON, and Mr. JOHNSON):

S. 1142. A bill to provide disadvantaged children with access to dental services; to the Committee on Finance.

By Mrs. HUTCHISON (for herself, Mr. KENNEDY, Mr. CAMPBELL, Mr. BIDEN, Mr. SMITH, Mr. DODD, Mr. CORNYN, Mr. BINGAMAN, Mr. DASCHLE, Mr. BREAUX, Mr. JOHNSON, Mr. SCHUMER, Mrs. CLINTON, and Mr. JEFFORDS):

S. 1143. A bill to amend the Public Health Service Act to direct the Secretary of Health and Human Services to establish, promote, and support a comprehensive prevention, research, and medical management referral program for hepatitis C virus infection; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DURBIN (for himself, Mr. ROCKEFELLER, Mrs. MURRAY, and Mr. BUNNING):

S. 1144. A bill to name the health care facility of the Department of Veterans Affairs located at 820 South Damen Avenue in Chicago, Illinois, as the "Jesse Brown Department of Veterans Affairs Medical Center"; to the Committee on Veterans' Affairs.

By Mr. AKAKA (for himself and Mr. INOUE):

S. 1145. A bill to designate the facility of the United States Postal Service located at 120 Baldwin Avenue in Paia, Maui, Hawaii, as the "Patsy Takemoto Mink Post Office Building"; to the Committee on Governmental Affairs.

By Mr. CONRAD (for himself and Mr. DORGAN):

S. 1146. A bill to implement the recommendations of the Garrison Unit Tribal Advisory Committee by providing authorization for the construction of a rural health care facility on the Fort Berthold Indian Reservation, North Dakota; to the Committee on Indian Affairs.

By Mrs. BOXER:

S. 1147. A bill to protect United States ports, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. JEFFORDS (for himself, Mr. FRIST, Mr. GREGG, Mr. BREAUX, Mr. FEINGOLD, and Ms. COLLINS):

S. 1148. A bill to amend title XVIII of the Social Security Act to provide for the establishment of medicare demonstration programs to improve health care quality; to the Committee on Finance.

By Mr. GRASSLEY:

S. 1149. An original bill to amend the Internal Revenue Code of 1986 to provide energy tax incentives, and for other purposes; from the Committee on Finance; placed on the calendar.

By Mrs. FEINSTEIN:

S. 1150. A bill to establish the Bob Hope American Patriot Award; to the Committee on the Judiciary.

By Mr. FEINGOLD:

S. 1151. A bill to rescind the Department of Veterans Affairs memorandum of July 18, 2002, in which Directors of health service networks in the Department of Veterans Affairs are directed to ensure that no marketing activities to enroll new veterans occur within their networks; to the Committee on Veterans' Affairs.

By Mr. MCCAIN (for himself and Mr. HOLLINGS):

S. 1152. A bill to reauthorize the United States Fire Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SPECTER (for himself and Mr. BOND):

S. 1153. A bill to amend title 38, United States Code, to permit medicare-eligible veterans to receive an out-patient medication benefit, to provide that certain veterans who receive such benefit are not otherwise eligible for medical care and services from the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Ms. SNOWE (for herself, Mr. BOND, and Mr. BURNS):

S. 1154. A bill to provide for the reauthorization of programs administered by the Small Business Administration that assist small business concerns owned and controlled by women, and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Mr. GRASSLEY:

S. 1155. A bill to repeal section 801 of the Revenue Act of 1916; to the Committee on Finance.

By Mr. SPECTER:

S. 1156. A bill to amend title 38, United States Code, to improve and enhance the provision of long-term health care for veterans by the Department of Veterans Affairs, to enhance and improve authorities relating to the administration of personnel of the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BROWNBACKE (for himself, Mr.

DODD, Mr. STEVENS, Mr. AKAKA, Mr. ALLARD, Mr. ALLEN, Mr. BIDEN, Mrs. BOXER, Mr. CAMPBELL, Mr. CHAFEE, Mrs. CLINTON, Mrs. COLLINS, Mr. CORNYN, Mr. CORZINE, Mr. DASCHLE, Mr. DEWINE, Mrs. DOLE, Mr. DURBIN, Mr. EDWARDS, Mr. FRIST, Mr. GRAHAM of Florida, Mr. GRAHAM of South Carolina, Mr. GRASSLEY, Mr. HOLLINGS, Mrs. HUTCHISON, Mr. JEFFORDS, Mr. KENNEDY, Mr. KERRY, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. LOTT, Ms. MIKULSKI, Mr. MILLER, Mr. NELSON of Nebraska, Mr. NELSON of Florida, Mr. PRYOR, Mr. REID, Mr. SANTORUM, Mr. SCHUMER, Mr. SMITH, Ms. STABENOW, Mr. CRAIG, and Mr. LEAHY):

S. 1157. A bill to establish within the Smithsonian Institution the National Museum of African American History and Culture, and for other purposes; to the Committee on Rules and Administration.

By Mrs. BOXER:

S. 1158. A bill to exempt bookstores and libraries from orders requiring the production of tangible things for foreign intelligence investigations, and to exempt libraries from counterintelligence access to certain records, ensuring that libraries and bookstores are subjected to the regular system of court-ordered warrants; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself, Mr. DASCHLE, Mrs. BOXER, and Mrs. LINCOLN):

S. 1159. A bill to provide for programs and activities to improve the health of Hispanic

individuals, 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. TALENT (for himself, Mrs. LINCOLN, Mr. BOND, Mr. LUGAR, Mr. BAUCUS, Mr. BUNNING, and Mr. ROBERTS):

S. Res. 154. A resolution expressing the support of the Senate of United States efforts in the World Trade Organization to end the unwarranted moratorium imposed by the European Union on the approval of agricultural biotechnology products; considered and agreed to.

By Mr. SPECTER (for himself, Ms. COLLINS, Mr. AKAKA, Mr. ALEXANDER, Mr. ALLARD, Mr. ALLEN, Mr. BAUCUS, Mr. BAYH, Mr. BENNETT, Mr. BIDEN, Mr. BINGAMAN, Mr. BOND, Mrs. BOXER, Mr. BREAUX, Mr. BROWNBACKE, Mr. BUNNING, Mr. BURNS, Mr. BYRD, Mr. CAMPBELL, Ms. CANTWELL, Mr. CARPER, Mr. CHAFEE, Mr. CHAMBLISS, Mrs. CLINTON, Mr. COCHRAN, Mr. COLEMAN, Mr. CONRAD, Mr. CORNYN, Mr. CORZINE, Mr. CRAIG, Mr. CRAPO, Mr. DASCHLE, Mr. DAYTON, Mr. DEWINE, Mr. DODD, Mrs. DOLE, Mr. DOMENICI, Mr. DORGAN, Mr. DURBIN, Mr. EDWARDS, Mr. ENSIGN, Mr. ENZI, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FITZGERALD, Mr. FRIST, Mr. GRAHAM of Florida, Mr. GRAHAM of South Carolina, Mr. GRASSLEY, Mr. GREGG, Mr. HAGEL, Mr. HARKIN, Mr. HATCH, Mr. HOLLINGS, Mrs. HUTCHISON, Mr. INHOFE, Mr. INOUE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Mr. KYL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. LOTT, Mr. LUGAR, Mr. MCCAIN, Mr. MCCONNELL, Ms. MIKULSKI, Mr. MILLER, Ms. MURKOWSKI, Mrs. MURRAY, Mr. NELSON of Florida, Mr. NELSON of Nebraska, Mr. NICKLES, Mr. PRYOR, Mr. REED, Mr. REID, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. SANTORUM, Mr. SARBANES, Mr. SCHUMER, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH, Ms. SNOWE, Ms. STABENOW, Mr. STEVENS, Mr. SUNUNU, Mr. TALENT, Mr. THOMAS, Mr. VOINOVICH, Mr. WARNER, and Mr. WYDEN):

S. Res. 155. A resolution protecting social security beneficiaries from cola cuts; considered and agreed to.

By Mr. FRIST (for himself and Mr. DASCHLE):

S. Res. 156. A resolution to authorize representation by the Senate Legal Counsel in the case of Judicial Watch, Inc. v. United States, et al; considered and agreed to.

By Mr. LOTT:

S. Res. 157. A resolution to authorize the printing of the prayers of Reverend Lloyd John Ogilvie; to the Committee on Rules and Administration.

By Mr. HAGEL (for himself and Mr. NELSON of Nebraska):

S. Con. Res. 47. A concurrent resolution recognizing the outstanding efforts of the individuals and communities who volunteered or donated items to the North Platte Canteen in North Platte, Nebraska, during World War II from December 25, 1941, to April 1, 1946; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 98

At the request of Mr. ALLARD, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 98, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statutes of the United States, to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. 442

At the request of Ms. LANDRIEU, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 442, a bill to provide pay protection for members of the Reserve and the National Guard, and for other purposes.

S. 478

At the request of Mr. SARBANES, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 478, a bill to grant a Federal charter to the Korean War Veterans Association, Incorporated, and for other purposes.

S. 517

At the request of Mrs. MURRAY, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 517, a bill to amend title 38, United States Code, to provide improved benefits for veterans who are former prisoners of war.

S. 567

At the request of Ms. SNOWE, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 567, a bill to amend the Federal Water Pollution Control Act to authorize appropriations for sewer overflow control grants.

S. 575

At the request of Mr. INOUE, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 575, a bill to amend the Native American Languages Act to provide for the support of Native American language survival schools, and for other purposes.

S. 583

At the request of Mrs. HUTCHISON, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 583, a bill to require the provision of information to parents and adults concerning bacterial meningitis and the availability of a vaccination with respect to such disease.

S. 593

At the request of Mr. DURBIN, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 593, a bill to ensure that a Federal employee who takes leave without pay in order to perform service as a member of the uniformed services or member of the National Guard shall continue to receive pay in an amount which, when taken together with the pay and allowances such individual is receiving for such service, will be no less than the basic pay such individual

would then be receiving if no interruption in employment has occurred.

S. 595

At the request of Mr. HATCH, the name of the Senator from Missouri (Mr. TALENT) was added as a cosponsor of S. 595, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financings to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes.

S. 622

At the request of Mr. GRASSLEY, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 622, a bill to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the medicaid program for such children, and for other purposes.

S. 632

At the request of Mr. CRAIG, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 632, a bill to amend title XVIII of the Social Security Act to expand coverage of medical nutrition therapy services under the medicare program for beneficiaries with cardiovascular disease.

S. 652

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 652, a bill to amend title XIX of the Social Security Act to extend modifications to DSH allotments provided under the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000.

S. 654

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 654, a bill to amend title XVIII of the Social Security Act to enhance the access of medicare beneficiaries who live in medically underserved areas to critical primary and preventive health care benefits, to improve the Medicare+Choice program, and for other purposes.

S. 678

At the request of Mr. BUNNING, his name was added as a cosponsor of S. 678, a bill to amend chapter 10 of title 39, United States Code, to include postmasters and postmasters organizations in the process for the development and planning of certain policies, schedules, and programs, and for other purposes.

S. 852

At the request of Mr. DEWINE, the names of the Senator from Maryland (Ms. MIKULSKI) and the Senator from New Hampshire (Mr. GREGG) were added as cosponsors of S. 852, a bill to amend title 10, United States Code, to provide limited TRICARE program eligibility for members of the Ready Reserve of the Armed Forces, to provide financial support for continuation of health insurance for mobilized mem-

bers of reserve components of the Armed Forces, and for other purposes.

S. 874

At the request of Mr. TALENT, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Missouri (Mr. BOND) were added as cosponsors of S. 874, a bill to amend title XIX of the Social Security Act to include primary and secondary preventative medical strategies for children and adults with Sickle Cell Disease as medical assistance under the medicaid program, and for other purposes.

S. 876

At the request of Mr. WYDEN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 876, a bill to require public disclosure of noncompetitive contracting for the reconstruction of the infrastructure of Iraq, and for other purposes.

S. 884

At the request of Ms. LANDRIEU, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 884, a bill to amend the Consumer Credit Protection Act to assure meaningful disclosures of the terms of rental-purchase agreements, including disclosures of all costs to consumers under such agreements, to provide certain substantive rights to consumers under such agreements, and for other purposes.

S. 899

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 899, a bill to amend title XVIII of the Social Security Act to restore the full market basket percentage increase applied to payments to hospitals for inpatient hospital services furnished to medicare beneficiaries, and for other purposes.

S. 899

At the request of Mrs. HUTCHISON, the names of the Senator from New York (Mrs. CLINTON), the Senator from Washington (Mrs. MURRAY) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 899, supra.

S. 922

At the request of Mr. REID, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 922, a bill to change the requirements for naturalization through service in the Armed Forces of the United States, to extend naturalization benefits to members of the Selected Reserve of the Ready Reserve of a reserve component of the Armed Forces, to extend posthumous benefits to surviving spouses, children, and parents, and for other purposes.

S. 982

At the request of Mrs. BOXER, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 982, a bill to halt Syrian support for terrorism, end its occupation of Lebanon, stop its development of weapons of mass destruction, cease its illegal

importation of Iraqi oil, and hold Syria accountable for its role in the Middle East, and for other purposes.

S. 983

At the request of Mr. CHAFEE, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 983, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 985

At the request of Mr. DODD, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 985, a bill to amend the Federal Law Enforcement Pay Reform Act of 1990 to adjust the percentage differentials payable to Federal law enforcement officers in certain high-cost areas, and for other purposes.

S. 1019

At the request of Mr. DEWINE, the names of the Senator from Mississippi (Mr. LOTT), the Senator from Tennessee (Mr. ALEXANDER), the Senator from Oregon (Mr. SMITH) and the Senator from Kentucky (Mr. MCCONNELL) were added as cosponsors of S. 1019, a bill to amend titles 10 and 18, United States Code, to protect unborn victims of violence.

S. 1023

At the request of Mr. HATCH, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Louisiana (Mr. BREAU) were added as cosponsors of S. 1023, a bill to increase the annual salaries of justices and judges of the United States.

S. 1033

At the request of Mr. BINGAMAN, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 1033, a bill to amend titles XIX and XXI of the Social Security Act to expand or add coverage of pregnant women under the medicaid and State children's health insurance program, and for other purposes.

S. 1046

At the request of Mr. STEVENS, the names of the Senator from California (Mrs. BOXER) and the Senator from Hawaii (Mr. INOUE) were added as cosponsors of S. 1046, a bill to amend the Communications Act of 1934 to preserve localism, to foster and promote the diversity of television programming, to foster and promote competition, and to prevent excessive concentration of ownership of the nation's television broadcast stations.

S. 1061

At the request of Mr. BIDEN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1061, a bill to authorize 36 additional bankruptcy judgeships, and for other purposes.

S. 1076

At the request of Mr. HAGEL, the name of the Senator from Florida (Mr.

NELSON) was added as a cosponsor of S. 1076, a bill to authorize construction of an education center at or near the Vietnam Veterans Memorial.

S. 1119

At the request of Mr. GRAHAM of Florida, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1119, a bill to amend the Internal Revenue Code of 1986 to clarify the eligibility of certain expenses for the low-income housing credit.

S. 1120

At the request of Mr. BAUCUS, the names of the Senator from Connecticut (Mr. DODD), the Senator from California (Mrs. FEINSTEIN) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 1120, a bill to establish an Office of Trade Adjustment Assistance, and for other purposes.

S. 1126

At the request of Mr. JOHNSON, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from Montana (Mr. BAUCUS), the Senator from New Mexico (Mr. BINGAMAN), the Senator from South Dakota (Mr. DASCHLE), the Senator from Washington (Ms. CANTWELL), the Senator from Washington (Mrs. MURRAY) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 1126, a bill to establish the Office of Native American Affairs within the Small Business Administration, to create the Native American Small Business Development Program, and for other purposes.

S. 1127

At the request of Ms. STABENOW, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 1127, a bill to establish administrative law judges involved in the appeals process provided for under the medicare program under title XVIII of the Social Security Act within the Department of Health and Human Services, to ensure the independence of, and preserve the role of, such administrative law judges, and for other purposes.

S. RES. 140

At the request of Mr. CAMPBELL, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. Res. 140, a resolution designating the week of August 10, 2003, as "National Health Center Week".

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself, Mr. COCHRAN, Mrs. LINCOLN, Ms. COLLINS, Mr. DASCHLE, Mr. JEFFORDS, Ms. CANTWELL, Mrs. CLINTON, and Mr. JOHNSON):

S. 1142. A bill to provide disadvantaged children with access to dental services; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, the legislation I am introducing today with Senators COCHRAN, LINCOLN, COLLINS,

DASCHLE, JEFFORDS, CLINTON, CANTWELL, and JOHNSON is entitled the Children's Dental Health Improvement Act of 2003. This legislation is designed to improve the access and delivery of dental health services to our Nation's children through Medicaid, the State Children's Health Insurance Program, (SCHIP), the Indian Health Services, IHS, and our Nation's safety net of community health centers.

The oral health problems facing children are highlighted in a landmark report issued by the Surgeon General and the Department of Health and Human Services, HHS, in 2000 entitled "Oral Health in America: A report of the Surgeon General" in which he observed that our Nation is facing what amounts to "a 'silent epidemic' of dental and oral diseases."

In fact, dental caries, which refers to both decayed teeth or filled cavities, is the most common childhood disease. According to the Surgeon General, "Among 5- to 17-years olds, dental caries is more than 5 times as common as a reported history of asthma and 7 times as common as hay fever." In short, dental care is, as the Surgeon General adds, "the most prevalent unmet health need among American children."

I was pleased to chair a hearing in the Health, Education, Labor and Pensions Committee on June 25, 2002, entitled "The Crisis in Children's Dental Health: A Silent Epidemic" in which the Surgeon General, Dr. David Satcher, testified. Dr. Satcher's testimony was strong and compelling.

In his words, "Over 108 million children and adults lack dental insurance, which is over 2.5 times the number who lack medical insurance." Dr. Satcher also highlight the following information specific to the oral health problems in children:

There are striking disparities in dental disease by income. Poor children suffer twice as much dental cries as their more affluent peers, and their disease is more likely to be untreated. These poor-nonpoor differences continue into adolescence. One out of four children in America is born into poverty, and children living below the poverty line—annual income of \$17,000 for a family of four—have more severe and untreated decay.

Other birth defects such as hereditary ectodermal dysplasias, where all or most teeth are missing or misshapen, cause lifetime problems that can be devastating to children and adults.

Unintentional injuries, many of which include head, mouth, and neck injuries, are common in children.

Intentional injuries commonly affect the craniofacial tissues.

Tobacco-related oral lesions are prevalent in adolescents who currently use smokeless—spit tobacco.

Professional care is necessary for maintaining oral health, yet 25 percent of poor children have not seen a dentist before entering kindergarten.

Medical insurance is a strong predictor of access to dental care. Uninsured children are 2.5 times less likely than insured children to receive dental care. Children from families without dental insurance are three times more likely to have dental needs than children with either public or private insurance. For each child without medical insurance, there are at least 2.6 children without dental insurance.

Medicaid has not been able to fill the gap in providing dental care to poor children. Fewer than one in five Medicaid-covered children received a single dental visit in a recent year-long study period. While recent CMS data indicate progress in this area with 1 million more Medicaid-eligible children now receiving annual dental care than was the case in 1996, there is still a long way to go to ensuring greater access. Although new programs such as the State Children's Health Insurance Program, SCHIP, may increase the number of insured children, many will still be left without effective dental coverage.

The social impact of oral diseases in children is substantial. More than 51 million school hours are lost each year to dental-related illness. Poor children suffer nearly 12 times more restricted-activity days than children from higher income families. Pain and suffering due to untreated diseases can lead to problems in eating, speaking, and attending to learning.

Over 50 percent of 5- to 9-year-old children have at least one cavity or filling, and that proportion increases to 78 percent among 17-year-olds. Nevertheless, these figures represent improvements in the oral health of children compared to a generation ago.

The Senate also heard the testimony of Dr. Burton Edelstein, founding director of the Children's Dental Health Project; Dr. Gregory Chadwick, president of the American Dental Association; Dr. Lynn Douglass Moundon, director of oral health in the Arkansas Department of Health; Ed Martinez, chief executive officer at San Ysidro Health Center in California; and, Dr. Timothy Shriver, president and chief executive officer of Special Olympics, Inc.

Dr. Edelstein underscored the need for more attention to this issue. As he said, "The too-widespread belief that childhood dental disease has been vanquished states in contrast to the thousands upon thousands of toothaches and acute abscesses experienced daily by America's children—many as young as 2 years of age."

In endorsing this legislation, Dr. Chadwick added, "... we cannot forget the fact that millions of people in this country—particularly children—aren't getting even basic preventive and restorative dental care. These children are out there suffering."

The Children's Dental Health Improvement Act of 2003 seeks to end that suffering. One important provision in the bill would grant States flexibility

to provide dental coverage to low-income children through the State Children's Health Insurance Program, or SCHIP, just as States currently are able to do through Medicaid.

Unfortunately, SCHIP law prohibits coverage of children for services unless they are completely uninsured. As authors Ruth Almeida, Ian Hill, and Genevieve Kenney of an Urban Institute report entitled "Does SCHIP Spell Better Dental Care for Children? An Early Look at New Initiatives write", "... many low-income children are covered by employer-based or other private health insurance for their medical care, but do not have a comprehensive dental benefit. Because these children are privately insured, they are not eligible for SCHIP and cannot avail themselves of dental coverage under SCHIP. Expanding SCHIP to furnish dental services on a wraparound basis to private covered low-income children without dental coverage could help achieve broader improvements in children's oral health."

For low-income children with medical coverage but no dental insurance through the private sector, their only option would be to completely dump their private coverage for their children in order to access SCHIP coverage.

Instead, the Children's Dental Health Improvement Act of 2003 creates an option for States to provide low-income families with the ability to receive wraparound dental coverage through SCHIP without having to completely drop their private insurance. This reduces the crowd-out of private insurance, which was a priority of the Congress during passage of SCHIP, and it provides low-income children with dental services that other children in the same economic circumstance are already receiving through SCHIP.

In implementing such a change, I want to make it clear that I am in strong support of providing additional funding to SCHIP to ensure that these services are provided without reducing current levels of SCHIP funding. With those additional funds, I strongly believe that SCHIP, just as Medicaid, should provide services to low-income children who are both uninsured and underinsured. Children need a comprehensive set of child health services, including dental services, to ensure their appropriate health and development.

However, coverage for these services is often not enough. Even when children do have dental coverage, the access to care is often sorely lacking. Medicaid is the largest insurer of dental coverage to children. Yet despite the design of the Medicaid Program to ensure access to comprehensive services for children, including dental care, the inspector general of the Department of Health and Human Services reported in 1996 that only 18 percent of children eligible for Medicaid received even a single preventive dental service. The same report shows that no State

provides preventive services to more than 50 percent of eligible children. The factors are complex but the primary one is due to limited dental participation in Medicaid.

According to GAO, in its September 2000 report entitled "Oral Health: Factors Contributing to Low Use of Dental Services by Low-Income Populations," "Of 39 states that provided information about dentists' participation in Medicaid, 23 reported that fewer than half of the states' dentists saw at least one Medicaid patient during 1999." Even worse, a 1998 survey by the National Conference of State Legislatures indicates that fewer than 20 percent of dentists participate in the Medicaid Program nationwide.

The GAO concludes poor participation rates by dentists is due in large part to poor reimbursement rates in Medicaid. As the GAO points out, "Our analysis showed that Medicaid payment rates are often well below dentists' normal fees. Only 13 states had Medicaid rates that exceeded two-thirds of the average regional fees dentists charged. . . ."

Clearly, Medicaid is chronically underfunded with respect to dental care. The Surgeon General's report notes, "On average, state Medicaid agencies contribute only 2.3 percent of their child health expenditures to dental care, whereas nationally, the percentage of all child health expenditures dedicated to dental care is more than 10 times that rate, almost 30 percent."

The good news is that many States, including New Mexico, have taken recent actions to improve the participation of dentists in the Medicaid Program by raising low payment rates and reducing administrative requirements. These efforts were highlighted by the GAO in its September 2000 report. To further encourage such efforts, the "Children's Dental Health Improvement Act of 2003" provides \$50 million annually as financial incentives and planning grants to States to undertake additional improvements in their Medicaid Programs delivery of dental health services to children.

In addition to Medicaid and SCHIP, the Federal Government administers other health care programs providing dental services or providers for low-income children and their families, including services administered by community health centers and the Indian Health Service, or IHS. Unfortunately, both of these programs are underfunded and, as the GAO found, "report difficulty in meeting the dental needs of their target populations."

For example, the GAO found that "HHS and health center officials report that the demand for dental services significantly exceeds the [urban and rural health] centers' capacity to deliver it. In 1998 . . . , a little more than half of the nearly 700 health center grantees funded under this program had active dental programs." This is also true for public health departments across the country.

To assist the health centers and public health departments with this need, the Children's Dental Health Improvement Act of 2003 provides \$40 million to community health centers and public health departments to expand dental health services through the hiring of additional dental health professionals to serve low-income populations.

This is particularly a problem that needs to be addressed in areas with severe dental health professional shortages, such as New Mexico. For example, New Mexico ranked next to last in the Nation with just 32.1 dentists per 100,000 population in 1998, according to HHS. This compares to the national average of 48.4 per 100,000. Moreover, the number of dentists in New Mexico declined by 7 percent between 1991 and 1998 while the State's population grew 12 percent. The result was a 17 percent decline in dentists per capita during the period.

With regard to American Indian and Alaska Native populations, the need is so great and the funding so little that a comprehensive solution is requiring throughout the IHS system. With respect to the unmet need, the GAO notes that "American Indian and Alaska Native children aged 2 to 4 years old have five times the rate of decay that all children have."

Unfortunately, the GAO adds, "... about one-fourth of IHS' dentist positions at 269 IHS and tribal facilities were vacant in April 2000. Vacancies have been chronic at IHS facilities—in the past 5 years, at least 67 facilities have had one or more dentist positions vacant for at least a year. According to IHS officials, the primary reason for these vacancies is that IHS is unable to provide a competitive salary for new dentists . . ."

The GAO continues, "The IHS' dental personnel shortages translate into a large unmet need for dental services among American Indians and Alaska Natives. IHS reports that only 24 percent of the eligible population had a dental visit in 1998. The personnel shortages have also reduced the scope of services that facilities are able to provide. According to IHS officials, available services have concentrated more on acute and emergency care, while routine and restorative care have dropped as a percentage of workload. Emergency services increased from one-fifth of the workload in 1990 to more than one-third of the workload in 1999."

To help alleviate this workforce shortage, the Children's Dental Health Improvement Act of 2003 provides IHS with the authority to offer multiyear retention bonuses to dental providers offering services through the IHS and tribal programs.

The bill also provides for some technical amendments to ensure that tribal organizations and community health centers are allowed to apply for school-based dental sealant funding from the Centers for Disease Control and Prevention, or CDC.

The legislation also has a new provision that addresses a technical and unintended problem with the implementation of provisions changing the way Medicare graduate medical education, or GME, is funded. As background in the Balanced Budget Act of 1997, or BBA, Congress recognized the unfairness of subjecting dentistry to GME policies based on the oversupply of physician specialists by exempting dental residency positions from caps placed on the number of residents supported by Medicare GME.

However, the two provisions in that law—both enacted primarily to alleviate the impact on hospitals that decrease physician slots—have had the opposite impact on hospitals that increase their dental residency positions. While successful in achieving the purpose of reducing the number of physicians being trained, these provisions have hurt dentistry and access to oral health care in the United States and are contrary to the congressional goal in 1997 to increase the number of postgraduate dental residency slots. As a result, the legislation would exempt dental residency training positions from the 3-year rolling average provision used to calculate the number of residents for Medicare GME payments.

The bipartisan legislation I am introducing today would improve the access and delivery of dental health services to our Nation's children through Medicaid, SCHIP, IHS, and our Nation's safety net of community health centers. These problems are well documented and call out for congressional action as soon as possible.

I would like to thank the American Dental Association, the American Dental Education Association, the American Academy of Pediatric Dentistry, the National Association of Community Health Centers, Inc., the National Association of Children's Hospitals, the American Dental Hygienists' Association, and the Children's Dental Health Project for their outstanding support and/or their technical advice on this legislation. This bill is a result of their outstanding work.

In particular, I want to thank Dr. Burt Edelstein, Libby Mullin, and Ann De Biasi of the Children's Dental Health Project for their vast knowledge and technical assistance on this issue. I want to thank Judy Sherman of the American Dental Association, Myla Moss and Jack Bresch of the American Dental Education Association, Dr. Herber Simmons and Scott Litch of the American Academy of Pediatric Dentistry, Karen Sealander of the American Dental Hygienists' Association, Dr. Jim Richeson and Judy Kloss Bynum of the Academy of General Dentistry, Dr. Stephen Corbin of Special Olympics, Inc., and Dan Hawkins, Chris Koppen, and Roger Schwartz of the National Association of Community Health Centers, Inc., for their valuable insight, technical advice, and continued support for this legislation. I look forward to working with them all to

ensure that we achieve increased access to oral health care for our children.

In addition to those organizations, I would like to thank the following groups for their support of the bill, whether in the past session of Congress or this year. They include: the Academy of General Dentistry, American Academy of Child and Adolescent Psychiatry, American Academy of Oral and Maxillofacial Pathology, American Academy of Periodontology, American Association of Dental Examiners, American Association of Dental Research, American Association of Endodontists, American Association of Public Health Dentistry, American Association of Oral and Maxillofacial Surgeons, American Association of Orthodontists, American Association of Women Dentists, American College of Dentists, American College of Preventive Medicine, American Dental Trade Association, American Public Health Association, American Society of Dentistry for Children, American Student Dental Association, Association of Clinicians for the Underserved, Association of Maternal and Child Health Programs, Association of State and Territorial Dental Directors, Dental Dealers of America, Dental Manufacturers of America, Inc., Family Voices, Hispanic Dental Association, International College of Dentists—USA, March of Dimes, National Association of City and County Health Officers, National Association of Local Boards of Health, National Dental Association, National Health Law Program, New Mexico Department of Health, Partnership for Prevention, Society of American Indian Dentists, Special Care Dentistry, and United Cerebral Palsy Associations.

Mr. President, I ask unanimous consent for the text of the bill to be printed in the RECORD.

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

S. 1142

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Children's Dental Health Improvement Act of 2003".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING DELIVERY OF PEDIATRIC DENTAL SERVICES UNDER MEDICAID AND SCHIP

Sec. 101. Grants to improve the provision of dental services under medicaid and SCHIP.

Sec. 102. State option to provide wrap-around SCHIP coverage to children who have other health coverage.

TITLE II—CORRECTING GME PAYMENTS FOR DENTAL RESIDENCY TRAINING PROGRAMS

Sec. 201. Limitation on the application of the 1-year lag in the indirect medical education ratio (IME) changes and the 3-year rolling average for counting interns and residents for IME and direct graduate medical education (D-GME) payments under the medicare program.

TITLE III—IMPROVING DELIVERY OF PEDIATRIC DENTAL SERVICES UNDER COMMUNITY HEALTH CENTERS, PUBLIC HEALTH DEPARTMENTS, AND THE INDIAN HEALTH SERVICE

Sec. 301. Grants to improve the provision of dental health services through community health centers and public health departments.

Sec. 302. Dental officer multiyear retention bonus for the Indian Health Service.

Sec. 303. Demonstration projects to increase access to pediatric dental services in underserved areas.

Sec. 304. Technical correction.

TITLE IV—IMPROVING ORAL HEALTH PROMOTION AND DISEASE PREVENTION PROGRAMS

Sec. 401. Oral health initiative.

Sec. 402. CDC reports.

Sec. 403. Early childhood caries.

Sec. 404. School-based dental sealant program.

Sec. 405. Basic oral health promotion.

TITLE I—IMPROVING DELIVERY OF PEDIATRIC DENTAL SERVICES UNDER MEDICAID AND SCHIP

SEC. 101. GRANTS TO IMPROVE THE PROVISION OF DENTAL SERVICES UNDER MEDICAID AND SCHIP.

Title V of the Social Security Act (42 U.S.C. 701 et seq.) is amended by adding at the end the following:

"SEC. 511. GRANTS TO IMPROVE THE PROVISION OF DENTAL SERVICES UNDER MEDICAID AND SCHIP.

"(a) AUTHORITY TO MAKE GRANTS.—In addition to any other payments made under this title to a State, the Secretary shall award grants to States that satisfy the requirements of subsection (b) to improve the provision of dental services to children who are enrolled in a State plan under title XIX or a State child health plan under title XXI (in this section, collectively referred to as the 'State plans').

"(b) REQUIREMENTS.—In order to be eligible for a grant under this section, a State shall provide the Secretary with the following assurances:

"(1) IMPROVED SERVICE DELIVERY.—The State shall have a plan to improve the delivery of dental services to children, including children with special health care needs, who are enrolled in the State plans, including providing outreach and administrative case management, improving collection and reporting of claims data, and providing incentives, in addition to raising reimbursement rates, to increase provider participation.

"(2) ADEQUATE PAYMENT RATES.—The State has provided for payment under the State plans for dental services for children at levels consistent with the market-based rates and sufficient enough to enlist providers to treat children in need of dental services.

"(3) ENSURED ACCESS.—The State shall ensure it will make dental services available to children enrolled in the State plans to the same extent as such services are available to the general population of the State.

"(c) USE OF FUNDS.—

“(1) IN GENERAL.—Funds provided under this section may be used to provide administrative resources (such as program development, provider training, data collection and analysis, and research-related tasks) to assist States in providing and assessing services that include preventive and therapeutic dental care regimens.

“(2) LIMITATION.—Funds provided under this section may not be used for payment of direct dental, medical, or other services or to obtain Federal matching funds under any Federal program.

“(d) APPLICATION.—A State shall submit an application to the Secretary for a grant under this section in such form and manner and containing such information as the Secretary may require.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to make grants under this section \$50,000,000 for fiscal year 2004 and each fiscal year thereafter.

“(f) APPLICATION OF OTHER PROVISIONS OF TITLE.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the other provisions of this title shall not apply to a grant made under this section.

“(2) EXCEPTIONS.—The following provisions of this title shall apply to a grant made under subsection (a) to the same extent and in the same manner as such provisions apply to allotments made under section 502(c):

“(A) Section 504(b)(6) (relating to prohibition on payments to excluded individuals and entities).

“(B) Section 504(c) (relating to the use of funds for the purchase of technical assistance).

“(C) Section 504(d) (relating to a limitation on administrative expenditures).

“(D) Section 506 (relating to reports and audits), but only to the extent determined by the Secretary to be appropriate for grants made under this section.

“(E) Section 507 (relating to penalties for false statements).

“(F) Section 508 (relating to non-discrimination).

“(G) Section 509 (relating to the administration of the grant program).”.

SEC. 102. STATE OPTION TO PROVIDE WRAP-AROUND SCHIP COVERAGE TO CHILDREN WHO HAVE OTHER HEALTH COVERAGE.

(a) IN GENERAL.—

(1) SCHIP.—

(A) STATE OPTION TO PROVIDE WRAP-AROUND COVERAGE.—Section 2110(b) of the Social Security Act (42 U.S.C. 1397jj(b)) is amended—

(i) in paragraph (1)(C), by inserting “, subject to paragraph (5),” after “under title XIX or”; and

(ii) by adding at the end the following:

“(5) STATE OPTION TO PROVIDE WRAP-AROUND COVERAGE.—A State may waive the requirement of paragraph (1)(C) that a targeted low-income child may not be covered under a group health plan or under health insurance coverage, if the State satisfies the conditions described in subsection (c)(8). The State may waive such requirement in order to provide—

“(A) dental services;

“(B) cost-sharing protection; or

“(C) all services.

In waiving such requirement, a State may limit the application of the waiver to children whose family income does not exceed a level specified by the State, so long as the level so specified does not exceed the maximum income level otherwise established for other children under the State child health plan.”.

(B) CONDITIONS DESCRIBED.—Section 2105(c) of the Social Security Act (42 U.S.C. 1397ee(c)) is amended by adding at the end the following:

“(8) CONDITIONS FOR PROVISION OF WRAP-AROUND COVERAGE.—For purposes of section 2110(b)(5), the conditions described in this paragraph are the following:

“(A) INCOME ELIGIBILITY.—The State child health plan (whether implemented under title XIX or this XXI)—

“(i) has the highest income eligibility standard permitted under this title as of January 1, 2002;

“(ii) subject to subparagraph (B), does not limit the acceptance of applications for children; and

“(iii) provides benefits to all children in the State who apply for and meet eligibility standards.

“(B) NO WAITING LIST IMPOSED.—With respect to children whose family income is at or below 200 percent of the poverty line, the State does not impose any numerical limitation, waiting list, or similar limitation on the eligibility of such children for child health assistance under such State plan.

“(C) NO MORE FAVORABLE TREATMENT.—The State child health plan may not provide more favorable coverage of dental services to the children covered under section 2110(b)(5) than to children otherwise covered under this title.”.

(C) STATE OPTION TO WAIVE WAITING PERIOD.—Section 2102(b)(1)(B) of the Social Security Act (42 U.S.C. 1397bb(b)(1)(B)) is amended—

(i) in clause (i), by striking “and” at the end;

(ii) in clause (ii), by striking the period and inserting “; and”; and

(iii) by adding at the end the following:

“(iii) at State option, may not apply a waiting period in the case of a child described in section 2110(b)(5), if the State satisfies the requirements of section 2105(c)(8).”.

(2) APPLICATION OF ENHANCED MATCH UNDER MEDICAID.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(A) in subsection (b), in the fourth sentence, by striking “or subsection (u)(3)” and inserting “(u)(3), or (u)(4)”; and

(B) in subsection (u)—

(i) by redesignating paragraph (4) as paragraph (5); and

(ii) by inserting after paragraph (3) the following:

“(4) For purposes of subsection (b), the expenditures described in this paragraph are expenditures for items and services for children described in section 2110(b)(5), but only in the case of a State that satisfies the requirements of section 2105(c)(8).”.

(3) APPLICATION OF SECONDARY PAYOR PROVISIONS.—Section 2107(e)(1) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended—

(A) by redesignating subparagraphs (B) through (D) as subparagraphs (C) through (E), respectively; and

(B) by inserting after subparagraph (A) the following:

“(B) Section 1902(a)(25) (relating to coordination of benefits and secondary payor provisions) with respect to children covered under a waiver described in section 2110(b)(5).”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 2003, and shall apply to child health assistance and medical assistance provided on or after that date.

TITLE II—CORRECTING GME PAYMENTS FOR DENTAL RESIDENCY TRAINING PROGRAMS

SEC. 201. LIMITATION ON THE APPLICATION OF THE 1-YEAR LAG IN THE INDIRECT MEDICAL EDUCATION RATIO (IME) CHANGES AND THE 3-YEAR ROLLING AVERAGE FOR COUNTING INTERNS AND RESIDENTS FOR IME AND DIRECT GRADUATE MEDICAL EDUCATION (D-GME) PAYMENTS UNDER THE MEDICARE PROGRAM.

(a) IME RATIO AND ROLLING AVERAGE.—Section 1886(d)(5)(B)(vi) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)(vi)) is amended by adding at the end the following new sentence: “For cost reporting periods beginning during fiscal years beginning on or after October 1, 2003, subclauses (I) and (II) shall be applied only with respect to a hospital’s approved medical residency training program in the fields of allopathic medicine and osteopathic medicine.”.

(b) D-GME ROLLING AVERAGE.—Section 1886(h)(4)(G) of the Social Security Act (42 U.S.C. 1395ww(h)(4)(G)) is amended by adding at the end the following new clause:

“(iv) APPLICATION FOR FY 2004 AND SUBSEQUENT YEARS.—For cost reporting periods beginning during fiscal years beginning on or after October 1, 2003, clauses (i) through (iii) shall be applied only with respect to a hospital’s approved medical residency training program in the fields of allopathic medicine and osteopathic medicine.”.

TITLE III—IMPROVING DELIVERY OF PEDIATRIC DENTAL SERVICES UNDER COMMUNITY HEALTH CENTERS, PUBLIC HEALTH DEPARTMENTS, AND THE INDIAN HEALTH SERVICE

SEC. 301. GRANTS TO IMPROVE THE PROVISION OF DENTAL HEALTH SERVICES THROUGH COMMUNITY HEALTH CENTERS AND PUBLIC HEALTH DEPARTMENTS.

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by insert before section 330, the following:

“SEC. 329. GRANT PROGRAM TO EXPAND THE AVAILABILITY OF SERVICES.

“(a) IN GENERAL.—The Secretary, acting through the Health Resources and Services Administration, shall establish a program under which the Secretary may award grants to eligible entities and eligible individuals to expand the availability of primary dental care services in dental health professional shortage areas or medically underserved areas.

“(b) ELIGIBILITY.—

“(1) ENTITIES.—To be eligible to receive a grant under this section an entity—

“(A) shall be—

“(i) a health center receiving funds under section 330 or designated as a Federally qualified health center;

“(ii) a county or local public health department, if located in a federally-designated dental health professional shortage area;

“(iii) an Indian tribe or tribal organization (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b));

“(iv) a dental education program accredited by the Commission on Dental Accreditation;

“(v) a community-based program whose child service population is made up of at least 33 percent of children who are eligible children, including at least 25 percent of such children being children with mental retardation or related developmental disabilities, unless specific documentation of a lack of need for access by this sub-population is established; and

“(B) shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as

the Secretary may require, including information concerning dental provider capacity to serve individuals with developmental disabilities.

“(2) INDIVIDUALS.—To be eligible to receive a grant under this section an individual shall—

“(A) be a dental health professional licensed or certified in accordance with the laws of State in which such individual provides dental services;

“(B) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require; and

“(C) provide assurances that—

“(i) the individual will practice in a federally-designated dental health professional shortage area; or

“(ii) not less than 25 percent of the patients of such individual are—

“(I) receiving assistance under a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

“(II) receiving assistance under a State plan under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.); or

“(III) uninsured.

“(c) USE OF FUNDS.—

“(1) ENTITIES.—An entity shall use amounts received under a grant under this section to provide for the increased availability of primary dental services in the areas described in subsection (a). Such amounts may be used to supplement the salaries offered for individuals accepting employment as dentists in such areas.

“(2) INDIVIDUALS.—A grant to an individual under subsection (a) shall be in the form of a \$1,000 bonus payment for each month in which such individual is in compliance with the eligibility requirements of subsection (b)(2)(C).

“(d) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—Notwithstanding any other amounts appropriated under section 330 for health centers, there is authorized to be appropriated \$40,000,000 for each of fiscal years 2004 through 2008 to hire and retain dental health care providers under this section.

“(2) USE OF FUNDS.—Of the amount appropriated for a fiscal year under paragraph (1), the Secretary shall use—

“(A) not less than 65 percent of such amount to make grants to eligible entities; and

“(B) not more than 35 percent of such amount to make grants to eligible individuals.”

SEC. 302. DENTAL OFFICER MULTIYEAR RETENTION BONUS FOR THE INDIAN HEALTH SERVICE.

(a) TERMS AND DEFINITIONS.—In this section:

(1) CREDITABLE SERVICE.—The term “creditable service” includes all periods that a dental officer spent in graduate dental educational (GDE) training programs while not on active duty in the Indian Health Service and all periods of active duty in the Indian Health Service as a dental officer.

(2) DENTAL OFFICER.—The term “dental officer” means an officer of the Indian Health Service designated as a dental officer.

(3) DIRECTOR.—The term “Director” means the Director of the Indian Health Service.

(4) RESIDENCY.—The term “residency” means a graduate dental educational (GDE) training program of at least 12 months leading to a specialty, including general practice residency (GPR) or an advanced education general dentistry (AEGD).

(5) SPECIALTY.—The term “specialty” means a dental specialty for which there is an Indian Health Service specialty code number.

(b) REQUIREMENTS FOR BONUS.—

(1) IN GENERAL.—An eligible dental officer of the Indian Health Service who executes a written agreement to remain on active duty for 2, 3, or 4 years after the completion of any other active duty service commitment to the Indian Health Service may, upon acceptance of the written agreement by the Director, be authorized to receive a dental officer multiyear retention bonus under this section. The Director may, based on requirements of the Indian Health Service, decline to offer such a retention bonus to any specialty that is otherwise eligible, or to restrict the length of such a retention bonus contract for a specialty to less than 4 years.

(2) LIMITATIONS.—Each annual dental officer multiyear retention bonus authorized under this section shall not exceed the following:

(A) \$14,000 for a 4-year written agreement.

(B) \$8,000 for a 3-year written agreement.

(C) \$4,000 for a 2-year written agreement.

(c) ELIGIBILITY.—

(1) IN GENERAL.—In order to be eligible to receive a dental officer multiyear retention bonus under this section, a dental officer shall—

(A) be at or below such grade as the Director shall determine;

(B) have completed any active duty service commitment of the Indian Health Service incurred for dental education and training or have 8 years of creditable service;

(C) have completed initial residency training, or be scheduled to complete initial residency training before September 30 of the fiscal year in which the officer enters into a dental officer multiyear retention bonus written service agreement under this section; and

(D) have a dental specialty in pediatric dentistry or oral and maxillofacial surgery.

(2) EXTENSION TO OTHER OFFICERS.—The Director may extend the retention bonus to dental officers other than officers with a dental specialty in pediatric dentistry, as well as to other dental hygienists with a minimum of a baccalaureate degree, based on demonstrated need.

(d) TERMINATION OF ENTITLEMENT TO SPECIAL PAY.—The Director may terminate, with cause, at any time a dental officer's multiyear retention bonus contract under this section. If such a contract is terminated, the unserved portion of the retention bonus contract shall be recouped on a pro rata basis. The Director shall establish regulations that specify the conditions and procedures under which termination may take place. The regulations and conditions for termination shall be included in the written service contract for a dental officer multiyear retention bonus under this section.

(e) REFUNDS.—

(1) IN GENERAL.—Prorated refunds shall be required for sums paid under a retention bonus contract under this section if a dental officer who has received the retention bonus fails to complete the total period of service specified in the contract, as conditions and circumstances warrant.

(2) DEBT TO UNITED STATES.—An obligation to reimburse the United States imposed under paragraph (1) is a debt owed to the United States.

(3) NO DISCHARGE IN BANKRUPTCY.—Notwithstanding any other provision of law, a discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of a retention bonus contract under this section does not discharge the dental officer who signed such a contract from a debt arising under the contract or under paragraph (1).

SEC. 303. DEMONSTRATION PROJECTS TO INCREASE ACCESS TO PEDIATRIC DENTAL SERVICES IN UNDERSERVED AREAS.

(a) AUTHORITY TO CONDUCT PROJECTS.—The Secretary of Health and Human Services, through the Administrator of the Health Resources and Services Administration and the Director of the Indian Health Service, shall establish demonstration projects that are designed to increase access to dental services for children in underserved areas, as determined by the Secretary.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 304. TECHNICAL CORRECTION.

Section 340G(b)(1)(B) of the Public Health Service Act (42 U.S.C. 256g(b)(1)(B)) is amended by striking “and” at the end and inserting “or”.

TITLE IV—IMPROVING ORAL HEALTH PROMOTION AND DISEASE PREVENTION PROGRAMS

SEC. 401. ORAL HEALTH INITIATIVE.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services shall establish an oral health initiative to reduce the profound disparities in oral health by improving the health status of vulnerable populations, particularly low-income children and children with developmental disabilities, to the level of health status that is enjoyed by the majority of Americans.

(b) ACTIVITIES.—The Secretary of Health and Human Services shall, through the oral health initiative—

(1) carry out activities to improve intra- and inter-agency collaborations, including activities to identify, engage, and encourage existing Federal and State programs to maximize their potential to address oral health;

(2) carry out activities to encourage public-private partnerships to engage private sector communities of interest (including health professionals, educators, State policymakers, foundations, business, and the public) in partnerships that promote oral health and dental care;

(3) carry out activities to reduce the disease burden in high risk populations through the application of best-science in oral health, including programs such as community water fluoridation and dental sealants; and

(4) carry out activities to improve the oral health literacy of the public through school-based education programs.

(c) COORDINATION.—The Secretary of Health and Human Services shall—

(1) through the Administrator of the Centers for Medicare & Medicaid Services, establish the Chief Dental Officer for the Medicaid and State children's health insurance programs established under titles XIX and XXI, respectively, of the Social Security Act (42 U.S.C. 1396 et seq. 1397aa et seq.);

(2) through the Administrator of the Health Resources and Services Administration, establish the Chief Dental Office for all oral health programs within the Health Resources and Services Administration;

(3) through the Director of the Centers for Disease Control and Prevention, establish the Chief Dental Officer for all oral health programs within such Centers; and

(4) carry out this section in collaboration with the Administrators and Chief Dental Officers described in paragraphs (1), (2), and (3).

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$25,000,000 for fiscal year 2004, and such sums as may be necessary for each subsequent fiscal year.

SEC. 402. CDC REPORTS.

(a) **COLLECTION OF DATA.**—The Director of the Centers for Disease Control and Prevention, in collaboration with other organizations and agencies, shall collect data through State-based oral health surveillance systems describing the dental, craniofacial, and oral health of residents of all 50 States and certain Indian tribes.

(b) **REPORTS.**—The Director of the Centers for Disease Control and Prevention shall compile and analyze data collection under subsection (a) and annually prepare and submit to the appropriate committees of Congress a report concerning the oral health of States and Indian tribes.

SEC. 403. EARLY CHILDHOOD CARIES.

(a) **IN GENERAL.**—The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall—

(1) expand existing surveillance activities to include the identification of children at high risk of early childhood caries, including sub-populations such as children with developmental disabilities;

(2) assist State, local, and tribal health agencies and departments in collecting, analyzing and disseminating data on early childhood caries; and

(3) provide for the development of public health nursing programs and public health education programs on early childhood caries prevention.

(b) **APPROPRIATENESS OF ACTIVITIES.**—The Secretary of Health and Human Services shall carry out programs and activities under subsection (a) in a culturally appropriate manner with respect to populations at risk of early childhood caries.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each fiscal year.

SEC. 404. SCHOOL-BASED DENTAL SEALANT PROGRAM.

Section 317M(c) of the Public Health Service Act (as added by section 1602 of Public Law 106-310) is amended—

(1) in paragraph (1), by inserting “and school-linked” after “school-based”;

(2) in the first sentence of paragraph (2)—

(A) by inserting “and school-linked” after “school-based”; and

(B) by inserting “or Indian tribe” after “State”; and

(3) by striking paragraph (3) and inserting the following:

“(3) **ELIGIBILITY.**—To be eligible to receive funds under paragraph (1), an entity shall—

“(A) prepare and submit to the State or Indian tribe an application at such time, in such manner and containing such information as the State or Indian tribe may require; and

“(B) be a—

“(i) public elementary or secondary school—

“(I) that is located in an urban area in which more than 50 percent of the student population is participating in Federal or State free or reduced meal programs; or

“(II) that is located in a rural area and, with respect to the school district in which the school is located, the district involved has a median income that is at or below 235 percent of the poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)); or

“(ii) public or non-profit organization, including a grantee under section 330 and urban Indian clinics under title V of the Indian Health Care Improvement Act, that is under contract with an elementary or secondary school described in subparagraph (B) to provide dental services to school-age children.”.

SEC. 405. BASIC ORAL HEALTH PROMOTION.

(a) **IN GENERAL.**—The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention and in consultation with dental organizations (including organizations having expertise in the prevention and treatment of oral disease in underserved pediatric populations), shall award grants to States and Indian tribes to improve the basic capacity of such States and tribes to improve the oral health of children and their families.

(b) **REQUIREMENTS.**—A State or Indian tribes shall use amounts received under a grant under this section to conduct one or more of the following activities:

(1) Establish an oral health plan, policies, effective prevention programs, and accountability measures and systems.

(2) Establish and guide coalitions, partnerships, and alliances to accomplish the establishment of the plan, policies, programs and systems under paragraph (1).

(3) Monitor changes in oral disease burden, disparities, and the utilization of preventive services by high-risk populations.

(4) Identify, test, establish, support, and evaluate prevention interventions to reduce oral health disparities.

(5) Promote public awareness and education in support of improvements of oral health.

(6) Support training programs for dental and other health professions needed to strengthen oral health prevention programs.

(7) Establish, enhance, or expand oral disease prevention and disparity reduction programs.

(8) Evaluate the progress and effectiveness of the State's oral disease prevention and disparity reduction program.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section, such sums as may be necessary for fiscal year 2004 and each subsequent fiscal year.

By Mrs. HUTCHISON (for herself, Mr. KENNEDY, Mr. CAMPBELL, Mr. BIDEN, Mr. SMITH, Mr. DODD, Mr. CORNYN, Mr. BINGAM, Mr. DASCHLE, Mr. BREAUX, Mr. JOHNSON, Mr. SCHUMER, Mrs. CLINTON, and Mr. JEFFORDS):

S. 1143. A bill to amend the Public Health Service Act to direct the Secretary of Health and Human Services to establish, promote, and support a comprehensive prevention, research, and medical management referral program for hepatitis C virus infection; to the Committee on Health, Education, Labor, and Pensions.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

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

S. 1143

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Hepatitis C Epidemic Control and Prevention Act”.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Over 3,000,000 individuals in the United States are chronically infected with the hepatitis C virus (referred to in this section as “HCV”), making it the Nation's most common blood borne virus infection.

(2) Nearly 2 percent of the population of the United States have been infected with HCV.

(3) Conservative estimates indicate that approximately 35,000 Americans are newly infected with HCV each year.

(4) HCV infection can cause life-threatening liver disease.

(5) Individuals infected with HCV serve as a source of transmission to others and, since few individuals are aware they are infected, are unlikely to take precautions to prevent the spread or exacerbation of their infection.

(6) There is no vaccine available to prevent HCV infection.

(7) Treatments are available to slow the progression of chronic hepatitis C.

(8) An estimated 2,400,000 to 2,700,000 people who are chronically infected with hepatitis C are receiving no treatment.

(9) Conservative estimates place the costs of lost productivity and medical care arising from chronic hepatitis C in the United States at more than \$600,000,000 annually and such costs will undoubtedly increase in the absence of expanded prevention and treatment efforts.

(10) To combat the HCV epidemic in the United States, the Centers for Disease Control and Prevention developed *Recommendations for Prevention and Control of Hepatitis C Virus (HCV) Infection and HCV-Related Chronic Disease* in 1998 and the *National Hepatitis C Prevention Strategy* in 2001, and the National Institutes of Health convened Consensus Development Conferences on the Management of Hepatitis C in 1997 and 2002. These recommendations and guidelines provide a framework for hepatitis C prevention, control, research, and medical management referral programs.

(11) Federal support is necessary to increase knowledge and awareness of hepatitis C and to assist State and local prevention and control efforts.

SEC. 3. PREVENTION, CONTROL, AND MEDICAL MANAGEMENT OF HEPATITIS C.

Title III of the Public Health Service Act (42 U.S.C. 241 et seq.) is amended by adding at the end the following:

“PART R—PREVENTION, CONTROL, AND MEDICAL MANAGEMENT OF HEPATITIS C**“SEC. 399AA. FEDERAL PLAN FOR THE PREVENTION, CONTROL, AND MEDICAL MANAGEMENT OF HEPATITIS C.**

“(a) **IN GENERAL.**—The Secretary shall develop and implement a plan for the prevention, control, and medical management of hepatitis C which includes strategies for education and training, surveillance and early detection, and research.

“(b) **INPUT IN DEVELOPMENT OF PLAN.**—In developing the plan under subsection (a), the Secretary shall—

“(1) be guided by existing recommendations of the Centers for Disease Control and Prevention and the National Institutes of Health; and

“(2) consult with—

“(A) the Director of the Centers for Disease Control and Prevention;

“(B) the Director of the National Institutes of Health;

“(C) the Director of the Health Resources and Services Administration;

“(D) the heads of other Federal agencies or offices providing services to individuals with hepatitis C virus (referred to in this part as “HCV”) infections or the functions of which otherwise involve hepatitis C;

“(E) medical advisory bodies that address issues related to HCV; and

“(F) the public, including—

“(i) individuals infected with the HCV; and

“(ii) advocates concerned with issues related to HCV.

“(c) **BIENNIAL UPDATE OF PLAN.**—

“(1) IN GENERAL.—The Secretary shall conduct a biennial assessment of the plan developed under subsection (a) for the purpose of incorporating into such plan new knowledge or observations relating to HCV and chronic HCV (such as knowledge and observations that may be derived from clinical, laboratory, and epidemiological research and disease detection, prevention, and surveillance outcomes) and addressing gaps in the coverage or effectiveness of the plan.

“(2) PUBLICATION OF NOTICE OF ASSESSMENTS.—Not later than October 1 of the first even numbered year beginning after the date of enactment of this part, and October 1 of each even numbered year thereafter, the Secretary shall publish in the Federal Register a notice of the results of the assessments conducted under paragraph (1). Such notice shall include—

“(A) a description of any revisions to the plan developed under subsection (a) as a result of the assessment;

“(B) an explanation of the basis for any such revisions, including the ways in which such revisions can reasonably be expected to further promote the original goals and objectives of the plan; and

“(C) in the case of a determination by the Secretary that the plan does not need revision, an explanation of the basis for such determination.

“SEC. 399BB. ELEMENTS OF THE FEDERAL PLAN FOR THE PREVENTION, CONTROL, AND MEDICAL MANAGEMENT OF HEPATITIS C.

“(a) EDUCATION AND TRAINING.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall implement programs to increase awareness and enhance knowledge and understanding of hepatitis C. Such programs shall include—

“(1) the conduct of health education, public awareness campaigns, and community outreach activities to promote public awareness and knowledge about risk factors, the transmission and prevention of infection with HCV, the value of screening for the early detection of HCV infection, and options available for the treatment of chronic hepatitis C;

“(2) the training of health care professionals regarding the prevention, detection, and medical management of hepatitis B and hepatitis C, and the importance of vaccinating HCV-infected individuals and those at risk for HCV infection against the hepatitis A virus and hepatitis B virus (referred to in this part as ‘HBV’); and

“(3) the development and distribution of curricula (including information relating to the special needs of individuals infected with HBV or HCV, such as the importance of early intervention and treatment and the recognition of psychosocial needs) for individuals providing hepatitis counseling, as well as support for the implementation of such curricula by State and local public health agencies.

“(b) EARLY DETECTION AND SURVEILLANCE.—

“(1) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall support activities described in paragraph (2) to promote the early detection of HCV infection, identify risk factors for infection, and conduct surveillance of HCV infection trends.

“(2) ACTIVITIES.—

“(A) VOLUNTARY TESTING PROGRAMS.—

“(i) IN GENERAL.—The Secretary shall support and promote the development of State, local, and tribal voluntary hepatitis C testing programs to aid in the early identification of infected individuals.

“(ii) CONFIDENTIALITY OF TEST RESULTS.—The results of a hepatitis C test conducted

by a testing program developed or supported under this subparagraph shall be considered protected health information (in a manner consistent with regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-2 note)) and may not be used for any of the following:

“(I) Issues relating to health insurance.

“(II) To screen or determine suitability for employment.

“(III) To discharge a person from employment.

“(B) COUNSELING REGARDING VIRAL HEPATITIS.—The Secretary shall support State, local, and tribal programs in a wide variety of settings, including those providing primary and specialty health care services in the private and the public sectors, to—

“(i) provide individuals with information about ongoing risk factors for hepatitis C virus infection with client-centered education and counseling which concentrates on changing behaviors that place them at risk for infection; and

“(ii) provide individuals infected with hepatitis C virus with education and counseling to reduce the risk of harm to themselves and transmission of the virus to others.

“(C) VACCINATION AGAINST VIRAL HEPATITIS.—With respect to individuals infected, or at risk for infection, with HCV, the Secretary shall provide for—

“(i) the vaccination of such individuals against hepatitis A virus, HBV, and other infectious diseases, as appropriate, for which such individuals may be at increased risk; and

“(ii) the counseling of such individuals regarding hepatitis A, hepatitis B, and other viral hepatitis.

“(D) MEDICAL REFERRAL.—The Secretary shall support—

“(i) referral of persons infected with or at risk for HCV, for drug or alcohol abuse treatment where appropriate; and

“(ii) referral of persons infected with HCV—

“(I) for medical evaluation to determine their stage of chronic hepatitis C and suitability for antiviral treatment; and

“(II) for ongoing medical management of hepatitis C.

“(3) HEPATITIS C COORDINATORS.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall, upon request, provide a Hepatitis C Coordinator to a State health department in order to enhance the additional management, networking, and technical expertise needed to ensure successful integration of hepatitis C prevention and control activities into existing public health programs.

“(c) SURVEILLANCE AND EPIDEMIOLOGY.—

“(1) IN GENERAL.—The Secretary shall promote and support the establishment and maintenance of State HCV surveillance databases, in order to—

“(A) identify risk factors for HCV infection;

“(B) identify trends in the incidence of acute and chronic HCV;

“(C) identify trends in the prevalence of HCV infection among groups that may be disproportionately affected by hepatitis C, including individuals living with HIV, military veterans, emergency first responders, racial or ethnic minorities, and individuals who engage in high risk behaviors, such as intravenous drug use; and

“(D) assess and improve HCV infection prevention programs.

“(2) SEROPREVALENCE STUDIES.—The Secretary shall conduct a population-based seroprevalence study to estimate the current and future impact of hepatitis C. Such studies shall consider the economic and clinical

impacts of hepatitis C, as well as the impact of hepatitis C on quality of life.

“(3) CONFIDENTIALITY.—Information contained in the databases under paragraph (1) or derived through studies under paragraph (2) shall be de-identified in a manner consistent with regulations under section 264(c) of the Health Insurance Portability and Accountability Act of 1996.

“(d) RESEARCH NETWORK.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention and the Director of the National Institutes of Health, shall—

“(1) conduct epidemiologic research to identify best practices for HCV prevention;

“(2) establish and support a Hepatitis C Clinical Research Network for the purpose of conducting research related to the treatment and medical management of hepatitis C; and

“(3) conduct basic research to identify new approaches to prevention (such as vaccines) and treatment for HCV.

“(e) REFERRAL FOR MEDICAL MANAGEMENT OF CHRONIC HEPATITIS C.—The Secretary shall support and promote State, local, and tribal programs to provide HCV-positive individuals with referral for medical evaluation and management, including currently recommended antiviral therapy when appropriate.

“(f) UNDERSERVED AND DISPROPORTIONATELY AFFECTED POPULATIONS.—In carrying out this section, the Secretary shall provide expanded support for individuals with limited access to health education, testing, and health care services and groups that may be disproportionately affected by hepatitis C.

“(g) EVALUATION OF PROGRAM.—The Secretary shall develop benchmarks for evaluating the effectiveness of the programs and activities conducted under this section and make determinations as to whether such benchmarks have been achieved.

“SEC. 399CC. GRANTS.

“(a) IN GENERAL.—The Secretary may award grants to, or enter into contracts or cooperative agreements with, States, political subdivisions of States, Indian tribes, or non-profit entities that have special expertise relating to HCV, to carry out activities under this part.

“(b) APPLICATION.—To be eligible for a grant, contract, or cooperative agreement under subsection (a), an entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“SEC. 399DD. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this part \$90,000,000 for fiscal year 2004, and such sums as may be necessary for each of fiscal years 2005 through 2008.”

SEC. 4. LIVER DISEASE RESEARCH ADVISORY BOARD.

Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following:

“SEC. 409J. LIVER DISEASE RESEARCH ADVISORY BOARD.

“(a) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this section, the Director of the National Institutes of Health shall establish a board to be known as the Liver Disease Research Advisory Board (referred to in this section as the ‘Advisory Board’).

“(b) DUTIES.—The Advisory Board shall advise and assist the Director of the Centers for Disease Control and Prevention concerning matters relating to liver disease research, including by developing and revising the Liver Disease Research Action Plan.

“(c) VOTING MEMBERS.—The Advisory Board shall be composed of 18 voting members to be appointed by the Director of the

National Institutes of Health, in consultation with the Director of the Institute of Allergy and Infectious Diseases, of whom 12 such individuals shall be eminent scientists and 6 such individuals shall be lay persons. The Director of the National Institutes of Health, in consultation with the Director of the Institute, shall select 1 of the members to serve as the Chair of the Advisory Board.

“(d) EX OFFICIO MEMBERS.—The Director of the National Institutes of Health shall appoint each director of a national research institute that funds liver disease research to serve as a nonvoting, ex officio member of the Advisory Board. The Director of the National Institutes of Health shall invite 1 representative of the Centers for Disease Control and Prevention, 1 representative of the Food and Drug Administration, and 1 representative of the Department of Veterans Affairs to serve as such a member. Each ex officio member of the Advisory Board may appoint an individual to serve as that member's representative on the Advisory Board.

“(e) LIVER DISEASE RESEARCH ACTION PLAN.—

“(1) DEVELOPMENT.—Not later than 15 months after the date of the enactment of this section, the Advisory Board shall develop (with appropriate support from the Director and staff of the Center) a comprehensive plan for the conduct and support of liver disease research to be known as the Liver Disease Research Action Plan. The Advisory Board shall submit the Plan to the Director of NIH and the head of each institute or center within the National Institutes of Health that funds liver disease research.

“(2) CONTENT.—The Liver Disease Research Action Plan shall identify scientific opportunities and priorities of liver disease research necessary to increase understanding of and to prevent, cure, and develop better treatment protocols for liver diseases.

“(3) REVISION.—The Advisory Board shall revise every 3 years the Liver Disease Research Action Plan, but shall meet annually to review progress and to amend the Plan as may be appropriate because of new scientific discoveries.”.

Mr. KENNEDY. Mr. President, It's a privilege to join my colleague, Senator KAY BAILEY HUTCHISON, in introducing this legislation to address the growing problem of Hepatitis C. Senator HUTCHISON's leadership has been essential in preparing this proposal to help establish nationwide programs for Hepatitis C that have been so effective in Texas. We are also indebted to the leadership of Senator SMITH, Senator CAMPBELL, Senator DASCHLE, and many other colleagues on both sides of the aisle for taking action to reduce the serious toll of Hepatitis C on so many of our fellow citizens.

Hepatitis C is a rapidly growing health care crisis. More than 3.9 million Americans are infected with the virus, making it the nation's most common blood-borne viral illness, and the numbers continue to rise. 10,000 Americans die each year of chronic complications related to the virus. Hepatitis C virus infection is a major cause of death in AIDS patients, and nearly 40 percent of all HIV-positive people are also infected with Hepatitis C virus.

Hepatitis C leads to life-threatening conditions, including cirrhosis and liver cancer, which cost our country more than \$600 million every year. This bill supports liver disease research to

encourage the development of an effective vaccine against the virus.

Unlike Hepatitis A and B, there is currently no vaccine available to prevent this epidemic. It is critical that infected individuals are identified early, so that they can obtain treatment and take other steps to reduce the likelihood that the disease will lead to permanent liver damage or spread of the virus to others.

The bill we are introducing today takes a new approach to fighting this virus by establishing a nationwide plan to provide the most effective ways of prevention, control and medical management of Hepatitis C. The bill also seeks to increase knowledge and awareness of the infection by patients, health care professionals, and the public.

This strategy was successfully implemented in Texas. Public health counseling and testing sites were established to reach people at high risk for Hepatitis C, and to make referrals to health and social services. In the first year, more than 13,000 clients received counseling services, one-third of whom tested positive for Hepatitis C. In addition, media campaigns were conducted to alert the public to the dangers of Hepatitis C. The savings for Texas were estimated to be almost \$500,000 a year.

Using this model, the Department of Health and Human Service will develop a plan to combat the Hepatitis C epidemic, with advice from the public including physicians, researchers, patients, and advocates. Confidential counseling and voluntary testing programs will be offered, as well as immunization against Hepatitis A and B. Individuals at high risk will be referred for further evaluation and management, including treatment with antiviral therapy.

Our bill calls for Hepatitis C coordinators, to be assigned by CDC, at state, local, and tribal levels to carry out education and supervision of local health care workers. The Liver Disease Research Advisory Board will be established to assist and advise CDC on liver disease research. A confidential database will be created to enhance studies the epidemiology of the illness.

The fight against Hepatitis C must begin with the underserved populations who are disproportionately affected by the virus, especially minority populations, the uninsured, and veterans. We must also do all we can to protect hemophiliacs, renal dialysis patients, and AIDS patients.

Hepatitis C is a devastating disease, and this bill can be a major step in fighting it. I look forward to working with my colleagues to enact this bill into law.

Mr. JOHNSON. Mr. President, I rise today with my colleagues, Senators KENNEDY, CLINTON, DASCHLE, BREAUX, JEFFORDS, BIDEN, DODD, BINGAMAN, HUTCHISON, CAMPBELL, SCHUMER, and SMITH to introduce the Hepatitis C Epidemic Control and Prevention Act of 2003. I thank my colleagues for joining

me in introducing this legislation that will improve the prevention, control, and medical management of hepatitis C.

Hepatitis C is the most common chronic bloodborne viral infection in the United States, and it is the seventh leading cause of death in our country. Almost 4 million U.S. citizens are infected with hepatitis C, and of those 2.7 million are chronically infected and at least 2.5 million do not receive any treatment, which results in the continued spread of this devastating, yet preventable illness. The estimated direct and indirect costs of hepatitis C infection are at least \$600 million annually.

Symptoms of hepatitis C can include jaundice, fatigue, loss of appetite, and abdominal pain. While this disease may be asymptomatic in most patients initially, between 50 and 80 percent will develop a chronic infection, and of these half will eventually develop cirrhosis or cancer of the liver. While diagnostic tests are available to identify the disease, there is no vaccine to prevent hepatitis C, which makes prevention and control measures crucial to reducing its incidence and prevalence.

The importance of improving hepatitis C prevention and control activities was brought to my attention this past year by the family of Christen Graeber Winter. Christen was from Aberdeen, SD, and passed away 5 years ago at the age of 42. She had been very ill two decades earlier and required a blood transfusion. Christen became very sick a little over 5 years ago and was diagnosed with hepatitis C, a disease that she had contracted from that blood transfusion that she had so many years earlier. Christen died in 1998, and during the last months of her life she remained as active as possible and was committed to finishing up her bachelor's degree at Presentation College, even though she was very ill.

Everyone who knew Christen said she was a warm and caring person, and even towards the end of her life, she remained strong and was determined not to burden others with her deteriorating health. After her death, Christen's sister Carey started conducting research to learn about hepatitis C. She knew nothing of the disease and was surprised to learn how many people suffered from it. She learned that physicians are largely unaware of hepatitis C and therefore cases often go undetected. Carey is now a strong advocate of promoting increased funding for education, treatment, and prevention of this disease and has helped me understand how important it is that we in Congress establish the programs and appropriate the funds necessary to prevent needless deaths like the death of Christen.

The hepatitis C Epidemic Prevention and Control Act will help reduce the number of people affected by this horrible illness and prevent stories like Carey's sister from continuing. The bill requires that the Department of Health and Human Services develop and implement an integrated plan to combat

hepatitis C. While we know how to prevent the spread of this disease, there have been limited programs to educate health professionals, at-risk populations, and the general public on how to do so. This bill will focus on increasing knowledge and awareness of such infections among providers and patients.

In addition to education, surveillance, early detection, and counseling are important tools that must be used in order to control this disease. Less than 50 percent of local health departments providing counseling and only 23 percent provide testing for hepatitis C. This bill will require that CDC promote confidential testing programs by working with State and local governments in order to catch hepatitis C cases early. It will also provide access to important counseling activities in a variety of private and public health care settings to help patients reduce the risk of harm to themselves and others.

This important legislation is supported by a bipartisan coalition of my colleagues. We have recognized that hepatitis C is a preventable disease that can be halted with a strong emphasis on prevention and control. I do not want to see more cases like that of Carey's sister. We have an opportunity to make a real difference here, and I urge the Senate to support this bill.

By Mr. CONRAD (for himself and Mr. DORGAN):

S. 1146. A bill to implement the recommendations of the Garrison Unit Tribal Advisory Committee by providing authorization for the construction of a rural health care facility on the Fort Berthold Indian Reservation, North Dakota; to the Committee on Indian Affairs.

Mr. CONRAD. Mr. President, I rise today, joined by my colleague Senator DORGAN, to introduce the Three Affiliated Tribes Health Facility Compensation Act. This legislation fulfills a longstanding Federal commitment to the Three Affiliated Tribes of Fort Berthold in my State of North Dakota.

In 1949, the Three Affiliated Tribes lost 156,000 acres of land, one-quarter of its land base, for the construction of the Garrison Dam along the Missouri River. Three hundred twenty five families—eighty percent of the tribal membership—were forcibly relocated. Ninety-four percent of the agricultural lands of these farmers and ranchers was destroyed. The Indian Health Service's hospital at the community of Elbowoods was completely flooded. At the time, the Federal Government committed to replacing the hospital.

On May 10, 1985, then Interior Secretary Donald P. Hodel signed a charter creating the Garrison Unit Joint Tribal Advisory Committee, which was charged with examining the effects of the construction of the Garrison Dam and Reservoir on the tribe and making recommendations on compensation. In its final report released on May 23, 1986, the committee found that the

Three Affiliated Tribes were entitled to financial compensation as well as the replacement of lost infrastructure including its health facility. The committee specifically noted that the replacement of the health facility was an "emergency need."

In 1992, Congress acted on some of the committee's recommendations by passing the Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act. However, at the time, due to budget limitations, Congress was not able to fulfill the commitments on infrastructure replacement. The Senate Committee on Indian Affairs in its report on the Act specifically noted that "every effort should be made by the Administration and Congress to provide additional federal funding for these infrastructure priorities." More than 10 years later, many of the infrastructure priorities still have not been met.

The legislative history on this matter is clear, a commitment was made to the tribe that must be kept. The bill I am introducing will authorize \$20 million to construct for a health facility on the Fort Berthold Indian Reservation to fulfill this longstanding promise to the Three Affiliated Tribes.

Mrs. BOXER. Mr. President, today I am introducing a bill to increase security and prevent terrorist attacks at our Nation's ports.

Ports are extremely important to our nation's economy, especially to my State of California. The ports of LA, Long Beach, and Oakland handle 40 percent of our Nation's cargo and generate billions of dollars in economic activity each year in California alone.

The tragic events of September 11 demonstrated that we needed to make improvements in our nation's security. Our ports are no exception.

We have begun to make improvements. As a member of the Senate Commerce Committee, I served as a conferee on the port security bill that became law last November. This legislation mandated the creation of national and regional port security plans and better coordination of Federal, State, local, and private enforcement agencies. It also established a grant program for port authorities, waterfront operators, and state and local agencies to provide security infrastructure improvements such as video cameras and more secure fencing. In addition, it calls for the development of regulations to determine secure areas in ports and to limit access through background checks and a transportation security identification card.

This legislation was a good first step. But, we need to do more. And I believe we should harness the best of our high-tech capabilities to improve port security. That is why today I am introducing the High-Tech Port Security Act.

This legislation has three high tech improvements for our nation's ports.

First, the bill would require that all containers used in our Nation's ports

be blast resistant. The U.S. Department of Homeland Security would develop a standard for such containers and would work with shipping companies to ensure that all new containers are blast resistant.

Second, the bill would require that all containers be inspected with advanced technology before leaving our ports and entering our roads, highways, and communities. The Department of Homeland Security would establish a standard for cargo screening technology and ensure that this technology is installed at all ports, so every incoming container is screened before it leaves the port. This is extremely important because currently only two to three percent of all containers are inspected.

Third, this bill will focus protection on the Nation's largest ports by establishing high tech command and control centers to coordinate and monitor security at the 20 busiest ports in the United States.

The technologies needed to secure our Nation's vital ports are available today, and they should start being used now. There is no time to lose. The vulnerability of our seaports is no secret; it is a well known gap in our homeland defense. This legislation will help close that gap.

By Mrs. FEINSTEIN:

S. 1150. A bill to establish the Bob Hope American Patriot Award; to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, I rise today to introduce the Bob Hope American Patriot Award Act of 2003. This legislation would create a presidential commemorative award for an individual or organization that demonstrates "extraordinary love of this Nation and devotion to its citizens in the form of true patriotism."

In addition, this legislation would honor one of the most respected figures in America, who for seven decades has served our Nation with his talents in entertainment. As many are familiar, I am speaking today of Bob Hope.

To celebrate Bob Hope's 100th birthday on May 29, 2003, this legislation would give the President the opportunity to annually recognize the wonderful trait of "patriotism," so well exemplified by Hope throughout his lifetime. Mr. Hope has long demonstrated that entertainment can positively influence "love of country and dedication to the spiritual well-being of America's troops."

A master of the skills of acting and singing, Bob Hope may be the most talented and prolific entertainer of our time. Many of us will recall his work in the series of "Road" films with Bing Crosby and Dorothy Lamour. His expansive career has involved stage musical comedy, motion pictures, and live appearances at the USO shows.

On May 6, 1941, Bob Hope began a 50-year service with the United States Armed Forces, in which he did approximately 60 USO tours. He has toured

U.S. military stations all over the world, including Germany, the South Pacific, and Vietnam. Veterans and U.S. soldiers alike will always remember his variety shows, which included skits, dancers, specialty acts, and comedic monologues. These monologues were particularly touching as they commiserated with the daily travails of a soldier's life.

Over the years, Bob Hope has received well-deserved recognition for his dedication to our Nation. He has been honored with numerous awards, including the Congressional Gold Medal, the Presidential Medal of Freedom, and the Distinguished Service Medal from each of the branches of the military. Several years ago, I co-sponsored legislation naming him an Honorary Veteran for his humanitarian services to the U.S. Armed Forces.

Bob Hope epitomizes true patriotism and service to our country, and I cannot think of anybody better to name this new award after.

This legislation is important because it would not only carry on the name of such an honorable figure, but would recognize future individuals or organizations who have dedicated themselves to promoting the values of freedom, democracy, and goodwill. This award would be the first of its kind—honoring American civilians specifically for patriotism.

This legislation would give the President the authority to annually select either one individual or one organization to receive this commemorative award at a White House ceremony. The President would also be given the power to interpret the selection criteria and determine the form that the award would take, such as a plaque, medal or flag.

I believe this legislation is timely and befitting of both Mr. Hope and the great citizens of our Nation. In these challenging times, it is important to encourage and recognize Americans who have given so much to the cause of patriotism, asking for nothing in return.

My hope is that this award, established through this legislation, will both carry on the wonderful legacy of Bob Hope and bring awareness to the magnanimous spirit of our fellow citizens. I call on this body to enact this legislation promptly.

By Mr. FEINGOLD:

S. 1151. A bill to rescind the Department of Veterans Affairs memorandum of July 18, 2002, in which Directors of health service networks in the Department of Veterans Affairs are directed to ensure that no marketing activities to enroll new veterans occur within their networks; to the Committee on Veterans Affairs.

Mr. FEINGOLD. Mr. President, today I am introducing legislation that would restore a valuable—and statutorily mandated—service to our Nation's veterans and their families.

In July 2002, Department of Veterans Affairs Deputy Under Secretary for

Health for Operations and Management Laura Miller sent a memo to Veterans Integrated Service Network Directors ordering them to "ensure that no marketing activities to enroll new veterans occur within [their] networks."

This memo cited an increased demand for VA health care services as the reason for this change in policy. While it is clear that more funding should be provided for VA health care and other programs, it is inappropriate for the VA to institute a policy to stop making veterans aware of the health care services for which they may be eligible.

I joined with a number of our colleagues last year in sending a letter to the President asking that this policy be immediately reversed. I regret that the VA's reply indicated that the Secretary of Veterans Affairs stands by this policy, which remains in effect.

The bill that I am introducing today, Veterans Outreach Protection Act, would rescind the policy issued in this memorandum and prohibit the VA from using Federal funding to enforce this policy. This bill is a companion to legislation introduced in the House by Congressman PAUL KANJORSKI earlier this year.

I have long been concerned that tens of thousands of our veterans are unaware of federal health care and other benefits for which they may be eligible. We can and should do more to educate our veterans and their families about these benefits, and to provide adequate funding to ensure that all veterans who wish to take advantage of their benefits are able to do so. Halting health care marketing activities is not the answer. Our brave veterans have earned these benefits. The Federal department that is charged with advocating for and providing benefits to our veterans should not be allowed to continue to restrict health care outreach activities.

In addition to this bill, I am currently working to draft legislation to improve VA-wide outreach efforts. Our veterans and their families have made great personal sacrifices to protect our freedoms. We owe them a great debt of gratitude. Making sure that our veterans know about the benefits that they have earned is an important first step in starting to repay this debt.

I ask unanimous consent that the text of my bill be printed in the RECORD.

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

S. 1151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans Outreach Protection Act".

SEC. 2. RESCISSION OF DEPARTMENT OF VETERANS AFFAIRS MEMORANDUM.

(a) RESCISSION OF MEMORANDUM.—The memorandum of the Department of Veterans Affairs dated July 18, 2002, from the Deputy Under Secretary for Health for Operations

and Management with the subject "Status of VHA Enrollment and Associated Issues" is hereby rescinded. Marketing activities of Directors of health service networks (known as "Veterans Integrated Service Networks") of the Department of Veterans Affairs to enroll new veterans within their respective networks shall be carried out without regard to such memorandum.

(b) FUNDING LIMITATION.—No funds available to the Department of Veterans Affairs may be used to carry out the memorandum referred to in subsection (a) or otherwise to implement the policy contained in that memorandum.

By Mr. MCCAIN (for himself and Mr. HOLLINGS):

S. 1152. A bill to reauthorize the United States Fire Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. MCCAIN. Mr. President, I am pleased to be joined this morning by Senators HOLLINGS in introducing legislation to reauthorize the United States Fire Administration, USFA, for fiscal year 2004 through fiscal year 2006. This legislation would also re-establish the position of the U.S. Fire Administrator, which would serve in the new Department of Homeland Security.

USFA's mission is to reduce the loss of life and property because of fire and related emergencies. Each year, fire injuries and kills more Americans than all other natural disasters combined. Death rates by fire in the United States are among the highest in the industrialized world.

The U.S. Fire Administration utilizes a number of tools to fulfill its mission. USFA's National Fire Data Center administers a national system for collecting, analyzing, and disseminating data and information on fire and other emergency incidents to state and local governments and the fire community. The National Fire Academy, NFA, is the premiere training academy for fire services. It is estimated that since 1975, over 1.4 million firefighters and other first-responders have benefitted from NFA training classes in emergency management, fire prevention, and anti-terrorism. USFA also engages in research, testing, and evaluation activities with public and private entities to promote and improve fire and life safety. Finally, USFA administers the popular Assistance to Firefighters Grant Program, which provides competitive grants to local fire departments for training, wellness and fitness programs, vehicles, firefighting equipment, and fire prevention.

The U.S. Fire Administrator plays an important role in our nation's fire control policy and homeland security initiatives by serving as the point-of-contact for the fire services. This position was eliminated in last year's legislation that established the Department of Homeland Security. On April 30, 2003, the Senate Committee on Commerce, Science, and Transportation heard testimony from many of the major fire service organizations regarding the importance of the U.S. Fire

Administrator position, and the need for the Administrator to serve as a representative of the fire services within the Department of Homeland Security. This legislation would re-establish this position.

Firefighting remains one of the most dangerous professions in the United States. We rely on firefighters to aid us in fires, accidents, and natural disasters. However, we have also witnessed the role that firefighters play as the first responders on the scene of any possible terrorist attack. It is important that we pass this legislation to ensure that the Federal government continues its appropriate role in helping our fire services adapt to this new challenge.

I urge my colleagues to support this legislation, and look forward to working with them to ensure timely passage of this legislation. I also ask unanimous consent that the text of the bill be printed in the RECORD.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Fire Administration Reauthorization Act of 2003".

SEC. 2. RE-ESTABLISHMENT OF POSITION OF UNITED STATES FIRE ADMINISTRATOR.

Section 1513 of the Homeland Security Act of 2002 does not apply to the position or office of Administrator of the United States Fire Administration, who shall continue to be appointed and compensated as provided by section 5(b) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2204(b)) after the functions vested by law in the Federal Emergency Management Agency have been transferred to the Directorate of Emergency Preparedness and Response in accordance with section 503 of the Homeland Security Act of 2002.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 17(g)(1) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216(g)(1)) is amended to read as follows: "(1) Except as otherwise specifically provided with respect to the payment of claims under section 11 of this Act, there are authorized to be appropriated to carry out the purposes of this Act—

- “(A) \$52,000,000 for fiscal year 2004;
- “(B) \$53,560,000 for fiscal year 2005; and
- “(C) \$55,166,800 for fiscal year 2006.”.

By Mr. SPECTER (for himself and Mr. BOND):

S. 1153. A bill to amend title 38, United States Code, to permit medicare-eligible veterans to receive an out-patient medication benefit, to provide that certain veterans who receive such benefit are not otherwise eligible for medical care and services from the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

Mr. SPECTER. Mr. President, I have sought recognition to explain the provisions of the "Veterans Prescription Drugs Assistance Act of 2003," a bill that I have introduced today to assist Medicare-eligible veterans struggling

with the costs of prescription medications.

I fully understand that Congress, and the President, are working very hard on legislation to take on the larger issue of providing a prescription drug benefit for all American seniors. I applaud that effort, and I will continue to work with my colleagues to see that Congress enacts legislation to help all seniors who struggle with the ever-increasing costs of necessary medications. But in the meantime, as Chairman of the Committee on Veterans Affairs, I offer legislation to allow Medicare-eligible veterans to obtain prescription drugs from the Department of Veterans Affairs, VA, at the significantly discounted costs that VA, as a high-volume purchaser of prescriptions medications, is able to secure in the marketplace.

Earlier this year, VA Secretary Anthony J. Principi was forced to limit access to VA care by suspending new enrollments of non-service-disabled middle and higher income veterans who were not enrolled for care as of January 17, 2003. The Secretary was forced to so act because the number of patients provided care by VA has more than doubled in just five years. And as a result, VA's medical care system has been overwhelmed and, as a consequence, VA has been unable to provide timely access to healthcare for all veterans who have sought it and appointment waiting times have grown to alarming levels. But in almost every news story that followed the Secretary's difficult decision, it was noted that many of the new enrollees who had overwhelmed VA's capacity to provide care were Medicare-eligible veterans who were able to get Medicare-financed care elsewhere—but who were seeking access to the relatively generous prescription drug program provided to veterans under VA care.

Currently, VA provides enrolled patients with prescription medications for \$7.00 for each 30-day supply. But to get such prescriptions, the veteran must obtain the full range of medical care from VA. This fact, coupled with the Secretary's decision to close enrollment, means that veterans who are now—or who will be—eligible for Medicare who had not enrolled for VA care prior to January 17, 2003, will be unable to access VA's generous prescription drug benefits. This legislation would provide some relief for those veterans. In addition, I anticipate that it may induce some VA-enrolled Medicare-eligible veterans—those who were happy with their Medicare-financed care but who enrolled for VA care to gain access to VA-supplied drugs—to return to non-VA care with knowledge that they will be able to get their non-VA prescriptions filled through VA. Enactment of this provision, then, would reduce—not exacerbate—VA patient backlog numbers.

The premise of this legislation is straightforward: VA fills and distributes more than 100 million prescrip-

tions each year for its 4.5 million veteran-patients. As a result, it has significant purchasing power—power which, coupled with VA's formulary program, allows it to negotiate very favorable prices for prescription drugs. According to the National Association of Chain Drug Stores, the average "cash cost" of a prescription in 2001 was \$40.22. The average VA per-prescription cost in 2001 was \$22.87—almost 50 percent less. The average per-prescription price paid by VA this year is up to just under \$25—a slower growth rate than the 6.7 percent annual growth experienced in the population at large since 2001.

My purpose is to afford Medicare-eligible veterans access to such discounts. I do not propose that VA be directed to supply drugs to all Medicare-eligible veterans at VA expense, or even with a partial VA subsidy. VA has stated that such a mandate would divert VA funding—which, clearly, is already stretched to the limit—away from VA priority patients: the service-connected, the poor, and those with special needs. I accept VA's statement of concern; I accept and I insist—that scarce funding be directed, first, to meet the needs of priority patients. This legislation, therefore, requires that VA recover the costs of drugs it supplies under this program from veterans who bring their prescriptions from outside doctors to VA.

I do not propose to tell VA in this bill how to recover these costs. VA is better positioned than I to make such judgments. Thus, my legislation provides flexibility to VA to design and test payment mechanisms to best accomplish cost recovery while still easing veterans' access to the drugs they need. It might be that enrollment fees, a copayment structure, or a simple "cost-plus"—for administrative expenses pricing format—or some combination of those mechanisms—works best. And it might be that different approaches work best in different regions of the country. I intend for the VA to experiment with different pricing structures to determine what works best. But I also intend that veterans get a break on prescription drug pricing.

Those who would benefit from this program are World War II and Korean War veterans who answered their country's call over 50 years ago. As they age, many desperately need relief from high drug prices. My purpose is not to disparage the drug companies; their discoveries have truly been marvels. But that is precious little comfort to a Medicare participant who, whatever the drug's overall utility might be, cannot afford both the drug and food or shelter or heat. Many such persons reside in the Commonwealth of Pennsylvania where, just last month, a genuine titan in the industrial history of the United States, Bethlehem Steel, ceased to exist. Many retired steelworkers who are also veterans—and who never needed VA because of company-paid

benefits—have lost their health insurance coverage and, with it, prescription drug benefits. These people need a break. This bill could provide it.

The premise of this legislation is simple: veteran access to VA market-driven discounts. Yet, the assistance it could provide might be profound. I do hope that Congress will find a way to provide prescription drug benefits to all seniors. But for now, I urge my colleagues to support this bill so that the problem might be solved—or at least reduced—for seniors who served. They deserve it, and we should do it.

I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 1153

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Veterans Prescription Drugs Assistance Act”.

SEC. 2. ELIGIBILITY OF MEDICARE-ELIGIBLE VETERANS FOR OUT-PATIENT MEDICATION BENEFIT.

(a) RESTATEMENT OF CURRENT LAW ON DRUGS AND MEDICATIONS AND PROVISION OF OUT-PATIENT MEDICATION BENEFIT.—Chapter 17 of title 38, United States Code, is amended by inserting after section 1710B the following new section:

“§ 1710C. Drugs and medications; vaccines

“(a)(1) The Secretary shall furnish to each veteran who is receiving additional compensation or allowance under chapter 11 of this title, or increased pension as a veteran of a period of war, by reason of being permanently housebound or in need of regular aid and attendance, such drugs and medicines as may be ordered on prescription of a duly licensed physician as specific therapy in the treatment of any illness or injury suffered by such veteran.

“(2) The Secretary shall continue to furnish such drugs and medicines ordered under paragraph (1) to any such veteran in need of regular aid and attendance whose pension payments have been discontinued solely because such veteran’s annual income is greater than the applicable maximum annual income limitation, but only so long as such veteran’s annual income does not exceed such maximum annual income limitation by more than \$1,000.

“(b)(1) Any medicare-eligible veteran may elect to be furnished by the Secretary, on an out-patient basis, such drugs and medicines as may be ordered on prescription of a duly licensed physician as specific therapy in the treatment of any illness or injury suffered by such veteran.

“(2) In this subsection, the term ‘medicare-eligible veteran’ means any veteran who—

“(A) is entitled to or enrolled in hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); or

“(B) is enrolled in the supplementary medical insurance program under part B of such title (42 U.S.C. 1395j et seq.).

“(3) The Secretary shall furnish to any veteran who makes an election under paragraph (1), on an out-patient basis, such drugs and medicines as may be ordered on prescription of a duly licensed physician as specific therapy in the treatment of any illness or injury suffered by such veteran.

“(4)(A) Notwithstanding any other provision of law and except as provided in sub-

paragraph (B), a veteran who makes an election under paragraph (1) shall not be eligible for care and services under this chapter during the year covered by the election.

“(B) Subparagraph (A) shall not apply with respect to any veteran who has a compensable service-connected disability.

“(5) The furnishing of drugs and medicines under this subsection shall be subject to the provisions of section 1722A(b) of this title.

“(6)(A) An election under paragraph (1) shall be for a calendar year, and shall be irrevocable for the year covered by such election. An election may be renewed.

“(B) The Secretary shall prescribe the form, manner, and timing of an election.

“(7) Before permitting a veteran to make an election under paragraph (1), the Secretary shall provide the veteran such educational materials and other information on the furnishing and receipt of drugs and medicines under this subsection as the Secretary considers appropriate to inform the veteran of the benefits and costs of being furnished drugs and medicines under this subsection, including materials and information on the consequences of making an election under paragraph (1) and on the fees, copayments, or other amounts required under section 1722A(b) of this title for drugs and medicines furnished under this subsection.

“(c)(1) In order to assist the Secretary of Health and Human Services in carrying out national immunization programs under other provisions of law, the Secretary may authorize the administration of immunizations to eligible veterans who voluntarily request such immunizations in connection with the provision of care for a disability under this chapter in any Department health care facility.

“(2) Any immunization under paragraph (1) shall be made using vaccine furnished by the Secretary of Health and Human Services at no cost to the Department. For such purpose, notwithstanding any other provision of law, the Secretary of Health and Human Services may provide such vaccine to the Department at no cost.

“(3) Section 7316 of this title shall apply to claims alleging negligence or malpractice on the part of Department personnel granted immunity under such section.”.

(b) COPAYMENT REQUIREMENTS.—

(1) IN GENERAL.—Section 1722A of such title is amended—

(A) in subsection (a)(1), by inserting “(other than a veteran covered by subsection (b))” after “require a veteran”;

(B) by redesignating subsections (b), (c), and (d), as subsections (c), (d), and (e), respectively;

(C) by inserting after subsection (a) the following new subsection (b):

“(b)(1) In the case of a veteran who is furnished medications on an out-patient basis under section 1710C(b) of this title, the Secretary shall require the veteran to pay, at the election of the Secretary, one or more of the following:

“(A) An annual enrollment fee in an amount determined appropriate by the Secretary.

“(B) A copayment for each 30-day supply of such medications in an amount determined appropriate by the Secretary.

“(C) An amount equal to the cost to the Secretary of such medications, as determined by the Secretary.

“(2)(A) In determining the amounts to be paid by a veteran under paragraph (1), and the basis of payment under one or more subparagraphs of that paragraph, the Secretary shall ensure that the total amount paid by veterans for medications under that paragraph in a year is not less than the costs of the Department in furnishing medications to veterans under section 1710C(b) of this title

during that year, including the cost of purchasing and furnishing medications, and other costs of administering that section.

“(B) The Secretary shall take appropriate actions to ensure, to the maximum extent practicable, that amounts paid by veterans under paragraph (1) in a year are equal to the costs of the Department referred to in subparagraph (A) in that year.

“(3) In determining amounts under paragraph (1), the Secretary may take into account the following:

“(A) Whether or not the medications furnished are generic medications or brand name medications.

“(B) Whether or not the medications are furnished by mail.

“(C) Whether or not the medications furnished are listed on the National Prescription Drug Formulary of the Department.

“(D) Any other matters the Secretary considers appropriate.

“(4) The Secretary may from time to time adjust any amount determined by the Secretary under paragraph (1), as previously adjusted under this paragraph, in order to meet the purpose specified in paragraph (2).”; and

(D) in subsection (d), as so redesignated—

(i) by striking “subsection (a)” and inserting “subsections (a) and (b)”; and

(ii) by striking “subsection (b)” and inserting “subsection (c)”.

(2) DEPOSIT OF COLLECTIONS IN MEDICAL CARE COLLECTIONS FUND.—Paragraph (4) of section 1729A(b) of such title is amended to read as follows:

“(4) Subsection (a) or (b) of section 1722A of this title.”.

(c) CONFORMING AMENDMENTS.—(1) Section 1707 of such title is amended by adding at the end the following new subsection:

“(c) Notwithstanding any other provision of law, a veteran who makes an election authorized by section 1710C(b) of this title (other than a veteran covered by paragraph (4)(B) of that section) shall not, for the period of such election, be eligible for care and services under this chapter, except as provided in that section.”.

(2) Section 1712 of such title is amended by striking subsections (d) and (e).

(d) CLERICAL AMENDMENTS.—(1) The heading for section 1712 of such title is amended to read as follows:

“§ 1712. Dental care”.

(2) The table of sections at the beginning of chapter 17 of such title is amended—

(A) by inserting after the item relating to section 1710B the following new item:

“1710C. Drugs and medications; vaccines.”; and

(B) by striking the item relating to section 1712 and inserting the following new item:

“1712. Dental care.”.

Mr. BOND. Mr. President, I rise today to express my strong support for the Veterans Prescription Drugs Assistance Act of 2003. As an original cosponsor, I am pleased to join my colleague, the Chairman of the Veterans Affairs Committee, Senator SPECTER in introducing this important legislation that addresses the medical care needs of Medicare-eligible veterans. I applaud Senator SPECTER for his leadership on this important issue.

For several years, many veterans have not been able to receive timely health care from the Department of Veterans Affairs due to the long waiting lines created by the huge demand for prescription drugs. Under current policy, veterans are required to see a VA doctor before receiving their medication even when they have already

had a prescription written by a privately licensed physician. This policy has not only contributed to the long waiting lines, but it has denied care to service-connected and lower income veterans. It is a moral imperative that we correct this problem and I believe that this legislation is a step in the right direction.

As Chair of the VA-HUD and Independent Agencies Appropriations Subcommittee, my top priority is ensuring that the VA has adequate funding to provide accessible and quality care for our Nation's veterans. Unfortunately, despite record funding increases over the past few years, veterans must still wait for several months to see a VA doctor.

This past January, VA Secretary Principi had to take the unfortunate but necessary step of closing new enrollments to middle and higher income veterans who do not have service-connected disabilities. Many of these so-called Priority 8 veterans have Medicare insurance but do not have a prescription drug benefit. I recognize that the Congress and the President are trying to address the prescription drug issue for all American seniors and I will continue to fight to ensure that a Medicare prescription drug bill is enacted. Nevertheless, I believe that we need to raise awareness of the tragedy that many veterans suffer today to ensure that no matter what occurs during this session of Congress, they are not left behind.

This bill contains a number of important provisions but I highlight one particular measure. As I mentioned earlier, current policy requires veterans to see a VA doctor before having their prescription filled, even if they have had already seen a private doctor. This legislation allows eligible veterans to fill their prescriptions at the VA without having to see a VA doctor. This not only greatly streamlines the process and time for veterans to receive much-needed medications, but it also provides relief to the waiting lines so that our higher priority veterans can receive timely care. In other words, this legislation is a win-win for all veterans.

This legislation may not be perfect but it is important to begin a dialogue on the prescription drug needs of our nation's veterans. I welcome my colleagues' comments and comments from the Administration. I believe that we can resolve this matter this year. I thank my colleagues for their attention to this matter and I look forward to working with all of you over the next several weeks.

By Ms. SNOWE (for herself, Mr. BOND, and Mr. BURNS):

S. 1154. A bill to provide for the reauthorization of programs administered by the Small Business Administration that assist small business concerns owned and controlled by women; and for other purposes; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, I rise to introduce the "Women's Small Business Programs Improvement Act of 2003" in recognition of the critical potential that women entrepreneurs hold for the Nation's economic welfare. I am pleased to be joined by Senators BOND and BURNS in offering this important legislation.

Today, women own nearly a third of the Nation's small businesses—totaling nearly 7 million women-owned enterprises that contribute approximately \$1.2 trillion to be economy annually. That number, however, does not include jointly owned businesses in which women play a major role but hold less than fifty percent of the ownership rights. So, the actual number of women with significant roles in business goes well beyond 7 million—and they are growing rapidly.

These figures reflect the successes that women entrepreneurs are having despite facing the same challenges for the past twenty years—access to business assistance, access to capital, and access to Federal Government contract opportunities. The "glass ceiling" in corporate America that led many women to start a small business has been transformed into another obstacle—"a glass doorway"—between women who want to start and grow businesses and the lending and Federal contract markets these women entrepreneurs seek to enter. Overcoming these obstacles requires that women are provided the business assistance tools they need, which we can ensure through the programs and services established within the Small Business Administration, SBA, specifically for women.

As the new Chair of the Committee on Small Business, I have been carefully examining the SBA's programs with a particular focus on the agency's initiatives that are intended to foster women-owned businesses. During the past year, witnesses and participants of the Committee's hearings and roundtables clearly identified the concerns of women business owners: the lack of business assistance programs for existing small businesses; scarcity of financial resources for start-up or expansion; limited opportunities for Federal Government contracts; and the need for specific research on women's business ownership.

In addition, we heard concerns from the Women's Business Centers and their advocates about the Women's Business Centers Sustainability Grants Program, which sunsets in 2003. These centers have been extraordinarily successful in providing assistance to women in all walks of life—those who once received public assistance but now operate businesses and create jobs; women transitioning from employee to small business employer; and establish women-business owners who create and manufacture products for sale at home and abroad. The Centers nurture women entrepreneurs through business and financial planning and help with

critical issues like securing funding for startup and expansion. Despite these successes, however, funding questions have long plagued the program.

Adding to the information gained from its official activities, the Committee staff also conducted a review of all SBA funded and sponsored activities for women entrepreneurs, held discussions with women business leaders, and obtained information in the process of preparing for the reauthorization of SBA Non-Credit Programs.

Our findings support specific changes to ensure that the SBA will be more accountable in its delivery of programs and services through the Office of Women's Business Ownership. Specifically, based on the need and the impressive record of the Women's Business Centers, there is strong support for making the program permanent, provided that the SBA streamlines the grants administration processes. Improvements in the focus and operations for the National Women's Business Council and the Women's Interagency Committee on Women's Business Enterprise would also enhance their missions and ability to serve women entrepreneurs.

The bill I introduce today is designed to address these issues and improve the programs and services that the SBA delivers across the nation for women business owners through the Office of Women's Business Ownership, the Women's Business Centers Program, the National Women's Business Council, and the Interagency Committee on Women's Business Enterprise. The key elements of the bill's improvements will provide direction, consolidation and integration of existing programs that have been previously created to offer opportunities for women through their entrepreneurial endeavors.

The "Women's Small Business Programs Improvement Act of 2003" would improve the entrepreneurial environment for women seeking assistance and opportunity through Federal Government sponsored programs. A key to the success of this bill is the integration of all internal and external SBA programs and partnerships. The provisions in this bill are timely and in response to the many concerns of women business owners that I have received from my constituents in Maine and from across the country through the Small Business Committee.

Additionally, the bill makes the Women's Business Center a permanent program for existing eligible Centers so that women can depend on the experienced services of small business long-term counseling and small business education and training. The Centers have proven to be a great value the communities they serve so we must ensure that their programs and services continue to be available.

The "Women's Small Business Programs Improvement Act of 2003" ensure that women entrepreneurs at all stages of business ownership get the assistance they need so that success

through business growth is more easily obtained. And it achieves that goal, not by establish costly new initiatives, but by building on successful establish programs within the SBA and improving their delivery for the benefit of current and future women entrepreneurs.

As the Small Business Committee continues its work on legislation to reauthorize the SBA, we will be addressing all of the agency's programs. I look forward to working with my colleagues in the Senate to ensure that the provisions of this bill are included so the growth of women owned business in America can reach its full potential.

I ask unanimous consent that the text of the bill and a section-by-section analysis be printed into the RECORD.

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

S. 1154

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Women's Small Business Programs Improvement Act of 2003".

SEC. 2. OFFICE OF WOMEN'S BUSINESS OWNER-SHIP.

Section 29(g) of the Small Business Act (15 U.S.C. 656(g)) is amended—

(1) in paragraph (2)—

(A) in subparagraph (B)(i), by striking "in the areas of—

"(I) starting and operating"; and inserting the following:

"to solve problems concerning operations, manufacturing, technology, finance, international trade, and other disciplines required for—

"(I) starting, operating, and growing";

(B) in subparagraph (C), by inserting "the National Women's Business Council, and the Association of Women's Business Centers" before the period at the end; and

(2) by adding at the end the following:

"(3) PROGRAMS AND SERVICES FOR WOMEN-OWNED SMALL BUSINESSES.—The Assistant Administrator, in consultation with the Association of Women's Business Centers, the National Women's Business Council, and the Interagency Committee on Women's Business Enterprise, shall develop programs and services for women-owned businesses (as defined in section 408 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note)) that provide goods or services in the areas of—

"(A) manufacturing;

"(B) technology;

"(C) professional services;

"(D) travel and tourism;

"(E) international trade; and

"(F) Federal Government contract business development.

"(4) TRAINING.—The Administration shall provide sufficient training for business ownership representatives and technical representatives within the district offices of the Administration to enable these staffs to carry out their responsibilities under this section."

SEC. 3. WOMEN'S BUSINESS CENTER PROGRAM.

(a) WOMEN'S BUSINESS CENTER GRANTS PROGRAM.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended by striking subsection (b) through (f) and inserting the following:

"(b) GRANTS AUTHORIZED.—

"(1) IN GENERAL.—The Administration is authorized to award grants, to be known as

"Women's Business Center Grants", to private nonprofit organizations to conduct 3-year projects for the benefit of small business concerns owned and controlled by women. At the end of the initial 3-year grant period, and every 3 years thereafter, the grant recipient may apply to renew the grant in accordance with this subsection and subsection (e)(2).

"(2) CONTRACT AUTHORITY.—

"(A) IN GENERAL.—The Administration may enter into annual contracts with grant recipients under this subsection to perform the services described under paragraph (3) only to the extent and in the amount provided by appropriated funds.

"(B) TERMINATION.—If any grant recipient under this subsection does not fulfill its contractual obligations during the 3-year period of the grant, the Administration may terminate the grant.

"(3) USE OF FUNDS.—Grants awarded under paragraph (1) shall be used to provide—

"(A) financial assistance, including training and counseling in how to apply for and secure business credit and investment capital, preparing and presenting financial statements, and managing cash flow and other financial operations of a business concern;

"(B) management assistance, including training and counseling in how to plan, organize, staff, direct, and control each major activity and function of a small business concern; and

"(C) marketing assistance, including training and counseling in identifying and segmenting domestic and international market opportunities, preparing and executing marketing plans, developing pricing strategies, locating contract opportunities, negotiating contracts, and utilizing varying public relations and advertising techniques.

"(4) MATCHING REQUIREMENT.—

"(A) WOMEN'S BUSINESS CENTER GRANTS.—As a condition of receiving financial assistance under this section, the grant recipient shall agree to obtain, after its application has been approved and notice of award has been issued, cash contributions from non-Federal sources as follows:

"(i) In the first and second years, 1 non-Federal dollar for each 2 Federal dollars provided under the grant.

"(ii) In the third year, 1 non-Federal dollar for each Federal dollar provided under the grant.

"(iii) In each renewal period, 1 non-Federal dollar for each Federal dollar provided under the grant.

"(B) FORM OF NON-FEDERAL CONTRIBUTIONS.—Not more than ½ of the non-Federal sector matching assistance may be in the form of in-kind contributions that are budget line items only, including office equipment and office space.

"(C) FAILURE TO OBTAIN NON-FEDERAL FUNDING.—If any grant recipient fails to obtain the required non-Federal contribution during any project, it shall not be eligible thereafter for advance disbursements pursuant to subparagraph (D) during the remainder of that project, or for any other project for which it is or may be funded by the Administration. Before approving assistance to the grant recipient for any other projects, the Administration shall specifically determine whether the Administration believes that the grant recipient will be able to obtain the requisite non-Federal funding and enter a written finding setting forth the reasons for making such determination.

"(D) FORM OF FEDERAL CONTRIBUTIONS.—The financial assistance authorized pursuant to this section may be made by grant, contract, or cooperative agreement and may contain such provision, as necessary, to provide for payments in lump sum or installments, and in advance or by way of reim-

bursement. The Administration may disburse up to 25 percent of each year's Federal share awarded to a grant recipient after notice of the award has been issued and before the non-Federal sector matching funds are obtained.

"(5) APPLICATION SUBMISSION.—Each organization desiring a grant under this subsection, shall submit to the Administration an application that contains—

"(A) a certification that the applicant—

"(i) is a private nonprofit organization;

"(ii) employs an executive director or program manager to manage the center; and

"(iii) as a condition of receiving a grant under this subsection, agrees—

"(I) to receive a site visit as part of the final selection process;

"(II) to undergo an annual programmatic and financial examination; and

"(III) to the maximum extent practicable, to remedy any problems identified pursuant to the site visit or examination under subclauses (I) and (II);

"(B) information demonstrating that the applicant has the ability and resources to meet the needs of the market to be served by the women's business center site for which a grant is sought, including the ability to comply with the matching requirement under paragraph (4);

"(C) information relating to assistance provided by the women's business center site for which a grant is sought in the area in which the site is located, including—

"(i) the number of individuals assisted;

"(ii) the number of hours of counseling, training, and workshops provided; and

"(iii) the number of startup business concerns created;

"(D) information demonstrating the effective experience of the applicant in—

"(i) conducting financial, management, and marketing assistance programs, as described under paragraph (3), which are designed to teach or upgrade the business skills of women who are business owners or potential business owners;

"(ii) providing training and services to a representative number of women who are both socially and economically disadvantaged; and

"(iii) using resource partners of the Administration and other entities, such as universities;

"(E) a 3-year plan that projects the ability of the women's business center site for which a grant is sought—

"(i) to serve women business owners or potential owners in the future by improving training and counseling activities; and

"(ii) to provide training and services to a representative number of women who are both socially and economically disadvantaged; and

"(F) any additional information that the Administration may reasonably require.

"(6) REVIEW AND APPROVAL OF APPLICATIONS.—

"(A) IN GENERAL.—The Administration shall—

"(i) review each application submitted under paragraph (5) based on the information provided in such paragraph and the criteria set forth under subparagraph (B); and

"(ii) as part of the final selection process, conduct a site visit at each women's business center for which a grant is sought.

"(B) SELECTION CRITERIA.—

"(i) IN GENERAL.—The Administration shall evaluate and rank applicants in accordance with predetermined selection criteria that shall be stated in terms of relative importance. Such criteria and their relative importance shall be made publicly available and stated in each solicitation for applications made by the Administration.

“(ii) REQUIRED CRITERIA.—The selection criteria under clause (i) shall include—

“(I) the experience of the applicant in conducting programs or ongoing efforts designed to impart or upgrade the business skills of women business owners or potential owners;

“(II) the ability of the applicant to commence a project within a minimum amount of time;

“(III) the ability of the applicant to provide training and services to a representative number of women who are both socially and economically disadvantaged; and

“(IV) the location for the women’s business center site proposed by the applicant.

“(C) RECORD RETENTION.—The Administration shall maintain a copy of each application submitted under this subsection for not less than 7 years.

“(7) DATA COLLECTION.—Consistent with the annual report to Congress under subsection (g), each women’s business center site that is awarded a grant shall, to the maximum extent practicable, collect information relating to—

“(A) the number of individuals assisted;

“(B) the number of hours of counseling and training provided and workshops conducted;

“(C) the number of startup business concerns formed;

“(D) any available gross receipts of assisted concerns; and

“(E) the number of jobs created, maintained, or lost at assisted concerns.

“(8) SAVINGS PROVISION.—Notwithstanding any other provision of law, a contract or co-operative agreement, in effect on the date of enactment of the Women’s Small Business Programs Improvement Act of 2003, that awards a sustainability grant to a Women’s Business Center, shall remain in full force and effect under the terms, and for the duration, of such contract or agreement.

“(C) ASSOCIATION OF WOMEN’S BUSINESS CENTERS.—

“(1) RECOGNITION.—The Administration shall recognize the existence and activities of an association formed by the Women’s Business Centers to address matters of common concern.

“(2) CONSULTATION.—The Administration shall consult with the association described under paragraph (1) to develop—

“(A) a request for proposal to deliver assistance under this section;

“(B) a training program for the staff of the Women’s Business Centers; and

“(C) policies and procedures for governing the general operations and administration of the Women’s Business Center Program.”.

(b) CONFORMING AMENDMENTS.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(1) by redesignating subsections (g), (h), (i), (j), and (k) as subsections (d), (e), (f), (g), and (h), respectively.

(2) in subsection (e)(2), as redesignated by paragraph (1), by striking “to award a contract (as a sustainability grant) under subsection (l) or”;

(3) in subsection (h), as redesignated by paragraph (1)—

(A) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of this section, to remain available until expended—

“(A) \$14,500,000 for fiscal year 2004;

“(B) \$16,000,000 for fiscal year 2005; and

“(C) \$17,500,000 for fiscal year 2006.”; and

(B) by striking paragraph (4); and

(4) by striking subsection (l).

SEC. 4. NATIONAL WOMEN’S BUSINESS COUNCIL.

(a) COSPONSORSHIP AUTHORITY.—Section 406 of the Women’s Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by adding at the end the following:

“(e) COSPONSORSHIP AUTHORITY.—The Council is authorized to enter into cosponsorship agreements with public and private entities to carry out its duties under this section.”.

(b) MEMBERSHIP.—Section 407 of the Women’s Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by adding at the end the following:

“(j) REPRESENTATION OF MEMBER ORGANIZATIONS.—Notwithstanding subsection (b), a national women’s business organization or small business that is represented on the Council may replace its representative member on the Council at any time during the service term to which that member was appointed.”.

(c) ESTABLISHMENT OF COMMITTEES.—The Women’s Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by inserting after section 407, the following new section:

“SEC. 408. COMMITTEES.

“(a) ESTABLISHMENT.—There are established within the Council—

“(1) the Committee on Manufacturing, Technology, and Professional Services;

“(2) the Committee on Travel, Tourism, and International Trade; and

“(3) the Committee on Federal Procurement and Contracting.

“(b) DUTIES.—The Committees established under subsection (a) shall perform such duties as the chairperson shall direct.”.

(d) REPOSITORY FOR HISTORICAL DOCUMENTS.—Section 409 of the Women’s Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by adding at the end the following:

“(c) REPOSITORY FOR HISTORICAL DOCUMENTS.—The Council shall establish a repository for historical documents relating to women’s ownership of small businesses in the United States.”.

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 410(a) of the Women’s Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by striking “2001 through 2003, of which \$550,000” and inserting “2004 through 2006, of which 30 percent”.

SEC. 5. INTERAGENCY COMMITTEE ON WOMEN’S BUSINESS ENTERPRISE.

(a) CHAIRPERSON.—Section 403(b) of the Women’s Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) by striking “Not later” and inserting the following:

“(1) IN GENERAL.—Not later”; and

(2) by adding at the end the following:

“(2) VACANCY.—In the event that a chairperson is not appointed under paragraph (1), the Deputy Administrator of the Small Business Administration shall serve as acting chairperson of the Interagency Committee until a chairperson is appointed under paragraph (1).”.

(b) POLICY ADVISORY GROUP.—Section 401 of the Women’s Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) by striking “There” and inserting the following:

“(a) IN GENERAL.—There”; and

(2) by adding at the end the following:

“(b) POLICY ADVISORY GROUP.—

“(1) ESTABLISHMENT.—There is established within the Interagency Committee a Policy Advisory Group to assist the chairperson in developing policies and programs under this Act.

“(2) MEMBERSHIP.—The Policy Advisory Group shall be composed of—

“(A) 1 representative from the Small Business Administration;

“(B) 1 representative from the Department of Commerce;

“(C) 1 representative from the Department of Labor;

“(D) 1 representative from the Department of Defense;

“(E) 1 representative from the Association of Women’s Business Centers; and

“(F) 2 representatives from the National Women’s Business Council.”.

(c) ESTABLISHMENT OF SUBCOMMITTEES.—Section 401 of the Women’s Business Ownership Act of 1988 (15 U.S.C. 631 note), as amended by subsection (b), is further amended by adding at the end the following:

“(c) SUBCOMMITTEES.—

“(1) ESTABLISHMENT.—There are established within the Interagency Committee—

“(A) the Subcommittee on Manufacturing, Technology, and Professional Services;

“(B) the Subcommittee on Travel, Tourism, and International Trade; and

“(C) the Subcommittee on Federal Procurement and Contracting.

“(2) DUTIES.—The Subcommittees established under paragraph (1) shall perform such duties as the chairperson shall direct.”.

SEC. 6. ANNUAL MANAGEMENT REPORT.

Section 29(g)(1) of the Small Business Act, as amended by this Act, is further amended by striking “The Administration” and inserting “Not later than November 1st of each year, the Administration”.

SEC. 7. EFFECTIVE DATE.

This Act, and the amendments made by this Act, shall take effect on October 1, 2003.

THE WOMEN’S SMALL BUSINESS PROGRAMS IMPROVEMENT ACT OF 2003—EXPLANATION OF PROVISIONS

I. SBA OFFICE OF WOMEN’S BUSINESS OWNERSHIP

This section of the bill reflects the Committee’s recognition of the achievements and challenges of women small business owners. The hearings and reauthorization roundtables, held during 2003, provided the opportunity to identify the Small Business Administration (SBA) non-credit programs that most interest or concern women advocates and business owners.

Hearing witnesses and Roundtables participants identified the following concerns held by women business owners:

The concern for the Women’s Business Center Program’s sustainability grants pilot program that fund centers beyond the maximum 5-year funding periods;

The need to expand the SBA non-credit programs (Entrepreneurial Development and Government Contracting);

The need for current research on women-owned small businesses;

The lack of progress for women to gain access to start-up and expansion capital, and

The limited opportunities available to women-owned small businesses for Federal government contracts.

In followup meetings and discussions, women business advocates and leaders indicated their interests in positive changes for the SBA sponsored programs through the Women’s Business Centers program, the National Women’s Business Council, and the Interagency Committee on Women’s Business Enterprise. The SBA Office of Women’s Business Ownership is in a position to take the “real world problems” faced by women on a day-to-day basis and work with all of its partners and public and private resources to expand its menu of programs and services.

The bill will direct the SBA Office of Women’s Business Ownership to develop and make available new programs and services for established women owned businesses—adding to the SBA menu of small business start-up programs.

The new programs and services for women would assist women-owned small business solve problems concerning business operations, manufacturing, technology, finance, Federal government contracting and international trade and other disciplines required for starting, operating, and growing small

business in changing economies. New programs would be based on recommendations by the National Women's Business Council, the Women's Business Centers, and the Interagency Committee on Women's Business Enterprise, these programs and services would be developed by the SBA in partnership with its funded resource partners and private sector cosponsors.

The bill will direct the SBA to provide training for District Office Women Business Ownership Representatives (existing staff who carry out marketing and outreach activities) and District Office of Technical Representatives (existing staff who carry out grant programmatic and financial oversight) and to provide resources for the District Offices to carry out their responsibilities in support of women's business ownership programs.

The bill will direct the SBA to submit a report on data collections on women's programs and services to the Congress no later than November 1st of each year.

The bill will direct the SBA to work with the Association of Women's Business Centers, the National Women's Business Council and the Interagency Committee on Women Business Enterprise to develop marketing and outreach programs, as well as procurement training programs, on Federal government contracting and business development opportunities.

II. WOMEN'S BUSINESS CENTER PROGRAM

The Women's Business Center Program, established in 1988, provides long-term training and counseling to encourage small business ownership through nonprofit organizations. The competitive grant award programs is administered through the SBA Headquarters Office of Women's Business Ownership (OWBO) Grants Management Division, with oversight designated to the SBA District Office Technical Representative. The Women's Business Center program has been well received by the recipient users and the program has been a tremendous marketing and outreach tool for the SBA in recent years. The SBA estimated in Fiscal Year 2002, the Women's Business Center program had an approximate return of \$161 for every \$1 invested in the program.

The bill makes the Women's Business Centers a permanent grant program with renewal options, replacing the Pilot Sustainability Grants Program. The Pilot program sunsets in 2003.

Existing Women's Business Centers will be eligible to submit proposals every 3 years. The program improvements are modeled after the SBDC grant program and several provisions contained in the Sustainability Grant Program. Eligibility and evaluation criteria will be established that encourages existing productive Centers to continue to participate in the program.

The bill recognizes the Association of Women's Business Centers (AWBCs) and directs the SBA Office of Women's Business Ownership to partner with the Association in developing and administering the programs delivered through the Centers (modeled after the SBA's current partnership with the Association of Small Business Development Centers with regard to the Small Business Development Center program).

The bill directs the SBA to streamline the reporting requirements of the Centers recognizing the limited grant award and limited human resources within the Centers.

III. INTERAGENCY COMMITTEE ON WOMEN'S BUSINESS ENTERPRISE

The Interagency Committee on Women's Business Enterprise was created in 1977, as an interagency task force. By Executive Order 112138, in May 1979, the name was changed to the Interagency Council. In 1988,

the Women's Business Ownership Act (Public Law 100-533) replaced the Interagency Council with a joint public-private sector National Women's Business Council. The SBA Reauthorization and Amendment Act of 1997 (Public Law 103-403) revised the Council's structure, returning to all public-sector participants to comprise an expanded Interagency Committee on Women's Business Enterprise.

Under current law, there is no authorization for appropriations to support the activities on the Interagency Committee. Nor are there clear directives on the operations and interaction of the Federal agency and department representatives. The Federal agencies and departments represented on the Interagency Committee allocate existing personnel and resources to support participation on the Interagency Committee. The Interagency Committee is required to submit, through SBA, an annual report to the President and Congress, but there is no record of such annual reports being prepared or delivered for the past three years.

In addition, the President has not appointed a Chairperson to carry out the mission of the Interagency Committee, and therefore, it is inactive.

The bill will direct that the SBA Deputy Administrator temporarily fulfill the needs of the Interagency Committee Chair if vacant until the President makes an appointment. When the Interagency Committee is active and a Chair is in place, the SBA Office of Women's Business Ownership serves as Co-Chair. This action will provide for the continuity of activities and avoid the periods of time of inactivity.

The bill will direct the Interagency Committee to conduct three official meetings each year:

In October to plan upcoming fiscal year activities;

In February to track year-to-date agency contracting goals; and

In August to evaluate fiscal year progress and begin the report process.

The bill creates a Policy Advisory Group consisting of representatives from the SBA, the Department of Commerce, the Department of Labor, the Department of Defense, Association of Women's Business Centers, and two individuals and two organizations that are members of the National Women's Business Council. Creating the Policy Advisory Group will return the Interagency to a mix of public/private members to provide the energy and direction so badly needed to revive the intent of the Interagency Committee.

The bill will create three subcommittees: Subcommittee on Manufacturing, technology and Professional Services;

Subcommittee on Travel and International Trade; and

Subcommittee on Procurement and Federal Contracting.

These subcommittees will create the opportunity for smaller groups to work on specific issues. Each subcommittee will meet once a quarter and report their minutes to the National Women's Business Council, the SBA Office of Women's Business Ownership, and the SBA Contract Assistance for Women Business Ownership Office. In addition to the Policy Advisory Group members, all Federal departments and agencies may participate at will.

IV. NATIONAL WOMEN'S BUSINESS COUNCIL

The National Women's Business Council was created by the Women's Business Ownership Act of 1988 to serve as an advisory body because the Interagency Committee had been criticized for inactivity. By separating the Council from the Interagency Committee (1994 Act), the Council was able to focus on

its mission. The 1997 Reauthorization Act provided for improved reporting duties and Council appointments.

The 1988 Act required the Council to conduct studies on issues relating to women-owned businesses, including the award of Federal prime contracts to women-owned businesses and access to credit and investment capital by women entrepreneurs. In general, the National Women's Business Council's statutory mandate is broad and lacks an integration with other women's business ownership programs.

Although the Council has not received its authorized level of \$1 million in funding, it has been required to designate \$550,000 of its appropriated funding to research studies. The level of funding for Fiscal Year 2003 was \$750,000. The Administration has proposed a change in the amount that can be spent on research studies—from a set amount of dollars allocated to a 55 percentage of appropriated funds.

The bill supports full funding for the National Women's Business Council and full authority for the Chairperson to conduct the Council's activities. In addition, the bill establishes an allocation of appropriated funds for research.

The change will provide the opportunity for the Council to engage in activities, conferences and the development of programs and services, at the direction of the Chairperson, and be more pro-active in the years 2004 through 2006.

The bill creates three Sub-committees on the Council (which parallel the new subcommittees that the bill establishes for the Interagency Committee on Women's Business Enterprise):

Subcommittee on Manufacturing, Technology and Professional Services;

Subcommittee on Travel and International Trade; and

Subcommittee on Procurement and Federal Contracting.

These subcommittees will create the opportunity for smaller groups to work on specific issues and interact with the Interagency Committee on Women's Business Enterprise and the SBA Office of Women's Business Ownership. Recognizing that the membership of the Council includes very active business owners and leaders, rather than establish official meetings for the Committees, the participants may participate via conference calls or video conferencing.

The bill will provide the Council with cosponsorship authority. The SBA advised the Council in 2003 that the Council did not have sufficient authority to engage in cosponsored activities (such conferences, training activities, and materials). The inability to engage in cosponsored activities would seriously impede the works of the Council in the future. It is through cosponsored activities, partially funded by the private-sector or other government agencies, that the Council is able to conduct research as well as produce activities for women-owned small businesses.

The bill will clarify the membership representation. At present, there is a problem with the interpretation of Council membership as applied to an organization, business or individual. Clarification language is needed to allow an organization or business to change the names of individuals representing the organization or business on the Council without interruption.

The bill directs the Council to establish a repository, at the direction of the Chairperson, of information and research on women's entrepreneurship.

By Mr. GRASSLEY:

S. 1155. A bill to repeal section 801 of the Revenue Act of 1916; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, today I am introducing a bill to bring the United States into compliance with its obligations under the World Trade Organization.

The basic thrust of the bill is simple—it repeals section 801 of the Revenue Act of 1916 which the WTO Appellate Body found to be inconsistent with our responsibilities under Article VI of the GATT 1994 and the WTO Antidumping Agreement. Repealing section 801 will therefore bring the United States into conformity with its WTO obligations.

Section 801, which has been referred to as the Antidumping Act of 1916, allows private parties to sue importers of dumped imports in U.S. district courts, and also establishes criminal liability for importing dumped goods. While the provision is seldom used, there are several recent court cases pending in the United States where litigants have sued under the Antidumping Act of 1916.

I am introducing this legislation because I believe it is important that the United States comply with its WTO obligations. While we may not agree with each and every decision that comes out of the WTO, we should not pick and choose which decisions we will comply with. The bottom line is that the United States benefits greatly from a rules-based world trading system. We have had considerable success in bringing down foreign import barriers, and this has resulted in increased trade, economic growth, and more jobs right here in the United States. When we comply with adverse decisions we only strengthen our position in other cases where we challenge the impermissible import restraints of our trading partners, such as the *de facto* biotechnology moratorium adopted by the European Union, which continues to hurt farmers in Iowa and is now under challenge before the WTO. I want other countries to comply when we win, so I think it is important to comply when we lose.

I would also like to point out an important aspect of the bill I am introducing. The bill brings us into compliance with our WTO obligations, but it does not apply retroactively. I think retroactive application of repeal would be wrong in this case for a number of reasons.

First, the U.S. Supreme Court has held that under the constitutional due process standard, retroactive application of economic legislation is acceptable only where it is justified by a rational legislative purpose. To my knowledge, no one has yet articulated any reason, let alone a rational legislative purpose, for depriving litigants in U.S. courts of the opportunity for final adjudication of their disputes in this case. In fact, the Appellate Body Ruling itself does not call for a retroactive repeal of section 801 in order for the United States to conform to its WTO obligations. It seems to me that no rational legislative purpose is served by

retroactive repeal of section 801 when the Appellate Body Report does not ask for retroactive repeal and the Administration has not explained why retroactive repeal is necessary.

The Supreme Court has also held that the justification for prospective application of legislation may not suffice for retroactive application of the same legislation. The justification for repeal of section 801 is to conform to our WTO obligations; again, if WTO compliance does not call for retroactive repeal, then the justification for repealing section 801 should not extend to a retroactive repeal of this provision.

Second, the administration and Congress have consistently taken the position that retroactive repeal is not necessary to ensure compliance with our WTO obligations in all cases, particularly in cases dealing with U.S. trade remedy laws. The Joint Report of the Committee of Finance, Committee on Agriculture, Nutrition, and Forestry, Committee on Government Affairs of the U.S. Senate which accompanied the legislation implementing the Uruguay Round Agreements Act explicitly noted that compliance with WTO panels in trade remedy cases applied prospectively only. The Joint Report continued that prospective application “is consistent with the general principle in the GATT, and in the future WTO, that panel decisions do not have retroactive effect.”

This principle is fully consistent with the text of the WTO agreement itself. Article 19.1 of the Dispute Settlement Understanding states only that “{w}here a panel or the Appellate Body concludes that a measure is inconsistent with a covered agreement, it shall recommend that the Member concerned bring the measure into conformity with that Agreement. In addition to its recommendations, the panel or Appellate Body may suggest ways in which the Member concerned could implement the recommendations.” Thus, the text of the WTO calls only for “bringing the measure into conformity” and not retroactive application of an Appellate Body decision.

To my knowledge, this is the position which has consistently been taken by the U.S. Government and the WTO Appellate Body. In fact, with the exception of one aberrant decision by a panel in the case of Australian Automotive Leather, WTO panels and the Appellate Body have continued to adhere to the general principle that retroactive compliance measures are inappropriate.

The panel ruling in Australian Automotive Leather is instructive. The WTO Dispute Settlement Body adopted a panel report that recommended the Australian recipient of a subsidy pay back the entire amount of the \$30 million Australian dollar subsidy it had received. This recommendation went far beyond what the United States asked for. The United States sought only the return of the prospective value of the subsidy that the Aus-

tralian automotive leather company had received. The United States argued that repayment of the entire subsidy was inappropriate and ultimately settled the dispute with Australia in a deal that required the automotive leather company to pay back \$7.2 million Australian dollars to the Government of Australia, which reflected the prospective value of the subsidy. Thus, both U.S. law and U.S. trade policy conform to the general principle that compliance measures should be prospective in nature.

Finally, I believe that as a general matter, attempts at retroactive compliance with WTO rulings can make for bad trade policy. The intent of the rules-based trading system established under the WTO is to bring Members into compliance so that going forward international trade can be conducted on a level playing field. There is just no telling where efforts at retroactive compliance may lead. While in this instance the retroactive repeal of section 801 may seem clear-cut to some, it could set a dangerous precedent for future cases. Imagine if the WTO Appellate Body required or the U.S. Government advocated for retroactive application of a measure repealing the Extraterritorial Income Act/Foreign Sales Corporation tax regime. The result would be ludicrous.

Rather than foster the establishment of a level playing field, efforts at retroactive compliance may well distort markets to an extent even greater than the underlying measure that was found to be WTO inconsistent. We need to carefully consider whether retroactive repeal of a statutory provision is appropriate. I believe that considerations of judicial precedent, legislative intent, established practice under the GATT and the WTO, as well as good trade policy, all mitigate against the retroactive repeal of section 801.

I call upon my colleagues to support this bill repealing section 801. Passing the bill will bring us into compliance with our WTO obligations, demonstrate our continued commitment to the rules-based trading system, and strengthen our position in future cases where we prove successful in challenging impermissible import restraints erected by our trading partners.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1155

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF ANTIDUMPING PROVISION OF REVENUE ACT OF 1916.

(a) REPEAL.—Section 801 of the Act entitled “An Act to increase the revenue, and for other purposes”, approved September 8, 1916 (15 U.S.C. 72), is repealed.

(b) EFFECT OF REPEAL.—The repeal made by subsection (a) shall not affect any action under section 801 of the Act referred to in

subsection (a) that was commenced before the date of the enactment of this Act and is pending on such date.

By Mr. SPECTER:

S. 1156. A bill to amend title 38, United States Code, to improve and enhance the provision of long-term health care for veterans by the Department of Veterans Affairs, to enhance and improve authorities relating to the administration of personnel of the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

Mr. SPECTER. Mr. President, I have sought recognition to explain briefly the provisions of the "Department of Veterans Affairs Long-Term Care and Personnel Authorities Enhancement Act of 2003," a bill that I have introduced today.

Title I of the bill would extend through calendar year 2008 authorities that now specify that the Department of Veterans Affairs, VA, will provide to veterans enrolled for VA medical care outpatient-based long-term care services, such as Adult Day Health Care, Home Health Aide assistance, Non-Institutional Respite Care, and Home-based Primary Care. These services provide alternatives to institutional care and, in many cases, they obviate the need for institutional care by allowing veterans to remain in their own homes with care-giving assistance provided by VA.

In addition, this bill would lower, from 70 percent to 50 percent, the threshold level of service-connected disability that would qualify a veteran for highest-priority for institutional care should he or she need it. VA currently provides highest-priority access to hospital and outpatient clinic-based care to veterans who have suffered a service-connected disability rated by VA as 50 percent disabling or higher. Highest-priority access to inpatient-based long-term care services, however, is only granted by law to veterans who are 70 percent or more disabled, unless such care is needed specifically to treat a less-disabling service-connected disability. When this provision of law was enacted in 1999, Congress set the threshold for priority access to nursing home care at 70 percent, rather than at 50 percent, due primarily to concerns that a lower threshold—which was actively considered—might cause VA to be faced with an unforeseen level of demand that could not be met. Since then, however, VA has reported that "there was only a small increase in the numbers of veterans 70 percent service-connected or greater who were estimated to need nursing home care but who actually received that care from VA." In light of that, I see no compelling reason to continue distinguishing between nursing home care and all other types of care that are made available to 50 percent or higher service-connected veterans on a highest-priority basis. This bill would provide, in effect, that hospital care, outpatient clinic-based care, and nursing home

care will equally be made available to all such enrolled veterans.

Title I of the bill would also make technical changes to VA authority to contract for nursing home and adult day health care services by allowing VA to enter into agreements with providers under standards similar to those allowed by Medicare. According to VA, these changes will allow a greater number of smaller community-based providers to contract with VA by reducing the regulatory burdens placed upon them as a condition to contracting eligibility.

Title II of the bill authorizes major construction for long-term care facilities in Beckley, WV and Lebanon, PA. Each of these states has a substantial elderly population and each is in need of expansion to their VA long-term care programs.

Title III of the bill would change current law to allow VA to more easily hire and retain certain clinical staff members. Under current law, VA hires many clinical professionals, such as physicians and nurses, under streamlined authorities set forth in title 38 of U.S. Code. But other key clinical professionals, such as clinical social workers, psychologists, and pharmacists, may only be hired through the standard "civil service" authorities specified in Title 5, U.S. Code. Further, members of such professions may only be paid and promoted in accordance with the standard civil service General Schedule, GS, pay scale. The process of hiring staff under these procedures is arduous and lengthy, consuming three months or more and placing VA at great competitive disadvantage in securing the services of best qualified candidates. This bill would convert many of these positions into "hybrid Title 38" status and permit VA greatly increased hiring and promotion flexibility, and compensation at special, locally-based, pay scales. Such clinicians, however, would retain their standard civil service grievance, vacation, and discipline protections.

Title III of the bill also contains provisions to correct a long-standing inequity relating to retirement benefits for certain part-time VA nurses; to expand a successful pilot program allowing for contract-physician disability compensation medical examinations; and to afford certain wage-grade canteen workers an opportunity to compete favorably for VA employment.

I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 1156

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Veterans Affairs Long-Term Care and Per-

sonnel Authorities Enhancement Act of 2003".

TITLE I—EXTENSION AND ENHANCEMENT OF AUTHORITIES

SEC. 101. EXTENSION AND MODIFICATION OF CERTAIN HEALTH CARE AUTHORITIES.

(a) TREATMENT OF NONINSTITUTIONAL EXTENDED CARE SERVICES AS MEDICAL SERVICES.—Section 1701(a)(10)(A) of title 38, United States Code, is amended by striking "December 31, 2003" and inserting "December 31, 2008".

(b) REQUIRED NURSING HOME CARE.—(1) Subsection (a) of section 1710A of such title is amended by striking "70 percent" and inserting "50 percent".

(2) Subsection (c) of such section is amended by striking "December 31, 2003" and inserting "December 31, 2008".

SEC. 102. ENHANCED AGREEMENT AUTHORITY FOR PROVISION OF NURSING HOME CARE AND ADULT DAY HEALTH CARE IN NON-DEPARTMENT OF VETERANS AFFAIRS FACILITIES.

Section 1720 of title 38, United States Code, is amended—

(1) in subsection (c)—

(A) by designating the existing text as paragraph (2); and

(B) by inserting before paragraph (2), as so designated, the following new paragraph (1):

"(1) In furnishing nursing home care or adult day health care under this section, the Secretary may enter into agreements for furnishing such care utilizing such authorities relating to agreements for the provision of services under section 1866 of the Social Security Act (42 U.S.C. 1395cc) that the Secretary considers appropriate."; and

(2) in subsection (f)(1)(B), by inserting "or agreement" after "contract" each place it appears.

TITLE II—CONSTRUCTION AUTHORIZATION

SEC. 201. AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS.

The Secretary of Veterans Affairs may carry out the following major medical facility projects, with each project to be carried out in an amount not to exceed the amount specified for that project:

(1) Construction of a long-term care facility in Lebanon, Pennsylvania, \$14,500,000.

(2) Construction of a long-term care facility in Beckley, West Virginia, \$20,000,000.

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for the Secretary of Veterans Affairs for fiscal year 2004 for the Construction, Major Projects, account, a total of \$34,500,000 for the projects authorized in paragraphs (1) and (2) of section 201.

(b) LIMITATION.—The projects authorized in section 201 may only be carried out using—

(1) funds appropriated for fiscal year 2004 pursuant to the authorization of appropriations in subsection (a);

(2) funds appropriated for Construction, Major Projects, for a fiscal year before fiscal year 2004 that remain available for obligation; and

(3) funds appropriated for Construction, Major Projects, for fiscal year 2004 for a category of activity not specific to a project.

TITLE III—PERSONNEL

SEC. 301. MODIFICATION OF AUTHORITIES ON APPOINTMENTS OF PERSONNEL IN THE VETERANS HEALTH ADMINISTRATION.

(a) POSITIONS TREATABLE AS HYBRID STATUS POSITIONS.—Section 7401 of title 38, United States Code, is amended—

(1) in paragraph (2), by striking "Psychologists" and all that follows through "other scientific" and inserting "Other scientific"; and

(2) by striking paragraph (3) and inserting the following new paragraph (3):

“(3) Audiologists, speech pathologists, and audiologist-speech pathologists, biomedical engineers, certified or registered respiratory therapists, dietitians, licensed physical therapists, licensed practical or vocational nurses, medical instrument technicians, medical records administrators or specialists, medical records technicians, medical technologists, nuclear medicine technologists, occupational therapists, occupational therapy assistants, orthotist-prosthetists, pharmacists, pharmacy technicians, physical therapy assistants, prosthetic representatives, psychologists, diagnostic radiologic technicians, therapeutic radiologic technicians, social workers, and personnel in such other positions as the Secretary designates (subject to section 7403(f)(4) of this title) for purposes of this paragraph as necessary for the medical care of veterans.”.

(b) REPORT ON PROPOSAL TO DESIGNATE ADDITIONAL POSITIONS AS HYBRID STATUS POSITIONS.—Section 7403(f) of such title is amended by adding at the end the following new paragraph:

“(4) Not later than 45 days before the date on which the Secretary proposes to designate a position as a position necessary for the medical care of veterans for which appointment may be made under section 7401(3) of this title, the Secretary shall submit to the Committees on Veterans’ Affairs of the Senate and the House of Representatives a report on the proposed designation.”.

(c) TEMPORARY, PART-TIME, AND WITHOUT COMPENSATION APPOINTMENTS.—Section 7405 of such title is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking subparagraphs (B) and (C) and inserting the following new subparagraphs:

“(B) Positions listed in section 7401(3) of this title.

“(C) Librarians.”; and

(B) in paragraph (2), by striking subparagraph (B) and inserting the following new subparagraph (B):

“(B) Positions listed in section 7401(3) of this title.”; and

(2) in subsection (c)(1), by striking “section 7401(1)” and inserting “paragraphs (1) and (3) of section 7401”.

(d) AUTHORITY FOR ADDITIONAL PAY FOR CERTAIN HEALTH CARE PROFESSIONALS.—Section 7454(b)(1) of such title is amended by striking “certified or registered” and all that follows through “occupational therapists,” and inserting “individuals in positions listed in section 7401(3) of this title.”.

SEC. 302. COVERAGE OF EMPLOYEES OF VETERANS’ CANTEEN SERVICE UNDER ADDITIONAL EMPLOYMENT LAWS.

Section 7802(5) is amended by inserting before the semicolon the following: “. Employees and personnel under this clause may be considered for appointment in Department positions in the competitive service in the same manner that Department employees in the competitive service are considered for transfer to such positions. An employee or individual appointed as personnel under this clause who is appointed to a Department position under the authority of the preceding sentence shall be treated as having a career appointment in such position once such employee or individual meets the three-year requirement for career tenure (with any previous period of employment or appointment in the Service being counted toward satisfaction of such requirement)”.

SEC. 303. EFFECTIVE DATE OF MODIFICATION OF TREATMENT FOR RETIREMENT ANNUITY PURPOSES OF CERTAIN PART-TIME SERVICE OF CERTAIN DEPARTMENT OF VETERANS AFFAIRS HEALTH-CARE PROFESSIONALS.

(a) EFFECTIVE DATE.—The effective date of the amendment made by section 132 of the Department of Veterans Affairs Health Care Programs Enhancement Act of 2001 (Public Law 107-135; 115 Stat. 2454) shall be as follows:

(1) January 23, 2002, in the case of health care professionals referred to in subsection (c) of section 7426 of title 38, United States Code (as so amended), who retire on or after that date.

(2) The date of the enactment of this Act, in the case of health care professionals referred to in such subsection (c) who retired before January 23, 2002, but after April 7, 1986.

(b) RECOMPUTATION OF ANNUITY.—The Office of Personnel Management shall recompute the annuity of each health-care professional described in the first sentence of subsection (c) of section 7426 of title 38, United States Code (as so amended), who retired before January 23, 2002, but after April 7, 1986, in order to take into account the amendment made by section 132 of the Department of Veterans Affairs Health Care Programs Enhancement Act of 2001. Such recomputation shall be effective only with respect to annuities paid after the date of the enactment of this Act, and shall apply beginning the first day of the first month beginning after the date of the enactment of this Act.

SEC. 304. PERMANENT AUTHORITY FOR USE OF CONTRACT PHYSICIANS FOR DISABILITY EXAMINATIONS.

(a) PERMANENT AUTHORITY.—Section 504 of the Veterans’ Benefits Improvements Act of 1996 (Public Law 104-275; 110 Stat. 3341; 38 U.S.C. 5101 note) is amended—

(1) in subsection (a), by striking “may conduct a pilot program” and all that follows through “may be made by” and inserting “may carry out examinations with respect to the medical disability of applicants for benefits under the laws administered by the Secretary through”; and

(2) in subsection (c), by striking “the pilot program under”.

(b) REPEAL OF LIMITATION AND OBSOLETE AUTHORITY.—That section is further amended—

(1) by striking subsections (b) and (d); and

(2) by redesignating subsection (c), as amended by subsection (a) of this section, as subsection (b).

(c) CONFORMING AMENDMENT.—The heading for that section is amended to read as follows:

“SEC. 504. AUTHORITY FOR USE OF CONTRACT PHYSICIANS FOR DISABILITY EXAMINATIONS.”.

By Mr. BROWNBACK (for himself, Mr. DODD, Mr. STEVENS, Mr. AKAKA, Mr. ALLARD, Mr. ALLEN, Mr. BIDEN, Mrs. BOXER, Mr. CAMPBELL, Mr. CHAFEE, Mr. CLINTON, Ms. COLLINS, Mr. CORNYN, Mr. CORZINE, Mr. DASCHLE, Mr. DEWINE, Mrs. DOLE, Mr. DURBIN, Mr. EDWARDS, Mr. FRIST, Mr. GRAHAM of Florida, Mr. GRAHAM of South Carolina, Mr. GRASSLEY, Mr. HOLLINGS, Mrs. HUTCHISON, Mr. JEFFORDS, Mr. KENNEDY, Mr. KERRY, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Mr.

LOTT, Ms. MIKULSKI, Mr. MILLER, Mr. NELSON of Nebraska, Mr. NELSON of Florida, Mr. PRYOR, Mr. REID, Mr. SANTORUM, Mr. SCHUMER, Mr. SMITH, Ms. STABENOW, Mr. CRAIG, and Mr. LEAHY):

S. 1157. A bill to establish within the Smithsonian Institution the National Museum of African American History and Culture, and for other purposes; to the Committee on Rules and Administration.

Mr. BROWNBACK. Mr. President, over 200 years ago, there was a dream that was America for a group of individuals who were brought to our shores in shackles. A dream so powerful that compelled a race of people to fight for the liberty of others when they were in bondage themselves. A dream that not only served as a catalyst for physical liberation in the African-American community but removed societal shackles from our culture and enabled us to realize the ideals set before us in the constitution—that all men are created equal under God.

Today, we celebrate this magnificent history. A history of people’s quest for freedom that shaped this Nation into a symbol of freedom and democracy around the world. I am proud to stand here today with my colleagues and introduce once again to this body a bill that will create the National Museum of African American History and Culture.

I would specifically like to thank Senator DODD, who is committed to honoring this history and has worked hard to get us to this point today. I look forward to working with him on this bill.

I would also like to thank Senator TED STEVENS for his leadership and commitment to this project as well. It means a great deal to have his support and I am grateful.

Senator SANTORUM has always been a supporter of this legislation and has given unwavering enthusiasm to this project since the 107th Congress. I look forward to working with him as well to finally complete this museum.

And I am grateful to all of the original cosponsors of this bill—this is fantastic.

Mr. President, the national Museum of African American History and Culture Presidential Commission—signed into law by President Bush, stated that the time is now. Indeed the time is now to honor this incredible history that has shaped this great Nation.

I thank the Presidential Commission for their hard work and effort in recommending to Congress that we should build this museum and that there is sufficient interest in the philanthropic community to financially support this museum and that there are sufficient artifacts to fill this museum.

So many Americans will be able to share in the celebration of this museum—a uniquely American museum one that we can celebrate. I remember when I met with the dean of the Afro-

American studies at Howard University.

He told me of a story about his grandfather who finished a bowl the day the Emancipation Proclamation was authorized.

His grandfather decided to keep the bowl because it no longer was the property of a slave master but the man who made it—his grandfather.

Mr. President, the dean has this bowl in his home—an incredible piece of history and I am sure there are many more pieces out there waiting for a home—a national home.

Today, we are not just introducing a bill, we are completing a piece of American history by introducing the National Museum of African American History and Culture, which will create a museum to honor African-American contributions to this Nation—which is an extraordinary story of sacrifice and triumph.

This bill will create this museum within the Smithsonian Institution—America's premier museum complex. We have worked very hard with the Smithsonian Institution to craft a bill that will complement their programs—and indeed we have done just that.

This bill is very similar to the American Indian Museum, slated to open next year. And I know that the Smithsonian Institution will create another national treasure one that tells the story of African-Americans in this country—a proud history, a rich history.

This bill charges the board of regents of the Smithsonian Institution along with the Council of the National Museum to plan, build and construct a museum dedicated to celebrating nationally African-American history—which is American history.

In addition, this bill charges the Board of Regents with choosing a site on or adjacent to the national mall for the location of the museum.

Additionally, the bill establishes an education and program liaison section designed to work with educational institutions and museums across the country in order to promote African-American history.

Finally, the bill sets forth a Federal-private partnership for funding the museum and authorizes \$17 million for the first year in order to begin implementation of the museum council, which will be comprised from a mixture of leading African-Americans from the museum, historical, and business communities.

Mr. President, it has been well over 70 years since the first commission was formed to seek ways to honor nationally the contributions of African-Americans.

It has always been my hope that this museum will not only showcase nationally the accomplishments of African-Americans—which are great—but will also serve as a catalyst for racial reconciliation for our Nation. Indeed we have triumphed over our difficulties in this area, but we must continue to do more.

I do not pretend that this museum is a panacea for racial reconciliation. It is, however, a productive step in recognizing the important contributions and the debt all Americans owe to African-Americans.

Dr. Martin Luther King, Jr. once expressed his desire for this Nation, "that the dark clouds of [misconceptions] will soon pass away and the deep fog of misunderstanding will be lifted from our fear-drenched communities and in some not too distant tomorrow the radiant stars of love and brotherhood will shine over our great nation with all their scintillating beauty." We are one step closer today—God bless.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD after my remarks.

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

S. 1156

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Museum of African American History and Culture Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) since its founding, the United States has grown into a symbol of democracy and freedom around the world, and the legacy of African Americans is rooted in the very fabric of the democracy and freedom of the United States;

(2) there exists no national museum within the Smithsonian Institution located on the National Mall that—

(A) is devoted to the documentation of African American life, art, history, and culture; and

(B) encompasses, on a national level—

(i) the period of slavery;

(ii) the era of reconstruction;

(iii) the Harlem renaissance;

(iv) the civil rights movement; and

(v) other periods associated with African American life, art, history, and culture; and

(3) a National Museum of African American History and Culture would be dedicated to the collection, preservation, research, and exhibition of African American historical and cultural material reflecting the breadth and depth of the experiences of individuals of African descent living in the United States.

SEC. 3. DEFINITIONS.

In this Act:

(1) BOARD OF REGENTS.—The term "Board of Regents" means the Board of Regents of the Smithsonian Institution.

(2) COUNCIL.—The term "Council" means the National Museum of African American History and Culture Council established by section 5.

(3) MUSEUM.—The term "Museum" means the National Museum of African American History and Culture established by section 4.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Smithsonian Institution.

SEC. 4. ESTABLISHMENT OF MUSEUM.

(a) ESTABLISHMENT.—There is established within the Smithsonian Institution a museum to be known as the "National Museum of African American History and Culture".

(b) PURPOSE.—The purpose of the Museum shall be to provide for—

(1) the collection, study, and establishment of programs relating to African American

life, art, history, and culture that encompass—

(A) the period of slavery;

(B) the era of reconstruction;

(C) the Harlem renaissance;

(D) the civil rights movement; and

(E) other periods of the African American diaspora;

(2) the creation and maintenance of permanent and temporary exhibits documenting the history of slavery in America and African American life, art, history, and culture during the periods referred to in paragraph (1);

(3) the collection and study of artifacts and documents relating to African American life, art, history, and culture; and

(4) collaboration between the Museum and other museums, historically black colleges and universities, historical societies, educational institutions, and other organizations that promote the study or appreciation of African American life, art, history, or culture, including collaboration concerning—

(A) development of cooperative programs and exhibitions;

(B) identification, management, and care of collections; and

(C) training of museum professionals.

SEC. 5. COUNCIL.

(a) ESTABLISHMENT.—There is established within the Smithsonian Institution a council to be known as the "National Museum of African American History and Culture Council".

(b) DUTIES.—

(1) IN GENERAL.—The Council shall—

(A) make recommendations to the Board of Regents concerning the planning, design, and construction of the Museum;

(B) advise and assist the Board of Regents on all matters relating to the administration, operation, maintenance, and preservation of the Museum;

(C) recommend annual operating budgets for the Museum to the Board of Regents;

(D) report annually to the Board of Regents on the acquisition, disposition, and display of objects relating to African American life, art, history, and culture; and

(E) adopt bylaws for the operation of the Council.

(2) PRINCIPAL RESPONSIBILITIES.—The Council, subject to the general policies of the Board of Regents, shall have sole authority to—

(A) purchase, accept, borrow, and otherwise acquire artifacts and other property for addition to the collections of the Museum;

(B) loan, exchange, sell, and otherwise dispose of any part of the collections of the Museum, but only if the funds generated by that disposition are used for—

(i) additions to the collections of the Museum; or

(ii) programs carried out under section 7(a); and

(C) specify criteria with respect to the use of the collections and resources of the Museum, including policies on programming, education, exhibitions, and research with respect to—

(i) the life, art, history, and culture of African Americans;

(ii) the role of African Americans in the history of the United States from the period of slavery to the present; and

(iii) the contributions of African Americans to society.

(3) OTHER RESPONSIBILITIES.—The Council, subject to the general policies of the Board of Regents, shall have authority—

(A) to provide for preservation, restoration, and maintenance of the collections of the Museum; and

(B) to solicit, accept, use, and dispose of gifts, bequests, and devises of services and

property, both real and personal, for the purpose of aiding and facilitating the work of the Museum.

(c) COMPOSITION AND APPOINTMENT.—

(1) IN GENERAL.—The Council shall be composed of 19 voting members as provided under paragraph (2).

(2) VOTING MEMBERS.—The Council shall include the following voting members:

(A) The Secretary of the Smithsonian Institution.

(B) 1 member of the Board of Regents, appointed by the Board of Regents.

(C) 17 individuals appointed by the Board of Regents—

(i) taking into consideration individuals recommended by organizations and entities that are committed to the advancement of knowledge of African American life, art, history, and culture; and

(ii) taking into consideration individuals recommended by the other members of the Council.

(3) INITIAL APPOINTMENTS.—The Board of Regents shall make initial appointments to the Council under paragraph (2) not later than 180 days after the date of enactment of this Act.

(4) SPECIAL RULE FOR CERTAIN MEMBERS.—Of the total number of members of the Council appointed under subparagraph (C) of paragraph (2), not fewer than 9 shall be of African-American descent.

(d) TERMS.—

(1) IN GENERAL.—Except as provided in this subsection, each appointed member of the Council shall be appointed for a term of 6 years.

(2) INITIAL APPOINTEES.—As designated by the Board of Regents at the time of appointment, of the voting members first appointed under subparagraph (C) of subsection (c)(2)—

(A) 6 members shall be appointed for a term of 2 years;

(B) 6 members shall be appointed for a term of 4 years; and

(C) 5 members shall be appointed for a term of 6 years.

(3) REAPPOINTMENT.—A member of the Council may be reappointed, except that no individual may serve on the Council for a total of more than 2 terms.

(4) VACANCIES.—

(A) IN GENERAL.—A vacancy on the Council—

(i) shall not affect the powers of the Council; and

(ii) shall be filled in the same manner as the original appointment was made.

(B) TERM.—Any member of the Council appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of that term.

(e) COMPENSATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), a member of the Council shall serve without pay.

(2) TRAVEL EXPENSES.—A member of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Council.

(f) CHAIRPERSON.—By a majority vote of its voting members, the Council shall elect a chairperson from its members.

(g) MEETINGS.—

(1) IN GENERAL.—The Council shall meet at the call of the chairperson or on the written request of a majority of the voting members of the Council, but not fewer than twice each year.

(2) INITIAL MEETINGS.—During the 1-year period beginning on the date of the first

meeting of the Council, the Council shall meet not fewer than 4 times for the purpose of carrying out the duties of the Council under this Act.

(h) QUORUM.—A majority of the voting members of the Council holding office shall constitute a quorum for the purpose of conducting business, but a lesser number may receive information on behalf of the Council.

(i) VOLUNTARY SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the chairperson of the Council may accept for the Council voluntary services provided by a member of the Council.

SEC. 6. DIRECTOR AND STAFF OF THE MUSEUM.

(a) DIRECTOR.—

(1) IN GENERAL.—The Museum shall have a Director who shall be appointed by the Secretary, taking into consideration individuals recommended by the Council.

(2) DUTIES.—The Director shall manage the Museum subject to the policies of the Board of Regents.

(b) STAFF.—The Secretary may appoint 2 additional employees to serve under the Director, except that such additional employees may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(c) PAY.—The employees appointed by the Secretary under subsection (b) may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

SEC. 7. OFFICE OF EDUCATION AND LIAISON PROGRAMS.

(a) IN GENERAL.—

(1) ESTABLISHMENT.—There is established within the Museum the Office of Education and Liaison Programs.

(2) FUNCTIONS.—The Office of Education and Liaison Programs shall—

(A) carry out educational programs relating to African American life, art, history, and culture, including—

(i) programs using digital, electronic, and interactive technologies; and

(ii) programs carried out in collaboration with elementary schools, secondary schools, and postsecondary schools; and

(B) consult with the Director of the Institute of Museum and Library Services concerning the grant and scholarship programs carried out under subsection (b).

(b) GRANT AND SCHOLARSHIP PROGRAMS.—

(1) IN GENERAL.—In consultation with the Council and the Office of Education and Liaison Programs, the Director of the Institute of Museum and Library Services shall establish—

(A) a grant program with the purpose of improving operations, care of collections, and development of professional management at African American museums;

(B) a grant program with the purpose of providing internship and fellowship opportunities at African American museums;

(C) a scholarship program with the purpose of assisting individuals who are pursuing careers or carrying out studies in the arts, humanities, and sciences in the study of African American life, art, history, and culture;

(D) in cooperation with other museums, historical societies, and educational institutions, a grant program with the purpose of promoting the understanding of modern-day practices of slavery throughout the world; and

(E) a grant program under which an African-American museum (including a non-profit education organization the primary mission of which is to promote the study of African-American diaspora) may use the funds provided under the grant to increase an endowment fund established by the mu-

seum (or organization) as of May 1, 2003, for the purposes of—

(i) enhancing educational programming; and

(ii) maintaining and operating traveling educational exhibits.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Director of the Institute of Museum and Library Services to carry out this subsection—

(A) \$15,000,000 for fiscal year 2004; and

(B) such sums as are necessary for each fiscal year thereafter.

SEC. 8. BUILDING FOR THE NATIONAL MUSEUM OF AFRICAN AMERICAN HISTORY AND CULTURE.

(a) IN GENERAL.—

(1) LOCATION.—

(A) IN GENERAL.—Not later than 18 months after the date of the enactment of this Act, the Board of Regents shall designate a site for the Museum.

(B) SITES FOR CONSIDERATION.—In designating a site under subparagraph (A), the Board of Regents shall select from among the following sites in the District of Columbia:

(i) The area bounded by Constitution Avenue, Pennsylvania Avenue, and 1st and 3rd Streets, Northwest.

(ii) The Arts and Industries Building of the Smithsonian Institution, located on the National Mall at 900 Jefferson Drive, Southwest, Washington, District of Columbia.

(iii) The area bounded by Constitution Avenue, Madison Drive, and 14th and 15th Streets, Northwest.

(iv) The site known as the "Liberty Loan site", located on 14th Street Southwest at the foot of the 14th Street Bridge.

(C) AVAILABILITY OF SITE.—

(i) IN GENERAL.—A site described in subparagraph (B) shall remain available until the date on which the Board of Regents designates a site for the Museum under subparagraph (A)(i).

(ii) TRANSFER TO SMITHSONIAN INSTITUTION.—Except with respect to a site described in clause (i) or (ii) of subparagraph (B), if the site designated for the Museum is in an area that is under the administrative jurisdiction of a Federal agency, as soon as practicable after the date on which the designation is made, the head of the Federal agency shall transfer to the Smithsonian Institution administrative jurisdiction over the area.

(D) CONSULTATION.—The Board of Regents shall carry out its duties under this paragraph in consultation with—

(i) the Chair of the National Capital Planning Commission;

(ii) the Chair of the Commission on Fine Arts;

(iii) the Chair and Vice Chair of the Presidential Commission referred to in section 10;

(iv) the Chair of the Building and Site Subcommittee of the Presidential Commission referred to in section 10; and

(v) the Chairman and Ranking Member of each of—

(I) the Committee on Rules and Administration of the Senate;

(II) the Committee on House Administration of the House of Representatives;

(III) the Committee on Transportation and Infrastructure of the House of Representatives;

(IV) the Committee on Appropriations of the House of Representatives; and

(V) the Committee on Appropriations of the Senate.

(2) CONSIDERATION.—The Board of Regents shall take into consideration the recommendations of the Council concerning the planning, design, and construction of the Museum.

(3) CONSTRUCTION OF BUILDING.—The Board of Regents, in consultation with the Council, may plan, design, and construct a building for the Museum, which shall be located at the site designated by the Board of Regents under this paragraph.

(b) COST SHARING.—The Board of Regents shall pay—

(1) 50 percent of the costs of carrying out this section from Federal funds; and

(2) 50 percent of the costs of carrying out this section from non-Federal sources.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 9. CONGRESSIONAL BUDGET ACT COMPLIANCE.

Authority under this Act to enter into contracts or to make payments shall be effective in any fiscal year only to the extent provided in advance in an appropriations Act, except as provided under section 11(b).

SEC. 10. CONSIDERATION OF RECOMMENDATIONS OF PRESIDENTIAL COMMISSION.

In carrying out their duties under this Act, the Council and the Board of Regents shall take into consideration the reports and plans submitted by the National Museum of African American History and Culture Plan for Action Presidential Commission under the National Museum of African American History and Culture Plan for Action Presidential Commission Act of 2001 (Public Law 107-106).

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Smithsonian Institution to carry out this Act, other than sections 7(b) and 8—

(1) \$17,000,000 for fiscal year 2004; and

(2) such sums as are necessary for each fiscal year thereafter.

(b) AVAILABILITY.—Amounts made available under subsection (a) shall remain available until expended.

Mr. DODD. Mr. President, I rise to join with my colleague, Senator BROWNBACK, in introducing legislation to create a National Museum of African American History and Culture within the Smithsonian Institution.

This legislation will help ensure that the compelling stories and invaluable contributions of African-Americans to our national fabric will no longer be ignored, but shared with all Americans, indeed, all peoples of the world.

Senator BROWNBACK introduced similar legislation in the last Congress, and I was pleased to be an original cosponsor of that bill. During my tenure as chairman of the Senate Rules Committee, I was pleased to work with my colleagues to pass legislation to establish the Presidential Commission on the National Museum of African American History and Culture Action Plan.

That Presidential Commission spent a year traveling across the nation, and at more than 50 meetings, heard the voices of African-Americans calling for a national place to tell their individual and collective stories. This long overdue legislation will provide such a place.

In their report issued last month, the Presidential Commission identified a mission statement for the proposed museum that states, in part:

The museum will give voice to the centrality of the African American experience

and will make it possible for all people to understand the depth, complexity, and promise of the American experience.

It is that very goal of completing the American story of our quest for freedom and truth by publicly incorporating the experience and contributions of African Americans—that is the essence of this legislation. This museum offers the promise and hope that all Americans can come to understand the full story of how this nation was formed.

Since 1929, efforts have been made to recognize the contributions and unique history of Americans of African descent. This museum offers an historic opportunity to document, preserve, and educate this history for generations to come. It is past time that we publicly acknowledge and incorporate the African American experience into our collective identity and this museum will provide the appropriate means for accomplishing that goal.

In brief, within 18 months of enactment, the Smithsonian Board of Regents will choose a site for this museum from among four sites listed in the bill. The bill directs that, prior to the selection, the Board of Regents will consult with the National Capital Planning Commission, the chairman of the Presidential Commission, Congressional oversight committees, and others.

In the meantime, the Smithsonian Board of Regents will appoint a 19 member council, comprised of leaders within the African-American community and others, to advise the regents on the development, design and construction of the museum. The museum will include exhibits and programs relating to all aspects of African American life, art, history, and culture from the time of slavery through present day.

The museum will also provide leadership to other museums and will collaborate with historically black colleges and universities and educational organizations to ensure the integrity of the exhibits and programming and to broaden the reach of its story and mission.

I am honored to be the lead Democratic sponsor of this legislation, and I look forward to working with my colleagues on the Rules Committee to see this bill enacted this year.

By Mr. BINGAMAN (for himself,
Mr. DASCHLE, Mrs. BOXER, and
Mrs. LINCOLN):

S. 1159. A bill to provide for programs and activities to improve the health of Hispanic individuals, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, today, I am introducing a bill with Senators DASCHLE, BOXER, and LINCOLN that will be jointly introduced by Representatives CIRO RODRIGUEZ, HILDA SOLIS, and others in the House of Representatives entitled the "Hispanic Health Improvement Act of 2003." This bill addresses the tremendous health

disparities that confront the Hispanic community in our Nation.

Even if you know the statistics, they remain shocking. Over one-third, a 35 percent of Hispanic adults lack health insurance. Despite that passage of the Children's Health Insurance Program, 27 percent of Latino children remain uninsured, which is sharp comparison to 9 percent of white, 18 percent of black and 17 percent of Asian/Pacific Islander children.

In testimony before the Senate Health, Education, Labor and Pensions Committee on September 23, 2002, on Hispanic health issues, Dr. Glenn Flores, chair of the Latin Consortium of the American Academy of Pediatrics Center for Child Health Research, added: "Among uninsured poor children in the U.S., Latinos outnumber all other racial/ethnic groups, including whites: there are 1 million poor, uninsured Latino children, compared with 766,000 white, and 533,000 African-American poor, uninsured children. Although 1999 marked the first time in many years that the proportion of uninsured Latino children actually decreased (from 30 percent to 27 percent), recent national data suggest that outreach efforts to enroll Latino children have largely been unsuccessful. A Kaiser Commission report found that only 26 percent of parents of eligible uninsured children said that they had ever talked to someone or received information about Medicaid enrollment, and 46 percent of Spanish-speaking parents were unsuccessful at enrolling their uninsured children in Medicaid because materials were unavailable in Spanish."

In order to address the lack of health care coverage, the legislation would expand CHIP to cover pregnant women and parents of children enrolled in CHIP. The legislation provides \$50 million in grants to community-based groups to improve outreach and enrollment of children in Medicaid and CHIP with the grants targeted to Hispanic communities.

In addition, the bill eliminates a number of enrollment barriers within Medicaid.

And finally, it provides States the option to enroll legal immigrant pregnant women and children in Medicaid or CHIP. This comes from legislation introduced by Senator GRAHAM earlier in this Congress.

In addition to poor coverage rates, according to the Centers for Disease Control and Prevention, or CDC, the Hispanic population has morbidity and mortality rates that more often than not exceed that of any other ethnic groups. For example, age-adjusted mortality rates for diabetes are over 50 percent higher among Hispanic persons than non-Hispanic whites. HIV infection rates are over 3 times those of non-Hispanic whites. Tuberculosis rates among Latino children are 13 times that of whites.

The legislation addresses these problems in a number of ways. In the area

of access and affordability, our bill requires an annual report to Congress on how federal programs are responding to improve the health status of Hispanic individuals with respect to diabetes, cancer, asthma, HIV infection, AIDS, substance abuse, and mental health. The bill provides \$100 million for targeted diabetes prevention, education, school-based programs, and screening activities in the Hispanic community.

In addition, the legislation specifically addresses the problems facing communities along the U.S.-Mexico border, a 2,000-mile stretch of land that contains 11 million people, 5 of the 7 poorest metropolitan statistical areas in the country, and disease rates in some areas that are extraordinary. If the region were a state, the border would rank 1st in the number of uninsured, last in terms of per capita income, and 1st in a number of diseases.

As Dr. Francisco Cigarroa, president of the University of Texas Health Sciences Center at San Antonio, noted in testimony at the hearing last year on Hispanic health, "Germs respect no INS regulations. We truly must work with our neighbors to the South if we are to avoid a major influx of new conditions and diseases. It can be seen so clearly on a map. Just as there are 'rivers of commerce' there are 'rivers of infectious disease' and though they may start at the Border, they are eventually seen all the way to the northern Border that we share with Canada."

In response, the bill provides \$200 million to border communities to improve health services and infrastructure along the U.S.-Mexico border.

The numbers I have cited thus far indicate what we do know. Almost as much of a concern is what we do not know with respect to the status of Hispanic health in this Nation. According to one study, only 22 percent of all articles published in major medical journals included non-English-speaking patients.

The bill provides funding to do additional research and work on reducing health disparities in this Nation. The various provisions include efforts to improve the recruitment and retention of Hispanic health professionals and programs that support training health professionals who can provide culturally competent and linguistically appropriate care. With respect to training more minority health professionals, Dr. Cigarroa said at last year's hearing, "We should do this because it is the smart thing to do. If we fail to take steps to address the gap between the health of the majority population and the health of the Nation's rapidly growing minority populations, we are on a court leading to a collision. We are far too great a nation to allow this to happen."

Representative CIRO RODRIGUEZ, chairman of the Congressional Hispanic Caucus, and I, have worked together on this legislation to respond to the challenge before us with regard to coverage, access, and health disparities

in the last Congress and have reintroduced the bill with the hope to move it forward this year.

Before closing, it should be noted that while the legislation puts forth a number of initiatives to address what are disproportionately Hispanic problems, each section of the bill, including those to reduce the number of uninsured and to improve access to care, would improve the overall health of our entire Nation regardless of race or ethnicity.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

(The bill was not available at time of printing.)

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 154—EXPRESSING THE SUPPORT OF THE SENATE OF UNITED STATES EFFORTS IN THE WORLD TRADE ORGANIZATION TO END THE UNWARRANTED MORATORIUM IMPOSED BY THE EUROPEAN UNION ON THE APPROVAL OF AGRICULTURAL BIOTECHNOLOGY PRODUCTS

Mr. TALENT (for himself, Mrs. LINCOLN, Mr. BOND, Mr. LUGAR, Mr. BAUCUS, Mr. BUNNING, and Mr. ROBERTS) submitted the following resolution; which was considered and agreed to:

S. RES. 154

Whereas agricultural biotechnology is subject to the strictest Federal review in the United States, based on sound science, by the Department of Agriculture, the Environmental Protection Agency, and the Food and Drug Administration prior to planting and human consumption;

Whereas agricultural biotechnology has made considerable contributions to the protection of the environment by creating an environment more hospitable to wildlife and reducing the application of pesticides by 46,000,000 pounds in 2001 alone;

Whereas agricultural biotechnology holds tremendous promise for greatly increasing the world's supply of nutritious and wholesome foods which will improve the quality of life and health in the developing world;

Whereas there is objective and experience-based consensus in the international scientific community, including the National Academy of Sciences, the American Medical Association, the Royal Society of London, the French Academy of Medicine, the French Academy of Sciences, the Brazilian Academy of Sciences, the Chinese Academy of Sciences, the Indian National Science Academy, and the Mexican Academy of Science, that agricultural biotechnology is safe;

Whereas policy decisions regarding agricultural biotechnology in the European Union are being driven by politics and not by sound science;

Whereas since the late 1990s, the European Union has pursued policies that shelter its markets from competition by opposing the use of agricultural biotechnology;

Whereas agricultural biotechnology policies of the European Union have frustrated the development of modern scientific tools

and plant technology that could expand the production of indigenous food products by addressing problems related to local pests, weather conditions, and vitamin deficiencies;

Whereas since its implementation in October 1998, the moratorium has blocked more than \$300,000,000 annually in United States corn exports to countries in the European Union;

Whereas the European Union's unjustified moratorium on agricultural biotechnology approvals has ramifications far beyond the United States and Europe, forcing a slowdown in the adoption and acceptance of beneficial biotechnology to the detriment of farmers and consumers around the world, and especially to starving people in the developing world;

Whereas in the fall of 2002, famine-stricken African countries rejected healthy, wholesome, United States humanitarian offers of food aid because of ill-informed health and environmental concerns and fears that future exports to Europe would be jeopardized; and

Whereas the 5-year moratorium on the approval of new agricultural biotechnology products entering the European market is not science based, effectively prohibits most United States corn exports to Europe, violates European Union law, and clearly breaches the rules of the World Trade Organization: Now, therefore, be it

Resolved, That the Senate supports and applauds the efforts of the Administration on behalf of the Nation's farmers challenging the long-standing, unwarranted moratorium imposed by the European Union on the approval of agricultural biotechnology products and encourages the President to continue to press this issue at the G-8 Summit in Evian, France, on June 1 through 3, 2003.

SENATE RESOLUTION 155—PROTECTING SOCIAL SECURITY BENEFICIARIES FROM COLA CUTS

Mr. SPECTER (for himself, Ms. COLLINS, Mr. AKAKA, Mr. ALEXANDER, Mr. ALLARD, Mr. ALLEN, Mr. BAUCUS, Mr. BAYH, Mr. BENNETT, Mr. BIDEN, Mr. BINGAMAN, Mr. BOND, Mrs. BOXER, Mr. BREAUX, Mr. BROWNBACK, Mr. BUNNING, Mr. BURNS, Mr. BYRD, Mr. CAMPBELL, Ms. CANTWELL, Mr. CARPER, Mr. CHAFEE, Mr. CHAMBLISS, Mrs. CLINTON, Mr. COCHRAN, Mr. COLEMAN, Mr. CONRAD, Mr. CORNYN, Mr. CORZINE, Mr. CRAIG, Mr. CRAPO, Mr. DASCHLE, Mr. DAYTON, Mr. DEWINE, Mr. DODD, Mrs. DOLE, Mr. DOMENICI, Mr. DORGAN, Mr. DURBIN, Mr. EDWARDS, Mr. ENSIGN, Mr. ENZI, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FITZGERALD, Mr. FRIST, Mr. GRAHAM of Florida, Mr. GRAHAM of South Carolina, Mr. GRASSLEY, Mr. GREGG, Mr. HAGEL, Mr. HARKIN, Mr. HATCH, Mr. HOLLINGS, Mrs. HUTCHISON, Mr. INHOFE, Mr. INOUE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Mr. KYL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. LOTT, Mr. LUGAR, Mr. MCCAIN, Mr. MCCONNELL, Ms. MIKULSKI, Mr. MILLER, Ms. MURKOWSKI, Mrs. MURRAY, Mr. NELSON of Florida, Mr. NELSON of Nebraska, Mr. NICKLES, Mr. PRYOR, Mr. REED, Mr. REID, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. SANTORUM, Mr. SARBANES, Mr. SCHUMER, Mr. SESSIONS, Mr.

SHELBY, Mr. SMITH, Ms. SNOWE, Ms. STABENOW, Mr. STEVENS, Mr. SUNUNU, Mr. TALENT, Mr. THOMAS, Mr. VOINOVICH, Mr. WARNER, and Mr. WYDEN) submitted the following resolution; which was considered and agreed to:

Resolved, That the Senate finds that:

(1) Social Security provides a relatively modest insurance benefit for seniors—many of whom rely on Social Security for part or all of their monthly income. Without Social Security, forty, forty eight percent of beneficiaries would be in poverty today.

(2) In order to protect benefit levels against inflation, Social Security beneficiaries receive an annual cost-of-living adjustment (COLA) based on Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

(3) The January 2003 COLA provided only a 1.4 percent increase in Social Security benefits, increasing the average monthly benefit for all retired workers by only \$13 (from \$882 to \$895).

(4) Annual growth in Medicare premiums and out-of-pocket health care costs for retired individuals on fixed incomes far exceeded the small COLA increases provided to Social Security beneficiaries.

(5) Reducing COLAs will disproportionately harm low-income Social Security beneficiaries and push millions of seniors into poverty.

SEC. 2.

Sense of the Senate. It is the sense of the Senate that Social Security cost-of-living adjustments should not be reduced.

SENATE RESOLUTION 156—TO AUTHORIZE REPRESENTATION BY THE SENATE LEGAL COUNSEL IN THE CASE OF JUDICIAL WATCH, INC. V. UNITED STATES, ET AL

Mr. FRIST (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 156

Whereas, the United States Senate, Emily J. Reynolds, Secretary of the Senate, and William H. Pickle, Senate Sergeant at Arms, have been named as defendants in the case of *Judicial Watch, Inc. v. United States Senate, et al.*, No. 1:03CV01066, now pending in the United States District Court for the District of Columbia;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288(a)(1), the Senate may direct its counsel to defend the Senate and officers of the Senate in civil actions relating to their official responsibilities; Now therefore, be it

Resolved, That the Senate Legal Counsel is authorized to represent the United States Senate, Emily J. Reynolds, Secretary of the Senate, and William H. Pickle, Senate Sergeant at Arms, in the case of *Judicial Watch, Inc. v. United States Senate, et al.*

SENATE RESOLUTION 157—TO AUTHORIZE THE PRINTING OF THE PRAYERS OF REVEREND LLOYD JOHN OGILVIE

Mr. LOTT submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 157

Resolved,

SECTION 1. AUTHORIZATION OF PRINTING.

(a) IN GENERAL.—There shall be printed with an appropriate illustration as a Senate document, the prayers by the Reverend Lloyd John Ogilvie, Doctor of Divinity, the Chaplain of the Senate, at the opening of the daily sessions of the Senate during the One Hundred and Fifth Congress, One Hundred and Sixth Congress, One Hundred and Seventh Congress, and One Hundred and Eighth Congress, together with any other prayers offered by him during that period in his official capacity as Chaplain of the Senate.

(b) ADDITIONAL COPIES.—There shall be printed such additional copies not to exceed \$3,000 in cost of such documents for the use of the Joint Committee on Printing.

SEC. 2. OVERSIGHT OF PRINTING.

The copy of the document authorized under section 1 shall be prepared under the direction of the Joint Committee on Printing.

SENATE CONCURRENT RESOLUTION 47—RECOGNIZING THE OUTSTANDING EFFORTS OF THE INDIVIDUALS AND COMMUNITIES WHO VOLUNTEERED OR DONATED ITEMS TO THE NORTH PLATTE CANTEN IN NORTH PLATTE, NEBRASKA, DURING WORLD WAR II FROM DECEMBER 25, 1941, TO APRIL 1, 1946

Mr. HAGEL (for himself and Mr. NELSON of Nebraska) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 47

Whereas, at the beginning of World War II, residents of North Platte, Nebraska, received information that members of the Nebraska National Guard from the North Platte area would be traveling through the community of North Platte on a troop train en route to the west coast;

Whereas residents of the North Platte community met the troop train with food and other gifts for the troops when the train arrived at the Union Pacific train station on December 17, 1941;

Whereas, although the troop train carried young men from Kansas instead of members of the Nebraska National Guard, the residents of North Platte presented the young men from Kansas with the food and other items that were donated;

Whereas Rae Wilson, of North Platte, proposed to her community the idea of establishing the North Platte Canteen so that residents could greet every troop train that traveled through North Platte and provide the military troops en route to serving their country in World War II with comforts from home;

Whereas, on December 25, 1941, the North Platte Canteen began serving food and other items to the United States military troops traveling across the United States to either the east or west coast before being shipped overseas;

Whereas, during World War II, the North Platte Canteen greeted and served food to approximately 6,000,000 men and women from every State in the Union;

Whereas individuals from 125 communities in Nebraska, Colorado, and Kansas donated food and volunteered at the North Platte Canteen during the approximately 5-year period in which it operated;

Whereas the North Platte Canteen operated strictly with volunteers from local communities, organizations, churches, schools, and other groups, and without any Federal assistance;

Whereas the North Platte Canteen received \$137,000 in cash contributions from benefit dances, scrap-metal drives, school victory clubs, donation cans in local businesses, and relatives of servicemembers who traveled through the Canteen to help maintain the Canteen's operations for about 5 years;

Whereas the North Platte Canteen served each month about 40,000 homemade cookies, 30,000 hard-boiled eggs, 6,500 doughnuts, 4,000 loaves of bread, 3,000 pounds of meat, 450 pounds of cheese, 60 quarts of peanut butter, 1,350 pounds of coffee, 1,200 quarts of cream, 750 dozen rolls, and 600 birthday cakes; and

Whereas the North Platte Canteen was honored by the United States Army with the presentation of the Meritorious Wartime Service Award by the Secretary of War: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) recognizes the outstanding efforts of the individuals and communities involved with the North Platte Canteen to dispense food and good cheer to the approximately 6,000,000 members of the United States Armed Forces who traveled on troop trains through North Platte, Nebraska, from December 25, 1941, through April 1, 1946, during World War II; and

(2) requests the President to issue a proclamation recognizing the heroic efforts of those patriotic Americans who made enormous sacrifices to make the North Platte Canteen a successful expression of the warmth and caring of home for soldiers, sailors, airmen, and Marines of our Nation making their way to war.

AMENDMENTS SUBMITTED & PROPOSED

SA 832. Mr. KENNEDY (for himself, Mrs. CLINTON, Mr. SARBANES, Mr. DURBIN, Mr. REED, Mr. DAYTON, Ms. CANTWELL, Mr. DASCHLE, and Mr. REID) submitted an amendment intended to be proposed by him to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt.

SA 833. Mr. BAUCUS proposed an amendment to the joint resolution H.J. Res. 51, *supra*.

SA 834. Mr. DASCHLE proposed an amendment to the joint resolution H.J. Res. 51, *supra*.

SA 835. Mr. FEINGOLD (for himself, Mr. CARPER, Ms. CANTWELL, and Mrs. FEINSTEIN) proposed an amendment to the joint resolution H.J. Res. 51, *supra*.

SA 836. Mr. HOLLINGS proposed an amendment to the joint resolution H.J. Res. 51, *supra*.

SA 837. Mr. DORGAN proposed an amendment to the joint resolution H.J. Res. 51, *supra*.

SA 838. Mr. HARKIN proposed an amendment to the joint resolution H.J. Res. 51, *supra*.

SA 839. Mr. DURBIN proposed an amendment to the joint resolution H.J. Res. 51, *supra*.

TEXT OF AMENDMENTS

SA 832. Mr. KENNEDY (for himself, Mrs. CLINTON, Mr. SARBANES, Mr. DURBIN, Mr. REED, Mr. DAYTON, Ms. CANTWELL, Mr. DASCHLE, and Mr. REID) submitted an amendment intended to be proposed by him to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt; as follows:

At the end add the following:

SEC. 2. EXTENSION OF THE TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACT OF 2002.

(a) IN GENERAL.—Section 208 of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 30), as amended by Public Law 108-1 (117 Stat. 3), is amended—

(1) in subsection (a)(2), by striking “before June 1” and inserting “on or before December 31”;

(2) in subsection (b)(1), by striking “May 31, 2003” and inserting “December 31, 2003”;

(3) in subsection (b)(2)—

(A) in the heading, by striking “MAY 31, 2003” and inserting “DECEMBER 31, 2003”; and

(B) by striking “May 31, 2003” and inserting “December 31, 2003”; and

(4) in subsection (b)(3), by striking “August 30, 2003” and inserting “March 31, 2004”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 21).

SEC. 3. ADDITIONAL WEEKS OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION FOR EXHAUSTEES.

(a) ADDITIONAL WEEKS.—Section 203 of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 28) is amended by adding at the end the following:

“(d) INCREASED AMOUNTS IN ACCOUNT FOR CERTAIN EXHAUSTEES.—

“(1) IN GENERAL.—In the case of an eligible exhaustee, this Act shall be applied as follows:

“(A) Subsection (b)(1)(A) shall be applied by substituting ‘100 percent’ for ‘50 percent’.

“(B) Subsection (b)(1)(B) shall be applied by substituting ‘26 times’ for ‘13 times’.

“(C) Subsection (c)(1) shall be applied by substituting ‘7 times the individual’s average weekly benefit amount for the benefit year’ for ‘the amount originally established in such account (as determined under subsection (b)(1))’.

“(D) Section 208(b) shall be applied—

“(i) in paragraph (1), as if ‘, including such compensation payable by reason of amounts deposited in such account after such date pursuant to the application of subsection (c) of such section’ were inserted before the period at the end;

“(ii) as if paragraph (2) had not been enacted; and

“(iii) in paragraph (3), by substituting ‘October 18, 2003’ for ‘March 31, 2004’.

“(2) ELIGIBLE EXHAUSTEE DEFINED.—For purposes of this subsection, the term ‘eligible exhaustee’ means an individual—

“(A) to whom any temporary extended unemployment compensation was payable for any week beginning before the date of enactment of this subsection; and

“(B) who exhausted such individual’s rights to such compensation (by reason of the payment of all amounts in such individual’s temporary extended unemployment compensation account, including amounts deposited in such account by reason of subsection (c)) before such date of enactment.”.

(b) EFFECTIVE DATE AND APPLICATION.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply with respect to weeks of unemployment beginning on or after the date of enactment of this Act.

(2) TEUC-X AMOUNTS DEPOSITED IN ACCOUNT PRIOR TO DATE OF ENACTMENT DEEMED TO BE THE ADDITIONAL TEUC AMOUNTS PROVIDED BY THIS SECTION.—In applying the amendment made by subsection (a) under the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 26), the Secretary of Labor shall deem any amounts deposited into an eligible exhaustee’s (as defined in section 203(d)(2) of the Temporary

Extended Unemployment Compensation Act of 2002, as added by subsection (a)) temporary extended unemployment compensation account by reason of section 203(c) of such Act (commonly known as “TEUC-X amounts”) prior to the date of enactment of this Act to be amounts deposited in such account by reason of section 203(b) of such Act, as amended by subsection (a) (commonly known as “TEUC amounts”).

(3) REDETERMINATION OF ELIGIBILITY FOR AUGMENTED AMOUNTS FOR ALL ELIGIBLE EXHAUSTEES.—The determination of whether the eligible exhaustee’s (as so defined) State was in an extended benefit period under section 203(c) of such Act that was made prior to the date of enactment of this Act shall be disregarded and the determination under such section, as amended by subsection (a) with respect to eligible exhaustees (as so defined), shall be made as follows:

(A) ELIGIBLE EXHAUSTEES WHO RECEIVED AND EXHAUSTED TEUC-X AMOUNTS.—In the case of an eligible exhaustee whose temporary extended unemployment account was augmented under such section 203(c) before the date of enactment of this Act, the determination shall be made as of such date of enactment.

(B) ELIGIBLE EXHAUSTEES WHO EXHAUSTED TEUC AMOUNTS BUT WERE NOT ELIGIBLE FOR TEUC-X AMOUNTS.—In the case of an eligible exhaustee whose temporary extended unemployment account was not augmented under such section 203(c) as of the date of enactment of this Act, the determination shall be made at the time that the individual’s account established under section 203 of the Temporary Extended Unemployment Compensation Act of 2002 (Public Law 107-147; 116 Stat. 28), as amended by subsection (a), is exhausted.

SEC. 4. TEMPORARY AVAILABILITY OF EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT FOR EMPLOYEES WITH LESS THAN 10 YEARS OF SERVICE.

Section 2(c)(2) of the Railroad Unemployment Insurance Act (45 U.S.C. 352(c)(2)) is amended by adding at the end the following:

“(D) TEMPORARY AVAILABILITY OF EXTENDED UNEMPLOYMENT BENEFITS FOR EMPLOYEES WITH LESS THAN 10 YEARS OF SERVICE.—

“(i) IN GENERAL.—Subject to clause (ii), in the case of an employee who has less than 10 years of service (as so defined), with respect to extended unemployment benefits, this paragraph shall apply to such an employee in the same manner as this paragraph applies to an employee who has 10 or more years of service (as so defined).

“(ii) APPLICATION.—Clause (i) shall apply to—

“(I) an employee who received normal benefits for days of unemployment under this Act during the period beginning on July 1, 2002, and ending on November 30, 2003; and

“(II) days of unemployment beginning on or after the date of enactment of this subparagraph.”.

SA 833. Mr. BAUCUS proposed an amendment to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt; as follows:

Strike “7,384,000,000,000” and insert “6,750,000,000,000”.

SA 834. Mr. DASCHLE proposed an amendment to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt; as follows:

At the appropriate place add the following:

SEC. . PROTECTING SOCIAL SECURITY BENEFICIARIES FROM COLA CUTS.

(a) FINDINGS.—The Senate finds that:

(1) Social Security provides a relatively modest insurance benefit for seniors—many of whom rely on Social Security for part or all of their monthly income. Without Social Security, forty eight percent of beneficiaries would be in poverty today.

(2) In order to protect benefit levels against inflation, Social Security beneficiaries receive an annual cost-of-living adjustment (COLA) based on Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

(3) The January 2003 COLA provided only a 1.4 percent increase in Social Security benefits, increasing the average monthly benefit for all retired workers by only \$13 (from \$882 to \$895).

(4) Annual growth in Medicare premiums and out-of-pocket health care costs for retired individuals on fixed incomes far exceeded the small COLA increases provided to Social Security beneficiaries.

(5) Reducing COLAs will disproportionately harm low-income Social Security beneficiaries and push millions of seniors into poverty.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Social Security cost-of-living adjustments should not be reduced.

SA 835. Mr. FEINGOLD (for himself, Mr. CARPER, Ms. CANTWELL, and Mrs. FEINSTEIN) proposed an amendment to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt; as follows:

At the appropriate place, insert the following:

SEC. . EXTENSION OF PAY-AS-YOU-GO.

(a) IN GENERAL.—Section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 note) is amended by striking “2006” and inserting “2008”.

(b) EXTENSION OF PAY-AS-YOU-GO.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902) is amended—

(1) in subsection (a), by striking “2002” and inserting “2008”; and

(2) in subsection (b), by striking “2002” and inserting “2008”.

(c) APPLICATION.—Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902), as amended by this section, shall not apply to direct spending and receipts legislation enacted prior to the enactment of this section.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect September 30, 2002.

SA 836. Mr. HOLLINGS proposed an amendment to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt; as follows:

At the appropriate place, insert the following:

SECTION 1. LIMITABILITY OF PUBLIC DEBT LIMIT TO SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION OF SOCIAL SECURITY TRUST FUNDS.—

(1) DELAY OR FAILURE TO INVEST.—No officer or employee of the United States shall—

(A) delay the deposit of any amount into (or delay the credit of any amount to) any social security trust fund or otherwise vary from the normal terms, procedures, or timing for making such deposits or credits; or

(B) refrain from the investment in public debt obligations of amounts in any such fund.

(2) EARLY REDEMPTION.—No officer or employee of the United States shall redeem prior to maturity amounts in any social security trust fund which are invested in public debt obligations for any other purpose

other than payment of benefits or administrative expenses from such fund.

(b) DEFINITION.—In this section, the term “public debt obligation” means any obligation subject to the public debt limit established under section 3101 of title 31, United States Code.

SEC. 2. CONFORMING AMENDMENTS.

Subsections (j), (k), and (l) of section 8348 and subsections (g) and (h) of section 8438 of title 5, United States Code, are repealed.

SA 837. Mr. DORGAN proposed an amendment to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt; as follows:

At the appropriate place, insert the following:

SEC. ____ . FOREIGN DEBT CEILING.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States has become the world's largest net debtor Nation, having run up massive trade deficits in the 1990s.

(2) At the end of 2001, the net United States foreign debt stood at over \$2,300,000,000,000.

(3) The United States foreign debt position worsened in 2002, when the United States had a record trade deficit of over \$436,000,000,000, equivalent to 4.1 percent of the United States GDP that year.

(4) The large and growing United States foreign debt represents claims on United States assets by foreign nationals, which will eventually have to be repaid. If unchecked, the foreign debt could seriously undermine our children's future standard of living.

(5) Moreover, the growing accumulation of foreign claims on United States assets, including nearly \$1,200,000,000,000 in United States Treasury securities, makes the United States economy vulnerable to the whims of foreign investors.

(6) Congress presently places a ceiling on United States public debt, but does not place a ceiling on United States foreign debt.

(7) Just as Congress recognized the importance of placing a ceiling on the United States public debt, it is appropriate that Congress place a limit on the United States foreign debt.

(b) ACTIONS TRIGGERED BY UNITED STATES FOREIGN DEBT.—

(1) IN GENERAL.—Not later than the 15th day of the second month after the date of enactment of this Act, and every 3 months thereafter, the United States Trade Representative shall determine if—

(A) the net United States foreign debt for the preceding 12-month period is more than 25 percent of United States GDP for the same period; or

(B) the United States trade deficit for the preceding 12-month period is more than 5 percent of United States GDP for the same period.

(2) ACTION BY USTR.—Whenever an affirmative determination is made under paragraph (1) (A) or (B), the United States Trade Representative shall—

(A) within 15 days of the determination, convene an emergency meeting of the Trade Policy Review Group to develop a plan of action to reduce the United States trade deficit; and

(B) within 45 days of the determination, present to Congress a report detailing the Trade Policy Review Group's trade deficit reduction plan.

(c) MEASUREMENT OF FOREIGN DEBT.—

(1) STATISTICAL SOURCES.—For purposes of the calculations described in subsection (b)(1), the United States Trade Representative shall rely on the most recent period for which the following data, published by the Department of Commerce, is available:

(A) In the case of United States foreign debt, the United States Trade Representative shall use the net international investment position of the United States, with direct investment positions determined at market value, as compiled by the Bureau of Economic Analysis.

(B) In the case of the United States trade deficit, the United States Trade Representative shall use the goods and services trade deficit data compiled by the United States Census Bureau.

(C) In the case of the United States GDP, the United States Trade Representative shall use the nominal gross domestic product data compiled by the Bureau of Economic Analysis.

(2) ADJUSTMENT.—The United States Trade Representative may adjust the data described in paragraph (1) to ensure that the determination is made for comparable time periods.

SA 838. Mr. HARKIN proposed an amendment to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt; as follows:

At the appropriate place, insert:

SEC. ____ . TELL THE TRUE COST OF TAX BILLS.

(a) IN GENERAL.—If the Joint Committee on Taxation prepares an estimate of any applicable proposed change in Federal revenue law, the committee shall include with such estimate an estimate of the decrease in Federal revenues which—

(1) in the case of an applicable proposed change described in subsection (b)(1), would have occurred without regard to the reduction or termination described in such subsection during the portion of the period covered by the estimate after the reduction or termination, and

(2) in the case of an applicable proposed change described in subsection (b)(2), will occur during the 10-fiscal year period beginning with the fiscal year following the first fiscal year in which the proposed change becomes fully effective.

(b) APPLICABLE PROPOSED CHANGE.—For purposes of this section, the term “applicable proposed change” means any of the following proposed changes in Federal revenue law:

(1) SUNSET OR REDUCED CHANGES.—Any proposed change which—

(A) when fully effective will have an estimated decrease in Federal revenues of more than \$1,000,000,000 in each fiscal year, and

(B) provides for the termination of such change, or a reduction in such revenue decrease, on or before the close of the period covered by the estimate which the Joint Committee on Taxation is otherwise preparing for such proposed change.

(2) DELAY IN FULL EFFECT.—Any proposed change which—

(A) becomes fully effective at any time during the last 4 years of the period covered by the estimate which the Joint Committee on Taxation is otherwise preparing for such proposed change, and

(B) when fully effective will have an estimated decrease in Federal revenues of more than \$1,000,000,000 in each fiscal year.

SA 839. Mr. DURBIN proposed an amendment to the joint resolution H.J. Res. 51, increasing the statutory limit on the public debt; as follows:

At the end of the resolution, insert the following:

SEC. ____ . CBO REPORT ON DEBT IMPACT OF BUDGET RESOLUTION.

Section 301 of the Congressional Budget Act of 1974 (2 U.S.C. 632) is amended by adding at the end the following:

“(j) CBO DEBT IMPACT REPORT.—Each budget resolution reported out by the Committee on the Budget of the House of Representatives or the Senate shall be accompanied by a report from CBO containing CBO's best estimate of the following:

“(1) The amount of new debt subject to limit, in aggregate and divided by the most recent estimate of the United States population, according to the Bureau of the Census, that would be created if the budget resolution is adhered to, assuming reserve funds are spent and reconciliation instructions are fully complied with.

“(2) The amount of new debt subject to limit, if any, in aggregate and divided by the most recent estimate of the United States population, according to the Bureau of the Census, that would have been created if the budget resolution simply reflected the CBO baseline without policy changes.

“(3) The difference between paragraphs (1) and (2).

“(4) Of the amount determined in paragraph (3)—

“(A) the amount of new debt subject to limit, in aggregate and divided by the most recent estimate of the United States population, according to the Bureau of the Census, that is attributable to tax changes; and

“(B) the amount of new debt subject to limit, in aggregate and divided by the most recent estimate of the United States population, according to the Bureau of the Census, that is attributable to policy changes other than tax changes.”.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES AND A CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE.

Mr. FRIST. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of H. Con. Res. 191, which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 191) providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. FRIST. I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

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

The concurrent resolution (H. Con. Res. 191) was agreed to, as follows:

H. CON. RES. 191

Resolved by the House of Representatives (the Senate concurring). That when the House adjourns on the legislative day of Thursday, May 22, 2003, Friday, May 23, 2003, or Saturday, May 24, 2003, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Monday, June 2, 2003, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns on Friday, May 23, 2003, or Saturday, May 24, 2003, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until

noon on Monday, June 2, 2003, or at such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, or their respective designees, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble at such place and time as they may designate whenever, in their opinion, the public interest shall warrant it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

SENATE ACCOMPLISHMENTS

Mr. MCCONNELL. Mr. President, as we go into the Memorial Day recess, I thought it might be appropriate to take a few moments and look back at the accomplishments of the Congress in which we currently find ourselves. We know that last year the Senate did not pass 11 of the 13 appropriation bills, and never passed a budget. It was, in fact, the first time the budget did not pass since the Budget Act passed back in 1974.

We have now completed 5 months of the 108th Congress, a Senate narrowly controlled, 51-49, by the Republican Party—certainly not a huge margin from which to function. But, nevertheless, it has been an extraordinarily productive 5 months.

Just to run down the list: Extension of unemployment benefits to those who need them, not once but twice, the second time being today. We did, back in January, pass 11 appropriation bills that were never passed for the previous year—in fact, the year in which we are currently operating. We funded Operation Iraqi Freedom, which allowed our military to have the resources to win, as the President put it, the battle for Iraq, the battle in the larger war on terrorism. We preserved our military strength by passing a Department of Defense authorization bill just this week in the Senate. We initiated the protection of our homeland by confirming the nomination of the first Secretary of the new Department of Homeland Security.

As I made reference a few moments ago, we passed a budget which distinguishes this Senate from the previous one. We have enacted the President's plan to create jobs and stimulate the economy. We just passed that today and it is on the way to the President for signature. I think the Washington Post depicted it as the third largest tax

relief package in history. If that is accurate, that sounds perfectly good to me.

We have also, in the first 5 months this year, banned the horrific practice of partial-birth abortion. It passed the Senate by a very large margin.

We passed the President's faith-based initiative. We funded the effort to eradicate the scourge of global AIDS, which gives the President the opportunity to go to the G-8 meeting next week and challenge our European allies to do likewise so that we all work collectively to deal with this plague which has affected all of the world, but in particular the continent of Africa.

To guard our children against abduction and exploitation, we passed the PROTECT Act in the first 5 months of this year. We have improved safeguards from foreign terrorists by enacting the FISA bill. We engaged in our second historic NATO expansion to include the remaining members of the Warsaw Pact which were not in the first tranche that came in—Poland, Hungary, and the Czech Republic, six more countries on top of the original three to further expand NATO to complete virtually the entire area that used to make up the Warsaw Pact.

We passed the significant arms reduction treaty with our former enemy turned ally, the Russians.

We are bridging the digital divide by providing needed funds to historically black colleges.

We affirmed the constitutionality of the use of the term “under God” in the Pledge of Allegiance.

We awarded a Congressional Gold Medal to Prime Minister Tony Blair, who richly deserved it.

And we provided tax equity to the men and women in our Nation's Armed Forces.

This has been an extraordinarily productive first five months of the 108th Congress.

Particularly to be commended is our leader BILL FRIST, who stepped into a new job at the beginning of this Congress, and has done an extraordinary job of holding us together and advancing the ball. Those are the two principal responsibilities of the majority leader—holding together at least his own side, if he can, and advancing the ball.

We have been able to reach out to the other side and have critical Democratic support when that was necessary in order to achieve success.

So as we go into the Memorial Day recess, I think we can all feel proud that we have accomplished a great deal for our constituents and made this a better country in many clearly discernible ways.

Having recounted those accomplishments of the 108th Congress, 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. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. FRIST. Mr. President, in a few moments we will be completing our work for today—indeed for the week—after what has been a productive process in completing a lot of legislation today with a number of votes, but following really about 2 or 3 months of very consistent, steady progress, as was just outlined by the assistant majority leader a few moments ago.

It caused me, as I listened to my distinguished colleague from Kentucky, to think back to 5 months ago, when we began the 108th Congress, and what we were thinking then as we projected forward what we hoped to accomplish.

I recall at that time, on the floor, committing this body, working together in a bipartisan way, to achieve results for the American people—the type of results that would push America forward, focusing on action, on getting things done. We said that this Congress would be a Congress defined by action, defined by accomplishment, and I believe that indeed we have kept that pledge.

Whether working to create jobs, increasing our Nation's economic growth, fighting global terror, protecting our homeland and making our homeland more secure, or helping to stem the spread of HIV/AIDS, this Congress has been quietly, steadily, and consistently getting the job done for the American people.

As my colleagues leave today to return to their homes across the country and spend this Memorial Day holiday with their friends and families, I do want to take this opportunity, in these final moments, to thank them for their patience and their hard work. They have been extremely productive. They have been prolific.

First and foremost, we have enacted measures to stoke America's great economic engine and to create new jobs for our workers. The 11 appropriations bills left over from last year we passed in 1 omnibus appropriations bill, finishing the work left unfinished from the last Congress.

We passed the budget for the upcoming fiscal year. And we passed that budget in near record time. Indeed, it was only the fourth time in the history of our budgeting process that we actually met the statutory deadline.

Also, today we approved President Bush's jobs and growth plan, a plan which will put more money in the pockets of everybody listening right now, and more money in the pockets of all American families, thereby creating thousands and thousands of new jobs.

It is progress. It shows action. It shows we are delivering to the American people. The package we passed just a few hours ago includes the third-largest tax cut in our Nation's history. I believe it will help turbocharge the economy because 60 percent of the \$350 billion stimulus package will hit home this year and next year, in this time-frame, over the next 18 months.

Working with President Bush, we have strived to make our homeland more secure and fight the global war against terror. In addition to the funds approved in the budget, the \$80 billion supplemental appropriations bill, passed in April, not only helped pay for the cost of the Iraq campaign, but it provided funds to protect our own borders as well.

In what may someday, I believe, be considered our most far-reaching initiative, Congress has approved—and the President, next Tuesday, will sign—a 5-year, \$15 billion commitment to combat the global spread of that deadly HIV/AIDS virus—a virus we knew nothing about 25 years ago, a virus that represents, in the pandemic that has ensued, the greatest public health challenge of our time, killing more than 23 million people, infecting more than 40 million people alive today, ultimately killing, in all likelihood—even if we discovered a vaccine today—another 60 million people over the next 20 to 30 years.

But now, because of the action of this body, following the leadership of the President of the United States, working hand in hand with the House of Representatives, America is now—and proudly so—the global leader in HIV/AIDS funding and has brought the lamp of hope to millions of people threatened by this devastating disease.

I have been privileged, as a physician, to be able to perform medical mission work in various places around the world, but specifically in Africa, and I can tell you how desperately—how desperately—needed is this leadership, is this funding. This legislation is a manifestation of the caring spirit—that spirit of compassion—that spirit of caring and compassion on behalf of the United States of America. It shows our commitment to the less fortunate in the world and that we are, indeed, a nation of moral courage.

In foreign policy, we supported the Moscow Treaty, which calls for the most dramatic reduction of nuclear weapons between Russia and America in history. Under the terms of this treaty, the number of nuclear weapons will be lower than at any point since 1954.

Also in foreign policy, we supported the expansion of NATO, bringing seven new democracies into the alliance: Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia.

At home, we have not only acted to spur the economy to create jobs but we have looked after those who do not have a job but who are looking for a job. Today, again, just a few hours ago, we once again extended the unemployment insurance to ensure that families will have the economic support they need while they continue to look for a job.

On issues here at home, we voted to end that abhorrent practice of partial-birth abortion. We approved the CARE Act to encourage charitable giving to charitable and nonprofit organizations.

These are just a few of the many accomplishments of this Congress. I could go on: AMBER Alert, air cargo security, a national “Do Not Call” list to stymie unwanted phone solicitors, military tax relief—and the list continues.

I mention all this because as we focus on our day-to-day activities, it is rare that we look at that large picture from 30,000 feet as to what we have accomplished. And, indeed, we have done much. It has been a productive 5 months. It has not always been a smooth road, but in a closely divided Senate few paths are easy. It takes working in a bipartisan way.

Before I close, I do want to say, as part of a new leadership team on the Republican side of the aisle, it has been extremely important for me to have developed a positive working relationship with the other side of the aisle, both in terms of leadership and really throughout the Senate. I do want to thank the corresponding leaders on the other side of the aisle for working with me in a bipartisan way as we have set out this agenda and as, indeed, we have completed the agenda that has been set out.

I do hope my colleagues on both sides of the aisle enjoy the break and come back from their time refreshed because we have a lot of work to do. On the top of that list will be to bring our Medicare Program up to date so we can include prescription drugs as part of the armamentarium for health care delivery and health care security for our seniors. That is going to require bipartisan cooperation if we are truly to accomplish what I know we will accomplish, what we can accomplish, and what our seniors deserve; that is, a strengthening and improvement of our Medicare Program.

We will do that the month we come back. It will be hard work, but in the end I know we can approve a plan to improve the current system, to strengthen it, to guarantee all seniors access to prescription drugs in a plan that can best meet their health care needs.

I do want to thank my own Republican leadership team. We heard a few moments ago from my colleague, the assistant majority leader, our whip, Senator MCCONNELL. Our working relationship has been such that it excites me, as we look to the future, again, having worked hand in hand to address these many issues in the past.

As our colleagues go home, I know they will all be paying tribute to the men and women who have returned to their own communities after representing the best that we have in the United States of America, as they have fought for freedom and democracy—those freedoms that we are able to enjoy each and every day.

We have done much, but we have much to do.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Calendar Nos. 134, 176, 177, 206 through 217, and nominations on the Secretary's desk in the Army, Foreign Service, Marine Corps, and Navy.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, and the President be immediately notified of the Senate's action.

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

The nominations considered and confirmed are as follows:

DEPARTMENT OF EDUCATION

Karen Johnson, of Virginia, to be Assistant Secretary for Legislation and Congressional Affairs, Department of Education.

RAILROAD RETIREMENT BOARD

Michael Schwartz, of Illinois, to be a Member of the Railroad Retirement Board for a term expiring August 28, 2007.

NATIONAL MUSEUM SERVICES BOARD

John E. Buchanan, Jr., of Oregon, to be a Member of the National Museum Services Board for a term expiring December 6, 2006.

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. Jerry L. Sinn

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. Steven W. Boutelle

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. Ricardo S. Sanchez

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. Anthony R. Jones

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. John R. Vines

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Emile P. Bataille

The following named officer for appointment as the Chief of Chaplains, United

States Army and for appointment to the grade indicated under title 10, U.S.C., section 3036:

To be major general

Brig. Gen. David H. Hicks

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Brian L. Tarbet

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Chaplain (Col.) Jerome A. Haberek

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 vice admiral

Rear Adm. Michael J. McCabe

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral

Rear Adm. (lh) John P. Debbout

The following named officer for appointment in the United States Naval Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be rear admiral (lower half)

Capt. Craig O. McDonald

ARMY

PN283 Army nominations (13) beginning CHARLES R. BAILEY, and ending DAVID W. SMARTT, which nominations were received by the Senate and appeared in the Congressional Record of January 29, 2003

FOREIGN SERVICE

PN356-1 Foreign Service nominations (23) beginning Anne H. Aarnes, and ending Edward W. Birgells, which nominations were received by the Senate and appeared in the Congressional Record of February 25, 2003

MARINE CORPS

PN637 Marine Corps nominations (871) beginning BENJAMIN T. ACKISON, and ending ROBERT B. ZWAYER, which nominations were received by the Senate and appeared in the Congressional Record of May 14, 2003

NAVY

PN588 Navy nominations (39) beginning AMADO F. ABAYA, and ending SHANNON J. WELLS, which nominations were received by the Senate and appeared in the Congressional Record of May 1, 2003

NOMINATIONS DISCHARGED

Mr. FRIST. Mr. President, in executive session, I ask unanimous consent that the HELP Committee be discharged from further consideration of the following nominations for the National Science Board: Steven Beering, PN44; Ray Bowen, PN46; Elizabeth Hoffman, PN50. I further ask unanimous consent that the Senate proceed to their consideration, the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate resume legislative session.

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

The nominations considered and confirmed are as follows:

NATIONAL SCIENCE BOARD

Steven C. Beering, of Indiana, to be a Member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 2004.

Ray M. Bowen, of Texas, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2008.

Elizabeth Hoffman, of Colorado, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 2008.

LEGISLATIVE SESSION

The PRESIDENT pro tempore. Under the previous order, the Senate will return to legislative session.

ANIMAL DRUG USER FEE ACT OF 2003

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 104, S. 313.

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

The legislative clerk read as follows:

A bill (S. 313) to amend the Federal Food, Drug, and Cosmetic Act to establish a program of fees relating to animal drugs.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Health, Education, Labor, and Pensions, with amendments, as follows:

[Strike the parts shown in black brackets and insert the parts shown in italic.]

S. 313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Animal Drug User Fee Act of 2003".

SEC. 2. FINDINGS.

Congress finds as follows:

(1) Prompt approval of safe and effective new animal drugs is critical to the improvement of animal health and the public health.

(2) Animal health and the public health will be served by making additional funds available for the purpose of augmenting the resources of the Food and Drug Administration that are devoted to the process for review of new animal drug applications.

(3) The fees authorized by this title will be dedicated toward expediting the animal drug development process and the review of new and supplemental animal drug applications and investigational animal drug submissions as set forth in the goals identified, for purposes of part 3 of subchapter C of chapter VII of the Federal Food, Drug, and Cosmetic Act, in the letters from the Secretary of Health and Human Services to the Chairman of the Committee on Energy and Commerce of the House of Representatives and the Chairman of the Committee on Health, Education, Labor, and Pensions of the Senate as set forth in the Congressional Record.

SEC. 3. FEES RELATING TO ANIMAL DRUGS.

Subchapter C of chapter VII of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 379f et seq.) is amended by adding at the end the following part:

["PART 3—FEES RELATING TO ANIMAL DRUGS"]

"PART 4—FEES RELATING TO ANIMAL DRUGS

["SEC. 738. DEFINITIONS.

["For purposes of this subchapter:"]

"SEC. 739. AUTHORITY TO ASSESS AND USE ANIMAL DRUG FEES.

(a) DEFINITIONS.—For purposes of this subchapter:

"(1) The term 'animal drug application' means an application for approval of any new animal drug submitted under section 512(b)(1). Such term does not include either a new animal drug application submitted under section 512(b)(2) or a supplemental animal drug application.

"(2) The term 'supplemental animal drug application' means—

"(A) a request to the Secretary to approve a change in an animal drug application which has been approved; or

"(B) a request to the Secretary to approve a change to an application approved under section 512(c)(2) for which data with respect to safety or effectiveness are required.

"(3) The term 'animal drug product' means each specific strength or potency of a particular active ingredient or ingredients in final dosage form marketed by a particular manufacturer or distributor, which is uniquely identified by the labeler code and product code portions of the national drug code, and for which an animal drug application or a supplemental animal drug application has been approved.

"(4) The term 'animal drug establishment' means a foreign or domestic place of business which is at one general physical location consisting of one or more buildings all of which are within 5 miles of each other, at which one or more animal drug products are manufactured in final dosage form.

"(5) The term 'investigational animal drug submission' means—

"(A) the filing of a claim for an investigational exemption under section 512(j) for a new animal drug intended to be the subject of an animal drug application or a supplemental animal drug application, or

"(B) the submission of information for the purpose of enabling the Secretary to evaluate the safety or effectiveness of an animal drug application or supplemental animal drug application in the event of their filing.

"(6) The term 'animal drug sponsor' means either an applicant named in an animal drug application, except for an approved application for which all subject products have been removed from listing under Section 510, or a person who has submitted an investigational animal drug submission that has not been terminated or otherwise rendered inactive by the Secretary.

"(7) The term 'final dosage form' means, with respect to an animal drug product, a finished dosage form which is approved for administration to an animal without substantial further manufacturing. Such term includes animal drug products intended for mixing in animal feeds.

"(8) The term 'process for the review of animal drug applications' means the following activities of the Secretary with respect to the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions:

"(A) The activities necessary for the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

"(B) The issuance of action letters which approve animal drug applications or supplemental animal drug applications or which set forth in detail the specific deficiencies in animal drug applications, supplemental animal drug applications, or investigational

animal drug submissions and, where appropriate, the actions necessary to place such applications, supplements or submissions in condition for approval.

“(C) The inspection of animal drug establishments and other facilities undertaken as part of the Secretary’s review of pending animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(D) Monitoring of research conducted in connection with the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(E) The development of regulations and policy related to the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(F) Development of standards for products subject to review.

“(G) Meetings between the agency and the animal drug sponsor.

“(H) Review of advertising and labeling prior to approval of an animal drug application or supplemental animal drug application, but not such activities after an animal drug has been approved.

“(9) The term ‘costs of resources allocated for the process for the review of animal drug applications’ means the expenses incurred in connection with the process for the review of animal drug applications for—

“(A) officers and employees of the Food and Drug Administration, contractors of the Food and Drug Administration, advisory committees consulted with respect to the review of specific animal drug applications, supplemental animal drug applications, or investigational animal drug submissions, and costs related to such officers, employees, committees, and contractors, including costs for travel, education, and recruitment and other personnel activities,

“(B) management of information, and the acquisition, maintenance, and repair of computer resources,

“(C) leasing, maintenance, renovation, and repair of facilities and acquisition, maintenance, and repair of fixtures, furniture, scientific equipment, and other necessary materials and supplies, and

“(D) collecting fees under section 739 and accounting for resources allocated for the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(10) The term ‘adjustment factor’ applicable to a fiscal year refers to the formula set forth in section 735(8) with the base or comparator year being 2003.

“(11) The term ‘affiliate’ refers to the definition set forth in section 735(9).

“SEC. 739. AUTHORITY TO ASSESS AND USE ANIMAL DRUG FEES.

“(a) (b) TYPES OF FEES.—Beginning in fiscal year 2004, the Secretary shall assess and collect fees in accordance with this section as follows:

“(1) ANIMAL DRUG APPLICATION AND SUPPLEMENT FEE.—

“(A) IN GENERAL.—Each person that submits, on or after September 1, 2003, an animal drug application or a supplemental animal drug application shall be subject to a fee as follows:

“(i) A fee established in subsection (b) (c) for an animal drug application; and

“(ii) A fee established in subsection (b) (c) for a supplemental animal drug application for which safety or effectiveness data are required, in an amount that is equal to 50 percent of the amount of the fee under clause (i).

“(B) PAYMENT.—The fee required by subparagraph (A) shall be due upon submission

of the animal drug application or supplemental animal drug application.

“(C) EXCEPTION FOR PREVIOUSLY FILED APPLICATION OR SUPPLEMENT.—If an animal drug application or a supplemental animal drug application was submitted by a person that paid the fee for such application or supplement, was accepted for filing, and was not approved or was withdrawn (without a waiver or refund), the submission of an animal drug application or a supplemental animal drug application for the same product by the same person (or the person’s licensee, assignee, or successor) shall not be subject to a fee under subparagraph (A).

“(D) REFUND OF FEE IF APPLICATION REFUSED FOR FILING.—The Secretary shall refund 75 percent of the fee paid under subparagraph (B) for any animal drug application or supplemental animal drug application which is refused for filing.

“(E) REFUND OF FEE IF APPLICATION WITHDRAWN.—If an animal drug application or a supplemental animal drug application is withdrawn after the application or supplement was filed, the Secretary may refund the fee or portion of the fee paid under subparagraph B if no substantial work was performed on the application or supplement after the application or supplement was filed. The Secretary shall have the sole discretion to refund the fee under this paragraph. A determination by the Secretary concerning a refund under this paragraph shall not be reviewable.

“(2) ANIMAL DRUG PRODUCT FEE.—Each person—

“(A) who is named as the applicant in an animal drug application or supplemental animal drug application for an animal drug product which has been submitted for listing under Section 510, and

“(B) who, after September 1, 2003, had pending before the Secretary an animal drug application or supplemental animal drug application;

shall pay for each such animal drug product the annual fee established in subsection (b) (c). Such fee shall be payable for the fiscal year in which the animal drug product is first submitted for listing under Section 510, or is submitted for relisting under section 510 if the animal drug product has been withdrawn from listing and relisted. After such fee is paid for that fiscal year, such fee shall be payable on or before January 31 of each year. Such fee shall be paid only once for each animal drug product for a fiscal year in which the fee is payable.

“(3) ANIMAL DRUG ESTABLISHMENT FEE.—Each person—

“(A) who owns or operates, directly or through an affiliate, an animal drug establishment, and

“(B) who is named as the applicant in an animal drug application or supplemental animal drug application for an animal drug product which has been submitted for listing under Section 510, and

“(C) who, after September 1, 2003, had pending before the Secretary an animal drug application or supplemental animal drug application

shall be assessed an annual fee established in subsection (b) (c) for each animal drug establishment listed in its approved animal drug application as an establishment that manufactures the animal drug product named in the application. The annual establishment fee shall be assessed in each fiscal year in which the animal drug product named in the application is assessed a fee under paragraph (2) unless the animal drug establishment listed in the application does not engage in the manufacture of the animal drug product during the fiscal year. The fee shall be paid on or before January 31 of each

year. The establishment shall be assessed only one fee per fiscal year under this section, provided, however, that where a single establishment manufactures both animal drug products and prescription drug products, as defined in section 735(3), such establishment shall be assessed both the animal drug establishment fee and the prescription drug establishment fee, as set forth in section 736(a)(2), within a single fiscal year.

“(4) ANIMAL DRUG SPONSOR FEE.—Each person—

“(A) who meets the definition of an animal drug sponsor within a fiscal year; and

“(B) who, after September 1, 2003, had pending before the Secretary an animal drug application, a supplemental animal drug application, or an investigational animal drug submission,

shall be assessed an annual fee established under subsection (b) (c). The fee shall be paid on or before January 31 of each year. Each animal drug sponsor shall pay only one such fee each fiscal year.

“(b) (c) FEE AMOUNTS.—Except as provided in subsection [(a)] [(1)] (b) (1) and subsections [(c)], [(d)], [(f)], and [(g)], (d), (e), (g), and (h), the fees required under subsection [(a)] (b) shall be established to generate fee revenue amounts as follows:

“(1) TOTAL FEE REVENUES FOR APPLICATION AND SUPPLEMENT FEES.—The total fee revenues to be collected in animal drug application fees under subsection [(a)] [(1)] [(A)] [(i)] (b) (1) (A) (i) and supplemental animal drug application fees under subsection [(a)] [(1)] [(A)] [(ii)] (b) (1) (A) (ii) shall be \$1,250,000 in fiscal year 2004, \$2,000,000 in fiscal year 2005, and \$2,500,000 in fiscal years 2006 and 2007.

“(2) TOTAL FEE REVENUES FOR PRODUCT FEES.—The total fee revenues to be collected in product fees under subsection [(a)] [(2)] (b) (2) shall be \$1,250,000 in fiscal year 2004, \$2,000,000 in fiscal year 2005, and \$2,500,000 in fiscal years 2006 and 2007.

“(3) TOTAL FEE REVENUES FOR ESTABLISHMENT FEES.—The total fee revenues to be collected in establishment fees under subsection [(a)] [(3)] (b) (3) shall be \$1,250,000 in fiscal year 2004, \$2,000,000 in fiscal year 2005, and \$2,500,000 in fiscal years 2006 and 2007.

“(4) TOTAL FEE REVENUES FOR SPONSOR FEES.—The total fee revenues to be collected in sponsor fees under subsection [(a)] [(4)] (b) (4) shall be \$1,250,000 in fiscal year 2004, \$2,000,000 in fiscal year 2005, and \$2,500,000 in fiscal years 2006 and 2007.

“(c) (d) ADJUSTMENTS.—

“(1) INFLATION ADJUSTMENT.—The fees and total fee revenues established in subsection [(b)] (c) shall be adjusted by the Secretary by notice, published in the Federal Register, for a fiscal year according to the formula set forth in section 736(c)(1).

“(2) WORKLOAD ADJUSTMENT.—After the fee revenues are adjusted for inflation in accordance with subparagraph (1), the fee revenues shall be further adjusted each fiscal year after fiscal year 2004 to reflect changes in review workload. With respect to such adjustment:

“(A) This adjustment shall be determined by the Secretary based on a weighted average of the change in the total number of animal drug applications, supplemental animal drug applications for which data with respect to safety or effectiveness are required, manufacturing supplemental animal drug applications, investigational animal drug study submissions, and investigational animal drug protocol submissions submitted to the Secretary. The Secretary shall publish in the Federal Register the fees resulting from this adjustment and the supporting methodologies.

“(B) Under no circumstances shall this workload adjustment result in fee revenues

for a fiscal year that are less than the fee revenues for that fiscal year established in subsection [(b)] (c), as adjusted for inflation under subparagraph [(c)] [(1)] (d)(1).

“(3) FINAL YEAR ADJUSTMENT.—For fiscal year 2007, the Secretary may further increase the fees to provide for up to 3 months of operating reserves of carryover user fees for the process for the review of animal drug applications for the first 3 months of fiscal year 2008. If the Food and Drug Administration has carryover balances for the process for the review of animal drug applications in excess of 3 months of such operating reserves, then this adjustment will not be made. If this adjustment is necessary, then the rationale for the amount of the increase shall be contained in the annual notice setting fees for fiscal year 2007.

“(4) ANNUAL FEE SETTING.—The Secretary shall establish, 60 days before the start of each fiscal year that begins after September 30, 2003, for that fiscal year, animal drug application fees, supplemental animal drug application fees, animal drug sponsor fees, animal drug establishment fees, and animal drug product fees based on the revenue amounts established under subsection [(b)] (c) and the adjustments provided under this subsection.

“(5) LIMIT.—The total amount of fees charged, as adjusted under this subsection, for a fiscal year may not exceed the total costs for such fiscal year for the resources allocated for the process for the review of animal drug applications.

“[(d)] (e) FEE WAIVER OR REDUCTION.—

“(1) IN GENERAL.—The Secretary shall grant a waiver from or a reduction of 1 or more fees assessed under subsection [(a)] (b) where the Secretary finds that—

“(A) the assessment of the fee would present a significant barrier to innovation because of limited resources available to such person or other circumstances,

“(B) the fees to be paid by such person will exceed the anticipated present and future costs incurred by the Secretary in conducting the process for the review of animal drug applications for such person,

“(C) the animal drug application or supplemental animal drug application is intended solely to provide for use of the animal drug in—

“(i) a Type B medicated feed (as defined in section 558.3(b)(3) of title 21, Code of Federal Regulations (or any successor regulation)) intended for use in the manufacture of Type C free-choice medicated feeds, or

“(ii) a Type C free-choice medicated feed (as defined in section 558.3(b)(4) of title 21, Code of Federal Regulations (or any successor regulation)),

“(D) the animal drug application or supplemental animal drug application is intended solely to provide for a minor use or minor species indication, or

“(E) the sponsor involved is a small business submitting its first animal drug application to the Secretary for review.

“(2) USE OF STANDARD COSTS.—In making the finding in paragraph (1)(B), the Secretary may use standard costs.

“(3) RULES FOR SMALL BUSINESSES.—

“(A) DEFINITION.—In paragraph (1)(D), the term “small business” means an entity that has fewer than 500 employees, including employees of affiliates.

“(B) WAIVER OF APPLICATION FEE.—The Secretary shall waive under paragraph (1)(D) the application fee for the first animal drug application that a small business or its affiliate submits to the Secretary for review. After a small business or its affiliate is granted such a waiver, the small business or its affiliate shall pay application fees for all subsequent animal drug applications and supplemental animal drug applications for

which safety or effectiveness data are required in the same manner as an entity that does not qualify as a small business.

“(C) CERTIFICATION.—The Secretary shall require any person who applies for a waiver under paragraph (1)(D) to certify their qualification for the waiver. The Secretary shall periodically publish in the Federal Register a list of persons making such certifications.

“[(e)] (f) EFFECT OF FAILURE TO PAY FEES.—An animal drug application or supplemental animal drug application submitted by a person subject to fees under subsection [(a)] (b) shall be considered incomplete and shall not be accepted for filing by the Secretary until all fees owed by such person have been paid. An investigational animal drug submission under section 738(5)(B) that is submitted by a person subject to fees under subsection [(a)] (b) shall be considered incomplete and shall not be accepted for review by the Secretary until all fees owed by such person have been paid. The Secretary may discontinue review of any animal drug application, supplemental animal drug application or investigational animal drug submission from a person if such person has not submitted for payment all fees owed under this section by 30 days after the date upon which they are due.

“[(f)] (g) ASSESSMENT OF FEES.—

“(1) LIMITATION.—Fees may not be assessed under subsection (a) for a fiscal year beginning after fiscal year 2003 unless appropriations for salaries and expenses of the Food and Drug Administration for such fiscal year (excluding the amount of fees appropriated for such fiscal year) are equal to or greater than the amount of appropriations for the salaries and expenses of the Food and Drug Administration for the fiscal year 2003 (excluding the amount of fees appropriated for such fiscal year) multiplied by the adjustment factor applicable to the fiscal year involved.

“(2) AUTHORITY.—If the Secretary does not assess fees under subsection [(a)] (b) during any portion of a fiscal year because of paragraph (1) and if at a later date in such fiscal year the Secretary may assess such fees, the Secretary may assess and collect such fees, without any modification in the rate, for animal drug applications, supplemental animal drug applications, investigational animal drug submissions, sponsors, animal drug establishments and animal drug products at any time in such fiscal year notwithstanding the provisions of subsection (a) relating to the date fees are to be paid.

“[(g)] (h) CREDITING AND AVAILABILITY OF FEES.—

“(1) IN GENERAL.—Fees authorized under subsection [(a)] (b) shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Such fees are authorized to be appropriated to remain available until expended. Such sums as may be necessary may be transferred from the Food and Drug Administration salaries and expenses appropriation account without fiscal year limitation to such appropriation account for salary and expenses with such fiscal year limitation. The sums transferred shall be available solely for the process for the review of animal drug applications.

“(2) COLLECTIONS AND APPROPRIATION ACTS.—

“(A) IN GENERAL.—The fees authorized by this section—

“(i) shall be retained in each fiscal year in an amount not to exceed the amount specified in appropriation Acts, or otherwise made available for obligation for such fiscal year, and

“(ii) shall only be collected and available to defray increases in the costs of the resources allocated for the process for the re-

view of animal drug applications (including increases in such costs for an additional number of full-time equivalent positions in the Department of Health and Human Services to be engaged in such process) over such costs, excluding costs paid from fees collected under this section, for fiscal year 2003 multiplied by the adjustment factor.

“(B) COMPLIANCE.—The Secretary shall be considered to have met the requirements of subparagraph (A)(ii) in any fiscal year if the costs funded by appropriations and allocated for the process for the review of animal drug applications—

“(i) are not more than 3 percent below the level specified in subparagraph (A)(ii); or

“(ii) (I) are more than 3 percent below the level specified in subparagraph (A)(ii), and fees assessed for the fiscal year following the subsequent fiscal year are decreased by the amount in excess of 3 percent by which such costs fell below the level specified in subparagraph (A)(ii); and

“(II) such costs are not more than 5 percent below the level specified in subparagraph (A)(ii).

“(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fees under this section—

“(A) \$5,000,000 for fiscal year 2004;

“(B) \$8,000,000 for fiscal year 2005;

“(C) \$10,000,000 for fiscal year 2006; and

“(D) \$10,000,000 for fiscal year 2007;

as adjusted to reflect adjustments in the total fee revenues made under this section and changes in the total amounts collected by animal drug application fees, supplemental animal drug application fees, animal drug sponsor fees, animal drug establishment fees, and animal drug product fees.

“(4) OFFSET.—Any amount of fees collected for a fiscal year under this section that exceeds the amount of fees specified in appropriations Acts for such fiscal year shall be credited to the appropriation account of the Food and Drug Administration as provided in paragraph (1), and shall be subtracted from the amount of fees that would otherwise be authorized to be collected under this section pursuant to appropriation Acts for a subsequent fiscal year.

“[(h)] (i) COLLECTION OF UNPAID FEES.—In any case where the Secretary does not receive payment of a fee assessed under subsection [(a)] (b) within 30 days after it is due, such fee shall be treated as a claim of the United States Government subject to subchapter II of chapter 37 of title 31, United States Code.

“[(i)] (j) WRITTEN REQUESTS FOR WAIVERS, REDUCTIONS, AND REFUNDS.—To qualify for consideration for a waiver or reduction under subsection [(d)] (e), or for a refund of any fee collected in accordance with subsection [(a)] (b), a person shall submit to the Secretary a written request for such waiver, reduction, or refund not later than 180 days after such fee is due.

“[(j)] (k) CONSTRUCTION.—This section may not be construed to require that the number of full-time equivalent positions in the Department of Health and Human Services, for officers, employees, and advisory committees not engaged in the process of the review of animal drug applications, be reduced to offset the number of officers, employees, and advisory committees so engaged.

“[(k)] (l) ADMINISTRATIVE PROCEDURE.—The Secretary shall—

“(1) to the extent practicable, segregate the review of abbreviated new animal drug applications from the process for the review of animal drug applications, and

“(2) adopt other administrative procedures to ensure that review times of abbreviated new animal drug applications do not increase from their current level due to activities under the user fee program.”.

SEC. 4. ACCOUNTABILITY AND REPORTS.**(a) PUBLIC ACCOUNTABILITY.—**

(1) **CONSULTATION.**—In developing recommendations to Congress for the goals and plans for meeting the goals for the process for the review of animal drug applications for the fiscal years after fiscal year 2007, and for the reauthorization of section 738 and 739 of the Federal Food, Drug, and Cosmetic Act (as added by section 3), the Secretary of Health and Human Services (referred to in this section as the “Secretary”) shall consult with the Committee on Energy and Commerce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions of the Senate, appropriate scientific and academic experts, veterinary professionals, representatives of consumer advocacy groups, and the regulated industry.

(2) **RECOMMENDATIONS.**—The Secretary shall—

(A) publish in the Federal Register recommendations under paragraph (1), after negotiations with the regulated industry;

(B) present the recommendations to the Committees referred to in that paragraph;

(C) hold a meeting at which the public may comment on the recommendations; and

(D) provide for a period of 30 days for the public to provide written comments on the recommendations.

(b) **PERFORMANCE REPORTS.**—Beginning with fiscal year 2004, not later than 60 days after the end of each fiscal year during which fees are collected under part 3 of subchapter C of chapter VII of the Federal Food, Drug, and Cosmetic Act, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report concerning the progress of the Food and Drug Administration in achieving the goals identified in the letters described in section 2(3) of this Act toward expediting the animal drug development process and the review of the new and supplemental animal drug applications and investigational animal drug submissions during such fiscal year, the future plans of the Food and Drug Administration for meeting the goals, the review times for abbreviated new animal drug applications, and the administrative procedures adopted by the Food and Drug Administration to ensure that review times for abbreviated new animal drug applications are not increased from their current level due to activities under the user fee program.

(c) **FISCAL REPORT.**—Beginning with fiscal year 2004, not later than 120 days after the end of each fiscal year during which fees are collected under the part described in subsection (a), the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the implementation of the authority for such fees during such fiscal year and the use, by the Food and Drug Administration, of the fees collected during such fiscal year for which the report is made.

SEC. 5. SUNSET.

The amendments made by section 3 shall not be in effect after October 1, 2007 and section 4 shall not be in effect after 120 days after such date.

Mr. FRIST. Mr. President, I ask unanimous consent the committee amendments be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The committee amendments were agreed to.

The bill (S. 313), as amended, was read the third time and passed, as follows:

S. 313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Animal Drug User Fee Act of 2003”.

SEC. 2. FINDINGS.

Congress finds as follows:

(1) Prompt approval of safe and effective new animal drugs is critical to the improvement of animal health and the public health.

(2) Animal health and the public health will be served by making additional funds available for the purpose of augmenting the resources of the Food and Drug Administration that are devoted to the process for review of new animal drug applications.

(3) The fees authorized by this title will be dedicated toward expediting the animal drug development process and the review of new and supplemental animal drug applications and investigational animal drug submissions as set forth in the goals identified, for purposes of part 3 of subchapter C of chapter VII of the Federal Food, Drug, and Cosmetic Act, in the letters from the Secretary of Health and Human Services to the Chairman of the Committee on Energy and Commerce of the House of Representatives and the Chairman of the Committee on Health, Education, Labor, and Pensions of the Senate as set forth in the Congressional Record.

SEC. 3. FEES RELATING TO ANIMAL DRUGS.

Subchapter C of chapter VII of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 379f et seq.) is amended by adding at the end the following part:

“PART 4—FEES RELATING TO ANIMAL DRUGS**“SEC. 739. AUTHORITY TO ASSESS AND USE ANIMAL DRUG FEES.**

(a) **DEFINITIONS.**—For purposes of this subchapter:

“(1) The term ‘animal drug application’ means an application for approval of any new animal drug submitted under section 512(b)(1). Such term does not include either a new animal drug application submitted under section 512(b)(2) or a supplemental animal drug application.

“(2) The term ‘supplemental animal drug application’ means—

“(A) a request to the Secretary to approve a change in an animal drug application which has been approved; or

“(B) a request to the Secretary to approve a change to an application approved under section 512(c)(2) for which data with respect to safety or effectiveness are required.

“(3) The term ‘animal drug product’ means each specific strength or potency of a particular active ingredient or ingredients in final dosage form marketed by a particular manufacturer or distributor, which is uniquely identified by the labeler code and product code portions of the national drug code, and for which an animal drug application or a supplemental animal drug application has been approved.

“(4) The term ‘animal drug establishment’ means a foreign or domestic place of business which is at one general physical location consisting of one or more buildings all of which are within 5 miles of each other, at which one or more animal drug products are manufactured in final dosage form.

“(5) The term ‘investigational animal drug submission’ means—

“(A) the filing of a claim for an investigational exemption under section 512(j) for a

new animal drug intended to be the subject of an animal drug application or a supplemental animal drug application, or

“(B) the submission of information for the purpose of enabling the Secretary to evaluate the safety or effectiveness of an animal drug application or supplemental animal drug application in the event of their filing.

“(6) The term ‘animal drug sponsor’ means either an applicant named in an animal drug application, except for an approved application for which all subject products have been removed from listing under section 510, or a person who has submitted an investigational animal drug submission that has not been terminated or otherwise rendered inactive by the Secretary.

“(7) The term ‘final dosage form’ means, with respect to an animal drug product, a finished dosage form which is approved for administration to an animal without substantial further manufacturing. Such term includes animal drug products intended for mixing in animal feeds.

“(8) The term ‘process for the review of animal drug applications’ means the following activities of the Secretary with respect to the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions:

“(A) The activities necessary for the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(B) The issuance of action letters which approve animal drug applications or supplemental animal drug applications or which set forth in detail the specific deficiencies in animal drug applications, supplemental animal drug applications, or investigational animal drug submissions and, where appropriate, the actions necessary to place such applications, supplements or submissions in condition for approval.

“(C) The inspection of animal drug establishments and other facilities undertaken as part of the Secretary’s review of pending animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(D) Monitoring of research conducted in connection with the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(E) The development of regulations and policy related to the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(F) Development of standards for products subject to review.

“(G) Meetings between the agency and the animal drug sponsor.

“(H) Review of advertising and labeling prior to approval of an animal drug application or supplemental animal drug application, but not such activities after an animal drug has been approved.

“(9) The term ‘costs of resources allocated for the process for the review of animal drug applications’ means the expenses incurred in connection with the process for the review of animal drug applications for—

“(A) officers and employees of the Food and Drug Administration, contractors of the Food and Drug Administration, advisory committees consulted with respect to the review of specific animal drug applications, supplemental animal drug applications, or investigational animal drug submissions, and costs related to such officers, employees, committees, and contractors, including costs for travel, education, and recruitment and other personnel activities,

“(B) management of information, and the acquisition, maintenance, and repair of computer resources,

“(C) leasing, maintenance, renovation, and repair of facilities and acquisition, maintenance, and repair of fixtures, furniture, scientific equipment, and other necessary materials and supplies, and

“(D) collecting fees under section 739 and accounting for resources allocated for the review of animal drug applications, supplemental animal drug applications, and investigational animal drug submissions.

“(10) The term ‘adjustment factor’ applicable to a fiscal year refers to the formula set forth in section 735(8) with the base or comparator year being 2003.

“(11) The term ‘affiliate’ refers to the definition set forth in section 735(9).

“(b) TYPES OF FEES.—Beginning in fiscal year 2004, the Secretary shall assess and collect fees in accordance with this section as follows:

“(1) ANIMAL DRUG APPLICATION AND SUPPLEMENTAL FEE.—

“(A) IN GENERAL.—Each person that submits, on or after September 1, 2003, an animal drug application or a supplemental animal drug application shall be subject to a fee as follows:

“(i) A fee established in subsection (c) for an animal drug application; and

“(ii) A fee established in subsection (c) for a supplemental animal drug application for which safety or effectiveness data are required, in an amount that is equal to 50 percent of the amount of the fee under clause (i).

“(B) PAYMENT.—The fee required by subparagraph (A) shall be due upon submission of the animal drug application or supplemental animal drug application.

“(C) EXCEPTION FOR PREVIOUSLY FILED APPLICATION OR SUPPLEMENT.—If an animal drug application or a supplemental animal drug application was submitted by a person that paid the fee for such application or supplement, was accepted for filing, and was not approved or was withdrawn (without a waiver or refund), the submission of an animal drug application or a supplemental animal drug application for the same product by the same person (or the person’s licensee, assignee, or successor) shall not be subject to a fee under subparagraph (A).

“(D) REFUND OF FEE IF APPLICATION REFUSED FOR FILING.—The Secretary shall refund 75 percent of the fee paid under subparagraph (B) for any animal drug application or supplemental animal drug application which is refused for filing.

“(E) REFUND OF FEE IF APPLICATION WITHDRAWN.—If an animal drug application or a supplemental animal drug application is withdrawn after the application or supplement was filed, the Secretary may refund the fee or portion of the fee paid under subparagraph B if no substantial work was performed on the application or supplement after the application or supplement was filed. The Secretary shall have the sole discretion to refund the fee under this paragraph. A determination by the Secretary concerning a refund under this paragraph shall not be reviewable.

“(2) ANIMAL DRUG PRODUCT FEE.—Each person—

“(A) who is named as the applicant in an animal drug application or supplemental animal drug application for an animal drug product which has been submitted for listing under section 510, and

“(B) who, after September 1, 2003, had pending before the Secretary an animal drug application or supplemental animal drug application;

shall pay for each such animal drug product the annual fee established in subsection (c).

Such fee shall be payable for the fiscal year in which the animal drug product is first submitted for listing under section 510, or is submitted for relisting under section 510 if the animal drug product has been withdrawn from listing and relisted. After such fee is paid for that fiscal year, such fee shall be payable on or before January 31 of each year. Such fee shall be paid only once for each animal drug product for a fiscal year in which the fee is payable.

“(3) ANIMAL DRUG ESTABLISHMENT FEE.—Each person—

“(A) who owns or operates, directly or through an affiliate, an animal drug establishment, and

“(B) who is named as the applicant in an animal drug application or supplemental animal drug application for an animal drug product which has been submitted for listing under section 510, and

“(C) who, after September 1, 2003, had pending before the Secretary an animal drug application or supplemental animal drug application,

shall be assessed an annual fee established in subsection (c) for each animal drug establishment listed in its approved animal drug application as an establishment that manufactures the animal drug product named in the application. The annual establishment fee shall be assessed in each fiscal year in which the animal drug product named in the application is assessed a fee under paragraph (2) unless the animal drug establishment listed in the application does not engage in the manufacture of the animal drug product during the fiscal year. The fee shall be paid on or before January 31 of each year. The establishment shall be assessed only one fee per fiscal year under this section, provided, however, that where a single establishment manufactures both animal drug products and prescription drug products, as defined in section 735(3), such establishment shall be assessed both the animal drug establishment fee and the prescription drug establishment fee, as set forth in section 736(a)(2), within a single fiscal year.

“(4) ANIMAL DRUG SPONSOR FEE.—Each person—

“(A) who meets the definition of an animal drug sponsor within a fiscal year; and

“(B) who, after September 1, 2003, had pending before the Secretary an animal drug application, a supplemental animal drug application, or an investigational animal drug submission,

shall be assessed an annual fee established under subsection (c). The fee shall be paid on or before January 31 of each year. Each animal drug sponsor shall pay only one such fee each fiscal year.

“(c) FEE AMOUNTS.—Except as provided in subsection (b)(1) and subsections (d), (e), (g), and (h), the fees required under subsection (b) shall be established to generate fee revenue amounts as follows:

“(1) TOTAL FEE REVENUES FOR APPLICATION AND SUPPLEMENT FEES.—The total fee revenues to be collected in animal drug application fees under subsection (b)(1)(A)(i) and supplemental animal drug application fees under subsection (b)(1)(A)(ii) shall be \$1,250,000 in fiscal year 2004, \$2,000,000 in fiscal year 2005, and \$2,500,000 in fiscal years 2006 and 2007.

“(2) TOTAL FEE REVENUES FOR PRODUCT FEES.—The total fee revenues to be collected in product fees under subsection (b)(2) shall be \$1,250,000 in fiscal year 2004, \$2,000,000 in fiscal year 2005, and \$2,500,000 in fiscal years 2006 and 2007.

“(3) TOTAL FEE REVENUES FOR ESTABLISHMENT FEES.—The total fee revenues to be collected in establishment fees under subsection (b)(3) shall be \$1,250,000 in fiscal year

2004, \$2,000,000 in fiscal year 2005, and \$2,500,000 in fiscal years 2006 and 2007.

“(4) TOTAL FEE REVENUES FOR SPONSOR FEES.—The total fee revenues to be collected in sponsor fees under subsection (b)(4) shall be \$1,250,000 in fiscal year 2004, \$2,000,000 in fiscal year 2005, and \$2,500,000 in fiscal years 2006 and 2007.

“(d) ADJUSTMENTS.—

“(1) INFLATION ADJUSTMENT.—The fees and total fee revenues established in subsection (c) shall be adjusted by the Secretary by notice, published in the Federal Register, for a fiscal year according to the formula set forth in section 736(c)(1).

“(2) WORKLOAD ADJUSTMENT.—After the fee revenues are adjusted for inflation in accordance with subparagraph (1), the fee revenues shall be further adjusted each fiscal year after fiscal year 2004 to reflect changes in review workload. With respect to such adjustment:

“(A) This adjustment shall be determined by the Secretary based on a weighted average of the change in the total number of animal drug applications, supplemental animal drug applications for which data with respect to safety or effectiveness are required, manufacturing supplemental animal drug applications, investigational animal drug study submissions, and investigational animal drug protocol submissions submitted to the Secretary. The Secretary shall publish in the Federal Register the fees resulting from this adjustment and the supporting methodologies.

“(B) Under no circumstances shall this workload adjustment result in fee revenues for a fiscal year that are less than the fee revenues for that fiscal year established in subsection (c), as adjusted for inflation under subparagraph (d)(1).

“(3) FINAL YEAR ADJUSTMENT.—For fiscal year 2007, the Secretary may further increase the fees to provide for up to 3 months of operating reserves of carryover user fees for the process for the review of animal drug applications for the first 3 months of fiscal year 2008. If the Food and Drug Administration has carryover balances for the process for the review of animal drug applications in excess of 3 months of such operating reserves, then this adjustment will not be made. If this adjustment is necessary, then the rationale for the amount of the increase shall be contained in the annual notice setting fees for fiscal year 2007.

“(4) ANNUAL FEE SETTING.—The Secretary shall establish, 60 days before the start of each fiscal year that begins after September 30, 2003, for that fiscal year, animal drug application fees, supplemental animal drug application fees, animal drug sponsor fees, animal drug establishment fees, and animal drug product fees based on the revenue amounts established under subsection (c) and the adjustments provided under this subsection.

“(5) LIMIT.—The total amount of fees charged, as adjusted under this subsection, for a fiscal year may not exceed the total costs for such fiscal year for the resources allocated for the process for the review of animal drug applications.

“(e) FEE WAIVER OR REDUCTION.—

“(1) IN GENERAL.—The Secretary shall grant a waiver from or a reduction of 1 or more fees assessed under subsection (b) where the Secretary finds that—

“(A) the assessment of the fee would present a significant barrier to innovation because of limited resources available to such person or other circumstances,

“(B) the fees to be paid by such person will exceed the anticipated present and future costs incurred by the Secretary in conducting the process for the review of animal drug applications for such person,

“(C) the animal drug application or supplemental animal drug application is intended solely to provide for use of the animal drug in—

“(i) a Type B medicated feed (as defined in section 558.3(b)(3) of title 21, Code of Federal Regulations (or any successor regulation)) intended for use in the manufacture of Type C free-choice medicated feeds, or

“(ii) a Type C free-choice medicated feed (as defined in section 558.3(b)(4) of title 21, Code of Federal Regulations (or any successor regulation)).

“(D) the animal drug application or supplemental animal drug application is intended solely to provide for a minor use or minor species indication, or

“(E) the sponsor involved is a small business submitting its first animal drug application to the Secretary for review.

“(2) USE OF STANDARD COSTS.—In making the finding in paragraph (1)(B), the Secretary may use standard costs.

“(3) RULES FOR SMALL BUSINESSES.—

“(A) DEFINITION.—In paragraph (1)(D), the term “small business” means an entity that has fewer than 500 employees, including employees of affiliates.

“(B) WAIVER OF APPLICATION FEE.—The Secretary shall waive under paragraph (1)(D) the application fee for the first animal drug application that a small business or its affiliate submits to the Secretary for review. After a small business or its affiliate is granted such a waiver, the small business or its affiliate shall pay application fees for all subsequent animal drug applications and supplemental animal drug applications for which safety or effectiveness data are required in the same manner as an entity that does not qualify as a small business.

“(C) CERTIFICATION.—The Secretary shall require any person who applies for a waiver under paragraph (1)(D) to certify their qualification for the waiver. The Secretary shall periodically publish in the Federal Register a list of persons making such certifications.

“(f) EFFECT OF FAILURE TO PAY FEES.—An animal drug application or supplemental animal drug application submitted by a person subject to fees under subsection (b) shall be considered incomplete and shall not be accepted for filing by the Secretary until all fees owed by such person have been paid. An investigational animal drug submission under section 738(5)(B) that is submitted by a person subject to fees under subsection (b) shall be considered incomplete and shall not be accepted for review by the Secretary until all fees owed by such person have been paid. The Secretary may discontinue review of any animal drug application, supplemental animal drug application or investigational animal drug submission from a person if such person has not submitted for payment all fees owed under this section by 30 days after the date upon which they are due.

“(g) ASSESSMENT OF FEES.—

“(1) LIMITATION.—Fees may not be assessed under subsection (a) for a fiscal year beginning after fiscal year 2003 unless appropriations for salaries and expenses of the Food and Drug Administration for such fiscal year (excluding the amount of fees appropriated for such fiscal year) are equal to or greater than the amount of appropriations for the salaries and expenses of the Food and Drug Administration for the fiscal year 2003 (excluding the amount of fees appropriated for such fiscal year) multiplied by the adjustment factor applicable to the fiscal year involved.

“(2) AUTHORITY.—If the Secretary does not assess fees under subsection (b) during any portion of a fiscal year because of paragraph (1) and if at a later date in such fiscal year the Secretary may assess such fees, the Secretary may assess and collect such fees,

without any modification in the rate, for animal drug applications, supplemental animal drug applications, investigational animal drug submissions, sponsors, animal drug establishments and animal drug products at any time in such fiscal year notwithstanding the provisions of subsection (a) relating to the date fees are to be paid.

“(h) CREDITING AND AVAILABILITY OF FEES.—

“(1) IN GENERAL.—Fees authorized under subsection (b) shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Such fees are authorized to be appropriated to remain available until expended. Such sums as may be necessary may be transferred from the Food and Drug Administration salaries and expenses appropriation account without fiscal year limitation to such appropriation account for salary and expenses with such fiscal year limitation. The sums transferred shall be available solely for the process for the review of animal drug applications.

“(2) COLLECTIONS AND APPROPRIATION ACTS.—

“(A) IN GENERAL.—The fees authorized by this section—

“(i) shall be retained in each fiscal year in an amount not to exceed the amount specified in appropriation Acts, or otherwise made available for obligation for such fiscal year, and

“(ii) shall only be collected and available to defray increases in the costs of the resources allocated for the process for the review of animal drug applications (including increases in such costs for an additional number of full-time equivalent positions in the Department of Health and Human Services to be engaged in such process) over such costs, excluding costs paid from fees collected under this section, for fiscal year 2003 multiplied by the adjustment factor.

“(B) COMPLIANCE.—The Secretary shall be considered to have met the requirements of subparagraph (A)(ii) in any fiscal year if the costs funded by appropriations and allocated for the process for the review of animal drug applications—

“(i) are not more than 3 percent below the level specified in subparagraph (A)(ii); or

“(ii) (I) are more than 3 percent below the level specified in subparagraph (A)(ii), and fees assessed for the fiscal year following the subsequent fiscal year are decreased by the amount in excess of 3 percent by which such costs fell below the level specified in subparagraph (A)(ii); and

“(II) such costs are not more than 5 percent below the level specified in subparagraph (A)(ii).

“(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fees under this section—

“(A) \$5,000,000 for fiscal year 2004;

“(B) \$8,000,000 for fiscal year 2005;

“(C) \$10,000,000 for fiscal year 2006; and

“(D) \$10,000,000 for fiscal year 2007;

as adjusted to reflect adjustments in the total fee revenues made under this section and changes in the total amounts collected by animal drug application fees, supplemental animal drug application fees, animal drug sponsor fees, animal drug establishment fees, and animal drug product fees.

“(4) OFFSET.—Any amount of fees collected for a fiscal year under this section that exceeds the amount of fees specified in appropriations Acts for such fiscal year shall be credited to the appropriation account of the Food and Drug Administration as provided in paragraph (1), and shall be subtracted from the amount of fees that would otherwise be authorized to be collected under this section pursuant to appropriation Acts for a subsequent fiscal year.

“(i) COLLECTION OF UNPAID FEES.—In any case where the Secretary does not receive payment of a fee assessed under subsection (b) within 30 days after it is due, such fee shall be treated as a claim of the United States Government subject to subchapter II of chapter 37 of title 31, United States Code.

“(j) WRITTEN REQUESTS FOR WAIVERS, REDUCTIONS, AND REFUNDS.—To qualify for consideration for a waiver or reduction under subsection (e), or for a refund of any fee collected in accordance with subsection (b), a person shall submit to the Secretary a written request for such waiver, reduction, or refund not later than 180 days after such fee is due.

“(k) CONSTRUCTION.—This section may not be construed to require that the number of full-time equivalent positions in the Department of Health and Human Services, for officers, employees, and advisory committees not engaged in the process of the review of animal drug applications, be reduced to offset the number of officers, employees, and advisory committees so engaged.

“(l) ADMINISTRATIVE PROCEDURE.—The Secretary shall—

“(1) to the extent practicable, segregate the review of abbreviated new animal drug applications from the process for the review of animal drug applications, and

“(2) adopt other administrative procedures to ensure that review times of abbreviated new animal drug applications do not increase from their current level due to activities under the user fee program.”

SEC. 4. ACCOUNTABILITY AND REPORTS.

(a) PUBLIC ACCOUNTABILITY.—

(1) CONSULTATION.—In developing recommendations to Congress for the goals and plans for meeting the goals for the process for the review of animal drug applications for the fiscal years after fiscal year 2007, and for the reauthorization of section 738 and 739 of the Federal Food, Drug, and Cosmetic Act (as added by section 3), the Secretary of Health and Human Services (referred to in this section as the “Secretary”) shall consult with the Committee on Energy and Commerce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions of the Senate, appropriate scientific and academic experts, veterinary professionals, representatives of consumer advocacy groups, and the regulated industry.

(2) RECOMMENDATIONS.—The Secretary shall—

(A) publish in the Federal Register recommendations under paragraph (1), after negotiations with the regulated industry;

(B) present the recommendations to the Committees referred to in that paragraph;

(C) hold a meeting at which the public may comment on the recommendations; and

(D) provide for a period of 30 days for the public to provide written comments on the recommendations.

(b) PERFORMANCE REPORTS.—Beginning with fiscal year 2004, not later than 60 days after the end of each fiscal year during which fees are collected under part 3 of subchapter C of chapter VII of the Federal Food, Drug, and Cosmetic Act, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report concerning the progress of the Food and Drug Administration in achieving the goals identified in the letters described in section 2(3) of this Act toward expediting the animal drug development process and the review of the new and supplemental animal drug applications and investigational animal drug submissions during such fiscal year, the future plans of the Food and Drug Administration for meeting the goals, the review

times for abbreviated new animal drug applications, and the administrative procedures adopted by the Food and Drug Administration to ensure that review times for abbreviated new animal drug applications are not increased from their current level due to activities under the user fee program.

(c) **FISCAL REPORT.**—Beginning with fiscal year 2004, not later than 120 days after the end of each fiscal year during which fees are collected under the part described in subsection (a), the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the implementation of the authority for such fees during such fiscal year and the use, by the Food and Drug Administration, of the fees collected during such fiscal year for which the report is made.

SEC. 5. SUNSET.

The amendments made by section 3 shall not be in effect after October 1, 2007 and section 4 shall not be in effect after 120 days after such date.

ABRAHAM LINCOLN BICENTENNIAL COMMISSION

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 108, S. 858.

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

The legislative clerk read as follows:

A bill (S. 858) to extend the Abraham Lincoln Bicentennial Commission, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the bill be printed in the RECORD.

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

The bill (S. 858) was read the third time and passed, as follows:

S. 858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ABRAHAM LINCOLN BICENTENNIAL COMMISSION.

(a) **DUTIES.**—Section 4 of the Abraham Lincoln Bicentennial Commission Act (36 U.S.C. note prec. 101; Public Law 106-173) is amended—

(1) in paragraph (1)(D), by striking “redesignation” and inserting “rededication”; and

(2) by adding at the end the following:

“(3) To recommend to Congress a plan to carry out the activities recommended under paragraph (2).

“(4) To carry out other related activities in support of the duties carried out under paragraphs (1) through (3).”.

(b) **EXTENSION.**—Section 8 of such Act (36 U.S.C. note prec. 101; Public Law 106-173) is amended—

(1) in subsection (a), by striking “The” and inserting “In addition to the interim report required under subsection (b), the”; and

(2) in subsection (b)—

(A) in the subsection heading, by striking “FINAL REPORT.” and inserting “REQUIRED INTERIM REPORT.”; and

(B) by striking the first sentence and inserting: “Not later than June 24, 2004, the

Commission shall submit an interim report to Congress.”; and

(C) in the second sentence, by striking “final”; and

(3) by adding at the end the following:

“(c) **FINAL REPORT.**—Not later than April 30, 2010, the Commission shall submit a final report to Congress. The final report shall contain final statements, recommendations, and information described under subsection (b)(1), (2), and (3).”.

RECOGNIZING THE 140TH ANNIVERSARY OF THE FOUNDING OF THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 110, S. Res. 136.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 136) recognizing the 140th anniversary of the founding of the Brotherhood of Locomotive Engineers, and congratulating members and officers of the Brotherhood of Locomotive Engineers for the union's achievements.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider laid upon the table, with no intervening action or debate.

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

The resolution (S. Res. 136) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 136

Whereas the Brotherhood of Locomotive Engineers was founded on May 8, 1863, as a secret, fraternal labor organization and its first meetings were held clandestinely for fear of reprisals from railroad management;

Whereas the climate toward labor organizations at that time was extraordinarily hostile, and many of the other newly founded labor organizations failed to withstand the negative pressures placed upon them and disbanded in their infancies;

Whereas the Brotherhood of Locomotive Engineers began to thrive despite the climate into which it was born;

Whereas the Brotherhood of Locomotive Engineers has grown from its original 13 members, all from the Michigan Central Railroad, to 59,000 active and retired members employed throughout the United States and Canada;

Whereas the Brotherhood of Locomotive Engineers is North America's oldest rail labor union;

Whereas the Brotherhood of Locomotive Engineers' members have contributed, both directly through their railroad activity and in private capacities, to the war effort in all of the battles of the United States dating back to the Civil War;

Whereas their efforts to improve rail safety for both their members and the public have resulted in a dramatic decrease in the number of railroad accidents in the years since their inception;

Whereas, in 1964, the Brotherhood of Locomotive Engineers launched an apprentice engineer program to assure the Nation of a sta-

ble supply of well-trained locomotive engineers, and to assure stable employment and earnings to apprentices;

Whereas, after accepting only promoted locomotive engineers in its early years, the Brotherhood of Locomotive Engineers enlarged its membership goals to include other rail employees;

Whereas, in 1993, the 2,500 member American Train Dispatchers Association officially affiliated with the Brotherhood of Locomotive Engineers in order to unite the two key railway professions that facilitate the efficient and safe movement of passengers and freight;

Whereas, in 1995, the Rail Canada Traffic Controllers union also chose to merge into the Brotherhood of Locomotive Engineers, adding another 700 members;

Whereas, in addition to providing representation for its members, the Brotherhood of Locomotive Engineers aggressively participates in the labor movement with other unions and organizations in promoting the interests of working men and women and their families;

Whereas the Brotherhood of Locomotive Engineers is an extraordinary union whose leadership still works hard every day—just as it did in 1863—to protect members' health and safety, to guard their financial interests, to give them an effective voice on the job, and to ensure dignity, respect, and security for railway workers in the workplace; and

Whereas the efforts of the Brotherhood of Locomotive Engineers are deserving of our attention and admiration: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the union which has made a tremendous contribution to the structural development and building of the United States, and to the well-being of tens of thousands of workers;

(2) congratulates the union for its many achievements and the strength of its members; and

(3) expects that the union will continue its dedicated work and will have an even greater impact in the 21st century and beyond, and will enhance the standard of living and working environment for rail workers and other laborers in generations to come.

AUTHORIZING REPRESENTATION OF SENATE LEGAL COUNSEL

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 156, which was submitted earlier today.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 156) authorizing representation by Senate legal counsel in the case of Judicial Watch, Inc. v. United States Senate, et al.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the matter be printed in the RECORD.

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

The resolution (S. Res. 156) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 156

Whereas, the United States Senate, Emily J. Reynolds, Secretary of the Senate, and William H. Pickle, Senate Sergeant at Arms, have been named as defendants in the case of *Judicial Watch, Inc. v. United States Senate, et al.*, No. 1:03CV01066, now pending in the United States District Court for the District of Columbia;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to defend the Senate and officers of the Senate in civil actions relating to their official responsibilities: Now, therefore be it

Resolved, That the Senate Legal Counsel is authorized to represent the United States Senate, Emily J. Reynolds, Secretary of the Senate, and William H. Pickle, Senate Sergeant at Arms, in the case of *Judicial Watch, Inc. v. United States Senate, et al.*,

SUPPORTING ACTIVITIES TO PROVIDE DECENT HOMES TO PEOPLE IN THE UNITED STATES

Mr. FRIST. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of S. Con. Res. 43, and the Senate proceed to its immediate consideration.

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

The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 43) expressing the sense of the Congress that Congress should participate in and support activities to provide decent homes for the people of the United States.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, with no intervening action or debate.

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

The concurrent resolution (S. Con. Res. 43) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 43

Whereas the United States promotes and encourages the creation and revitalization of sustainable and strong neighborhoods in partnership with States, cities, and local communities;

Whereas the United States promotes and encourages the creation and revitalization of sustainable and strong neighborhoods in partnership with States, cities, and local communities and in conjunction with the independent and collective actions of private citizens and organizations;

Whereas establishing a housing infrastructure strengthens neighborhoods and local economies and nurtures the families who reside in them;

Whereas an integral element of a strong community is a sufficient supply of affordable housing;

Whereas affordable housing may be provided in traditional and nontraditional forms, including apartment buildings, transitional and temporary homes, condominiums, cooperatives, and single family homes;

Whereas for many families a home is not merely shelter, but also provides an opportunity for growth, prosperity, and security;

Whereas homeownership is a cornerstone of the national economy because it spurs the production and sale of goods and services, generates new jobs, encourages savings and investment, promotes economic and civic responsibility, and enhances the financial security of all people in the United States;

Whereas although the United States is the first nation in the world to make owning a home a reality for a vast majority of its families, 1/3 of the families in the United States are not homeowners;

Whereas a disproportionate percentage of families in the United States that are not homeowners are low-income families;

Whereas 74.2 percent of Caucasian Americans own their own homes, only 47.1 percent of African Americans, 47.2 percent of Hispanic Americans, and 55.8 percent of Asian Americans and other races are homeowners;

Whereas the community building activities of neighborhood-based nonprofit organizations empower individuals to improve their lives and make communities safer and healthier for families;

Whereas one of the best known nonprofit housing organizations is Habitat for Humanity, which builds simple but adequate housing for less fortunate families and symbolizes the self-help approach to homeownership;

Whereas Habitat for Humanity is organized in all 50 States with 1,655 local affiliates and its own section 501(c)(3) Federal tax-exempt status and locally elected completely voluntary board of directors;

Whereas Habitat for Humanity has built nearly 150,000 houses worldwide and endeavors to complete another 50,000 homes by the year 2005;

Whereas Habitat for Humanity provides opportunities for people from every segment of society to volunteer to help make the American dream a reality for families who otherwise would not own a home; and

Whereas the month of June has been designated as "National Homeownership Month": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) everyone in the United States should have a decent home in which to live;

(2) Members of the Senate and the House of Representatives should demonstrate the importance of volunteerism;

(3) during the years of the 108th and 109th sessions of Congress, Members of the Senate and the House of Representatives, Habitat for Humanity, and contributing organizations, should sponsor and construct 2 homes in the Washington, D.C., metro area each as part of the "Congress Building America" program;

(4) each Congress Building America house should be constructed primarily by Members of the Senate and the House of Representatives, their families and staffs, and the staffs of sponsoring organizations working with local volunteers involving and symbolizing the partnership of the public, private, and nonprofit sectors of society;

(5) each Congress Building America house should be constructed with the participation of the family that will own the home;

(6) in the future, Members of the Senate and the House of Representatives, their families, and their staff should participate in similar house building activities in their own States as part of National Homeownership Month; and

(7) these occasions should be used to emphasize and focus on the importance of providing decent homes for all of the people in the United States.

ENDING UNWARRANTED EUROPEAN UNION MORATORIUM AGRICULTURAL BIOTECHNOLOGY PRODUCTS

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 154, which was submitted earlier today.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 154) expressing the support of the Senate of the United States efforts in the World Trade Organization to end the unwarranted moratorium imposed by the European Union on the approval of agricultural biotechnology products.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the matter be printed in the RECORD.

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

The resolution (S. Res. 154) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 154

Expressing the support of the Senate of United States efforts in the World Trade Organization to end the unwarranted moratorium imposed by the European Union on the approval of agricultural biotechnology products.

Whereas agricultural biotechnology is subject to the strictest Federal review in the United States, based on sound science, by the Department of Agriculture, the Environmental Protection Agency, and the Food and Drug Administration prior to planting and human consumption;

Whereas agricultural biotechnology has made considerable contributions to the protection of the environment by creating an environment more hospitable to wildlife and reducing the application of pesticides by 46,000,000 pounds in 2001 alone;

Whereas agricultural biotechnology holds tremendous promise for greatly increasing the world's supply of nutritious and wholesome foods which will improve the quality of life and health in the developing world;

Whereas there is objective and experience-based consensus in the international scientific community, including the National Academy of Sciences, the American Medical Association, the Royal Society of London, the French Academy of Medicine, the French Academy of Sciences, the Brazilian Academy of Sciences, the Chinese Academy of Sciences, the Indian National Science Academy, and the Mexican Academy of Science, that agricultural biotechnology is safe;

Whereas policy decisions regarding agricultural biotechnology in the European Union are being driven by politics and not by sound science;

Whereas since the late 1990s, the European Union has pursued policies that shelter its markets from competition by opposing the use of agricultural biotechnology;

Whereas agricultural biotechnology policies of the European Union have frustrated the development of modern scientific tools and plant technology that could expand the production of indigenous food products by

addressing problems related to local pests, weather conditions, and vitamin deficiencies;

Whereas since its implementation in October 1998, the moratorium has blocked more than \$300,000,000 annually in United States corn exports to countries in the European Union;

Whereas the European Union's unjustified moratorium on agricultural biotechnology approvals has ramifications far beyond the United States and Europe, forcing a slow-down in the adoption and acceptance of beneficial biotechnology to the detriment of farmers and consumers around the world, and especially to starving people in the developing world;

Whereas in the fall of 2002, famine-stricken African countries rejected healthy, wholesome, United States humanitarian offers of food aid because of ill-informed health and environmental concerns and fears that future exports to Europe would be jeopardized; and

Whereas the 5-year moratorium on the approval of new agricultural biotechnology products entering the European market is not science based, effectively prohibits most United States corn exports to Europe, violates European Union law, and clearly breaches the rules of the World Trade Organization: Now, therefore, be it

Resolved, That the Senate supports and applauds the efforts of the Administration on behalf of the Nation's farmers challenging the long-standing, unwarranted moratorium imposed by the European Union on the approval of agricultural biotechnology products and encourages the President to continue to press this issue at the G-8 Summit in Evian, France, on June 1 through 3, 2003.

AMENDING THE SELF-RELIANCE ACT OF 2000 AND THE FOREIGN ASSISTANCE ACT OF 1961

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 106, H.R. 192.

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

The legislative clerk read as follows:

A bill (H.R. 192) to amend the Microenterprise for Self-Reliance Act of 2000 and the Foreign Assistance Act of 1961 to increase assistance for the poorest people in developing countries under microenterprise assistance programs under those Acts, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The bill (H.R. 192) was read the third time and passed.

APPOINTMENTS

The PRESIDENT pro tempore. The Chair, on behalf of the President pro tempore, upon the recommendation of the Majority Leader, pursuant to Public Law 105-292, as amended by Public Law 106-55, and as further amended by Public Law 107-228, appoints the following individuals to the United States

Commission on International Religious Freedom: Preeta D. Bansal of Nebraska vice Charles Richard Stith, for a term of one year, May 15, 2003-May 14, 2004; Most Reverend Ricardo Ramirez, C.S.B. of New Mexico vice Dr. Firuz Kazemzadeh, for a term of two years, May 15, 2003-May 14, 2005.

MEASURE PLACED ON THE CALENDAR—S. 1104

Mr. FRIST. Mr. President, I understand that S. 1104 is at the desk and is due for a second reading.

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

The legislative clerk read as follows:

A bill (S. 1104) to amend title 10, United States Code, to provide for parental involvement in abortions of dependent children of members of the Armed Forces.

Mr. FRIST. I ask unanimous consent that the Senate proceed to the measure, and I object to further proceedings.

The PRESIDENT pro tempore. Objection is heard.

AUTHORITY FOR COMMITTEES TO REPORT LEGISLATIVE AND EXECUTIVE MATTERS

Mr. FRIST. Mr. President, I ask unanimous consent that, notwithstanding the recess or adjournment of the Senate, committees be authorized to report legislative and executive matters on Thursday, May 29, 2003, from 10 a.m. to 12 noon.

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

AUTHORITY TO SIGN DULY ENROLLED BILLS OR JOINT RESOLUTIONS

Mr. FRIST. Mr. President, I ask unanimous consent that during the adjournment of the Senate, the majority leader or the assistant majority leader be authorized to sign duly enrolled bills or joint resolutions.

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

AUTHORIZATION TO MAKE APPOINTMENTS

Mr. FRIST. Mr. President, I ask unanimous consent that notwithstanding the recess or adjournment of the Senate, the President of the Senate, the President pro tempore of the Senate, and the majority and minority leaders be authorized to make appointments to commissions, committees, boards, conferences, or interparliamentary conferences authorized by law, by concurrent action of the two Houses, or by order of the Senate.

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

ORDERS FOR MONDAY, JUNE 2, 2003

Mr. FRIST. Mr. President, I ask unanimous consent that when the Sen-

ate completes its business today, it stand in adjournment until 12 noon, Monday, June 2. I further ask that following the prayer and the pledge, the morning hour be deemed expired, the Journal of procedures be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period for morning business until 1 p.m. with the time equally divided between the two leaders or their designees; provided that at 1 p.m., the Senate resume consideration of Calendar No. 79, S. 14, the energy bill.

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

PROGRAM

Mr. FRIST. For the information of all Senators, when the Senate reconvenes on Monday, June 2, there will be a period for morning business until 1 p.m. Following morning business, the Senate will resume consideration of S. 14, the energy bill. Pending to the bill is an amendment relating to ethanol. Members who wish to speak to the amendment or the bill itself are encouraged to do so during Monday's session. There will be no votes on Monday. The next vote will be on Tuesday, June 3, and Members will be notified when that vote is scheduled.

As I mentioned earlier, we had a very productive 4 weeks. Again, I thank my colleagues for their hard work. I wish everyone a safe and restful recess.

ADJOURNMENT UNTIL MONDAY, JUNE 2, 2003

Mr. FRIST. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the provisions of H. Con. Res. 191.

There being no objection, the Senate, at 4:57 p.m., adjourned until Monday, June 2, 2003, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 23, 2003:

RAILROAD RETIREMENT BOARD

MICHAEL SCHWARTZ, OF ILLINOIS, TO BE A MEMBER OF THE RAILROAD RETIREMENT BOARD FOR A TERM EXPIRING AUGUST 28, 2007.

NATIONAL MUSEUM SERVICES BOARD

JOHN E. BUCHANAN, JR., OF OREGON, TO BE A MEMBER OF THE NATIONAL MUSEUM SERVICES BOARD FOR A TERM EXPIRING DECEMBER 6, 2006.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

NATIONAL SCIENCE FOUNDATION

STEVEN C. BEERING, OF INDIANA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR THE REMAINDER OF THE TERM EXPIRING MAY 10, 2004.

RAY M. BOWEN, OF TEXAS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2008.

ELIZABETH HOFFMAN, OF COLORADO, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2008.

DEPARTMENT OF EDUCATION

KAREN JOHNSON, OF VIRGINIA, TO BE ASSISTANT SECRETARY FOR LEGISLATION AND CONGRESSIONAL AFFAIRS, DEPARTMENT OF EDUCATION.

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. JERRY L. SINN

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. STEVEN W. BOUTELLE

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. RICARDO S. SANCHEZ

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. ANTHONY R. JONES

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. JOHN R. VINES

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. EMILE P. BATAILLE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE CHIEF OF CHAPLAINS, UNITED STATES ARMY AND FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 3036:

To be major general

BRIG. GEN. DAVID H. HICKS

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. BRIAN L. TARBET

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

CHAPLAIN (COL.) JEROME A. HABEREK

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 vice admiral

REAR ADM. MICHAEL J. MCCABE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) JOHN P. DEBBOUT

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral (lower half)

CAPT. CRAIG O. MCDONALD

ARMY NOMINATIONS BEGINNING CHARLES R. BAILEY AND ENDING DAVID W. SMARTT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JANUARY 29, 2003.

FOREIGN SERVICE NOMINATIONS BEGINNING ANNE H. AARNES AND ENDING EDWARD W. BIRGELLS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 25, 2003.

FOREIGN SERVICE NOMINATIONS BEGINNING CHARLES A. FORD AND ENDING IRA E. KASOFF, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 2, 2003.

MARINE CORPS NOMINATIONS BEGINNING BENJAMIN T. ACKISON AND ENDING ROBERT B. ZWAYER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 14, 2003.

NAVY NOMINATIONS BEGINNING AMADO F. ABAYA AND ENDING SHANNON J. WELLS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 1, 2003.