

DASCHLE. The bill is the result of many months of hard work by the Majority Leader and the chairmen of the committees of jurisdiction, including Senator JEFF BINGAMAN, the chairman of the Energy Committee, of which I am a member. We have listened to the concerns of both those who run our energy systems and our constituents in crafting the legislation. The result is a balanced and thorough product that addresses most of the major segments of the energy system and looks ahead to the needs of future.

The bill covers a number of important areas, including incentives to increase oil and gas production and the nation's supplies of traditional fuels, streamlining of electricity systems and regulations, important environmental and conservation measures, and provisions to increase efficiency of vehicles and appliances.

One of the key provisions in the bill is the inclusion of a renewable fuels standard. Earlier this year, I introduced a bill with Senator CHUCK HAGEL of Nebraska, the Renewable Fuels for Energy Security Act of 2001, S. 1006, to ensure future growth for ethanol and biodiesel through the creation of a new renewable fuels content standard in all motor fuel produced and used in the U.S. I am pleased the framework of this bill is included in the comprehensive energy legislation.

Today, ethanol and biodiesel comprise less than one percent of all transportation fuel in the United States. 1.8 billion gallons is currently produced in the U.S. The energy bill's language would require that five billions gallons of transportation fuel be comprised of renewable fuel by 2012—nearly a tripling of the current ethanol and renewable fuel production.

There are great benefits of ethanol and renewable fuels for the environment and the economies of rural communities. We have many ethanol plants in South Dakota and more are being planned. These farmer-owned ethanol plants in South Dakota, and in neighboring states, demonstrate the hard work and commitment to serve a growing market for clean domestic fuels.

Based on current projections, construction of new plants will generate \$900 million in capital investment and tens of thousands of construction jobs all across rural America. For corn farmers, the price of corn is expected to rise between 20-30 cents per bushel. Farmers will have the opportunity to invest in these ethanol plants to capture a greater piece of the value-added profitability.

Combine this with the provisions of the energy bill and the potential economic impact for South Dakota is enormous.

Today, an important but under-emphasized future is biodiesel, which is cheaply produced from excess soybean oil. We all know that soybean prices are hovering near historic lows. Biodiesel production is small but has been growing steadily. A renewable fuel

standard would greatly increase the prospects for bioproduction and benefit soybean farmers from South Dakota and other states around the Nation.

Moreover, the enactment of renewable fuel standards would greatly increase the Nation's energy security. Greater usage of renewable fuels would displace the level of foreign oil that we currently use. During these difficult times it is imperative that we find ways to improve our Nation's energy security and reduce our overwhelming dependence on foreign oil. A renewable fuel standard would go a long way toward achieving this critically important goal.

The House has passed an energy bill without any provisions for renewable fuel standard. Moreover, I believe the other body looks backward by focusing too heavily on simple tax breaks for traditional fuel supplies without enough encouragement for new technologies. Where there are agriculturally based fuels, wind energy, and so on, we adequately provide for it in this Senate legislation. The House bill sets us on track for continued heavy reliance on imported petroleum from unstable nations all around the world.

I believe the Senate bill that is now introduced achieves the right balance for the Nation's future. I commend Senator DASCHLE AND SENATOR BINGAMAN for their efforts and I look forward to debate this coming year on this critical piece of legislation which directs our attention not only to energy needs of every kind in our Nation but to the energy independence and energy security that during these troubling times we all understand now more profoundly than ever is so badly needed.

ORDER OF PROCEDURE

Mr. REID. I ask unanimous consent that at 11:40 a.m. today the Senate proceed to executive session to consider Calendar No. 584, Harris Hartz, to be United States Circuit Court Judge; that the Senate immediately vote on confirmation of the nomination; and immediately following the disposition of the nomination, calendar Nos. 585 and 588 be confirmed; that any statements on the above nominations appear at the appropriate place in the RECORD; and upon the disposition of the above nominations, the President be immediately notified of the Senate's action and the Senate return to legislative session.

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

Mr. REID. Madam President, as in executive session, I ask for the yeas and nays on Calendar No. 584.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

DEFENSE APPROPRIATIONS

Mr. REID. Madam President, in a short period of time we will take up the Defense appropriations bill. This is a bill the Chair and the ranking member, Senators INOUYE and STEVENS, have been working on as partners. A better term would be cochairs. They work so well together and have for so many years. They worked hard to get the bill to the point where it now is. We also have the full committee chair, Senator BYRD, who has worked very hard on this, with his counterpart, also, Senator STEVENS, to get to the point where the bill is.

One of the—and I am sorry to say this—controversial aspects of this legislation deals with something Senator BYRD has called homeland security. There will be efforts to strike this provision because it costs too much money, according to some, even though Governor Ridge, the homeland security czar, has stated that we need hundreds of millions of dollars for the things he has already recognized need to be done.

If we, in our mind's eye, fix the headlines of newspapers in recent weeks—Smallpox threat; subsequent headline: Cost of smallpox vaccinations more than originally anticipated; yesterday's headlines across the country: Osama bin Laden and the terrorists have recognized that they have what is called a dirty nuclear weapon, maybe—I hope we will be in a position to do something about this. That is what Senator BYRD has tried to do. That is what this legislation is all about, dealing with some of the things I mentioned, headlines around the country indicating we need to do something about homeland security.

Two of our Senators have been attacked with anthrax: Senator DASCHLE and Senator LEAHY. As we speak, we are trying to work with Senator LEAHY's letter to find out what should be done with that.

I hope when this legislation comes before us, which will be very soon, we will recognize we will have problems with anthrax and other biological agents such as smallpox, that our ports are unsafe and our nuclear plants are unsafe. Local government is really being hurt as a result of their spending all this money. So I hope we do something to keep that in the bill.

I see the majority leader has come to the floor.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senate majority leader.

Mr. DASCHLE. Mr. President, I compliment the distinguished assistant Democratic leader for his comments

just now and add my voice. He has said it so well. I know within the hour the distinguished chair of the Appropriations Committee, Senator BYRD, along with the Senator from Hawaii, our dear colleague, Mr. INOUYE, will lay down the Defense Appropriations Committee bill. Of course, a key part of that Defense Appropriations Committee bill is the homeland defense legislation incorporated within that bill.

The homeland defense bill is one-half of our economic stimulus plan, first and foremost. It responds to the economists across the country who have said, if you are going to improve the economy, if you are going to strengthen our economic circumstances, the very best way to do it—in fact, the only way to ensure that it happens—is to make sure the confidence level of all Americans improves.

Confidence has been shaken. The only way we can address it effectively is by ensuring that, regardless of where they travel, regardless of their circumstances at home, the mail they are now receiving—that under any circumstances we begin to put the safety back into our system, safety that we have lost since September 11. That is what homeland defense is all about.

Read the headlines in almost any daily newspaper. You don't need any more evidence than that, that we have a set of circumstances unlike this country has seen before. God forbid we have another event tomorrow, an attack within the week. I have no doubt, if we had any kind of additional terror activity, regardless of where it may be, even abroad, it would trigger the need, it would trigger the desire on the part of our colleagues, to ensure that we have the resources for homeland defense.

That is what we are saying. We should not be response oriented, we should be preventive in our desire to ensure the infrastructure is in place.

We have proposed a very narrowly drawn bill, a bill that addresses the need for bioterrorism response, the need for greater law enforcement, the need for protecting our infrastructure, the need for ensuring that we have the health facilities in place. That is what this bill does.

I don't know that you could make a better case than the New York Times editorial this morning about the need for homeland defense now. They simply make a statement, about two-thirds of the way through the editorial, that says basically: The American people want this protection now. They don't want to wait until next year. They know what we know: The terrorists do not operate on a fiscal year basis. Terrorists operate now. Terrorists will operate whenever it is convenient and appropriate for them.

There is no time to wait, when it comes to the homeland defense investments that are so important to us, as we look to restoring confidence, restoring safety, restoring the opportunities that we need in this country to be ready should something happen.

That is what this fight is going to be all about. I hope our colleagues will join with us in supporting it. I hope we are not going to be required to go through it piece by piece, which is what we will have to do if we have no other option; we will offer amendments piece by piece.

I asked my Republican friends, rhetorically, over the last several days: Tell us which part of it you do not support. Is it the effort at bioterrorism? We have 76 cosponsors on the Kennedy-Frist bill. I think there would be strong support for that. Is it efforts to provide greater resources to local law enforcement? If they are opposed to that, let's have an amendment. We'll take it out. Are you opposed to providing the new vaccine for smallpox and anthrax antibiotics? If that part is what you are opposed to, we will take that out. But we will be required, of course, to take each of these pieces step by step. I hope that will not be necessary.

I hope people understand this is going to be a very important debate, a debate that I think will give us our first chance to see how willing the Senate is to respond to the very critical need in this country for homeland defense. This is the first opportunity, and it is on the Defense bill. There could not be a more appropriate vehicle for it.

I hope my colleagues will support it, will work with us to get it. It has such import that it is my intention to stay on this bill until we finish it. If it takes Saturday to do it, I want to put my colleagues on notice. Because Monday is a Jewish holiday, Hanukkah, we really have to complete our work this week. So we will be on the bill this afternoon. We will be on the bill tomorrow. We will be on the bill Saturday if necessary. But we will stay on the bill and complete our work on it because it is that critical. We need to get in conference with our House colleagues, and we need to get this job done before we leave.

Clearly, because of the importance we must place on completing our work, we will have to accommodate whatever schedule is required to ensure that we complete it this week.

Mr. President, I ask unanimous consent the New York Times editorial be printed in the RECORD.

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

[From the New York Times, Dec. 6, 2001.]

THE HOME-FRONT EMERGENCY

The need to do more to guard against terrorism at home is obvious. Tom Ridge, the director of homeland defense, and members of Congress have certainly endorsed the idea—in principle. Yet today, when the Senate takes up a measure that would add \$7.5 billion to the budget for items like airport security and defense against germ warfare, Republican leaders will be trying to block it. The appropriation is tacked onto a emergency military spending bill that no one opposes. But an emergency also exists at home. Senators should put the safety of their con-

stituents first and vote for the entire package.

President Bush has threatened to veto the \$7.5 billion measure if it reaches his desk, and Mr. Ridge has urged the senators to wait until next year, when he acknowledges he will be asking for more money for things like public health and food safety. Senators have been appropriately skeptical of his plea for delay. "That, simply stated, is too late," said Arlen Specter, a Pennsylvania Republican.

Why would the White House, which has issued another generalized terrorism warning, want to temporize on mounting an American response? The answer is old-fashioned budget politics. Earlier this year the administration and Congress settled on a ceiling of \$686 billion in so-called discretionary spending for the current fiscal year. After Sept. 11, Mr. Bush and Congress agreed to add \$40 billion to deal with the terrorist attacks, half of which was supposed to be set aside for New York. Not surprisingly, the money has been used up quickly. About \$20 billion is going to the military to prosecute the war in Afghanistan. Only \$10 billion may go to New York. Only \$8.5 billion is set aside for homeland defenses.

It makes no sense to postpone help for the nation's health facilities to recognize and treat victims of biological or chemical attack when federal health officials have testified that their departments could use the money now. If the American people were asked whether they wanted to wait until next year to appropriate money to keep nuclear facilities secure and protect the nation's borders, they would undoubtedly opt for immediate action. The other great unmet need this year is New York City's recovery. The Bush administration argues that the promise of at least \$20 billion to help the city will, eventually, be spent as costs are incurred. But that is beside the point. The Senate bill would give New York a further \$7.5 billion for costs that would not be covered under those emergency procedures, such as grants to businesses to keep them from moving out of Lower Manhattan. It would also commit money to the Port Authority, the Metropolitan Transportation Authority and other agencies to start rebuilding now. Other parts of the package would help reimburse utilities for rewiring the area and hospitals for the emergency care they provided.

The only serious argument against the Senate package appears to be the president's opposition. Senator Ted Stevens of Alaska, the ranking Republican on the Appropriations Committee, says he would vote for the bill except that the White House asked him not to.

Mr. Bush has lately accused Congress of overspending, though lawmakers have stayed within all the agreed-upon-limits except those related to the emergency. Recently Mitchell Daniels, Mr. Bush's budget director, has been citing new deficit projections as evidence that Congress needs to keep spending down. But the administration has found room to expand the separate economic stimulus package to include huge giveaways to corporations and the wealthy. About \$25 billion in the Republican stimulus bill would simply go to help the biggest corporations in America avoid taxes altogether.

This is a time for Senator Stevens, and all his colleagues, to vote on the merits. The merits dictate that the bill be passed.

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

Mr. DASCHLE. I am happy to yield to the Senator from Nevada.

Mr. REID. I say to the distinguished majority leader, so everyone within the sound of his voice recognizes this is not

something we are trying to drum up for any reason other than the seriousness of it, I direct the Senator to today's newspaper—it is in all the newspapers—where the Ambassador from the Taliban to Pakistan said that any weapons the Taliban have they would use, including nuclear. He is not speaking for al-Qaida. If the Taliban, which we recognize as bad people and bad leaders, are willing to do that, will the Senator acknowledge that al-Qaida would be willing to do that, and more?

Mr. DASCHLE. I think it has been documented now in most of the newspapers and media that the terrorist cells which exist have produced information that would cause us to be concerned that some of these cells and some of these networks have weapons of mass destruction that they certainly intend to target towards the United States. There is no question they have made every attempt to acquire these weapons over the course of the last several years, and if they have been successful, I think it is a reasonable assumption the United States would be the first to experience those attacks.

That is why it is so critical for us to do all we can to prepare for whatever possibility there is that these weapons could be used against us. We are not there yet. We have a lot of work to do to create the kind of infrastructure required to provide the maximum degree of safety for all Americans. We don't have that today.

Director Ridge has indicated he is prepared to ask for additional resources next year. They have acknowledged that additional cost could entail upwards of a \$200 billion commitment in homeland defense resources. But if we are going to require \$200 billion, what is wrong with taking the first installment, \$7.5 billion, and putting in place at least the foundation of this new homeland defense infrastructure?

We have to do it. We know we have to do it. Why do it responsively in reaction to incidents that have occurred? The time to do it is now, before these new incidents occur. That is really the essence of the debate in the Chamber this afternoon. But I thank the Senator for asking the question.

Mr. REID. Mr. President, it appears to me the Defense bill has been worked very much by Senators INOUYE and STEVENS, and they have come up with a great bill to meet the demands of this new war. The bill is about \$340 billion. We are arguing over \$7.5 billion for homeland security—the items the distinguished majority leader outlined. It doesn't seem to me we should be arguing about \$7.5 billion compared to \$340 billion. Some people in the administration say maybe we can deal with it in a supplemental next year. But that is next year. It is the same dollars. It would be a few months' difference. A few months, as far as my family is concerned, and the people of every State, could make a big difference.

Does the Senator agree?

Mr. DASCHLE. Mr. President, I agree with the Senator from Nevada.

Also, there really have been, as I understand, two basic concerns expressed by our Republican friends about their additional commitment to homeland defense. One was that we agreed to \$68.6 billion in appropriations for this calendar year. The fact is that is true. We have agreed to \$68.6 billion in overall money. But we also have always recognized that in cases of emergency there is a need for an additional commitment in resources. That agreement was reached before the anthrax attack. That agreement was reached before we had three specific incidents where we were put on high alert as a result of the potential for additional attacks somewhere in this country. Clearly, the circumstances have changed dramatically since that agreement. They certainly have in my office, and I think we could say across the country.

No. 1, I think we all have to recognize the changed circumstances, and the emergency circumstances. We need to at least begin to put in place the homeland defense structure that is so critical.

The second concern is that our Republican colleagues have said this really doesn't have anything to do with stimulus, and for that reason they are opposed to it. Yet that is contrary to what every single economist has told us—that there is a tremendous stimulus out there. In fact, there was an article on the front page of the Washington Post a few days ago which said as a direct result of the efforts we are now making on homeland defense, the economy has actually started to blossom again because of some of these new commitments we have made.

On both counts—No. 1, because the emergency circumstances have changed, and, No. 2, clearly there is a stimulative value to what it is we are doing beyond the security value to which we should all aspire—there is ample reason for us to be overwhelmingly supportive of homeland defense.

I only ask my colleagues: What would happen if we were attacked tomorrow? I have no doubt we would respond with not \$7.5 billion, but we might respond with \$70 billion, if another attack were to occur. We don't want to see another attack. God forbid that there would be another attack. But we have to assume that if it is up to the terrorists, because they do not look at fiscal years—they are not going to wait until after we put all of this in place—they are going to attack whenever they think it is right. And I don't want to see that happen to this country. I think it is critical that we be prepared for whatever comes.

Our Republican friends say we can't afford \$7.5 billion right now. I find that the most illogical of all their arguments given their position. They say we can't commit \$7.5 billion. But then they go out and commit \$175 billion to an economic stimulus package all in the name of tax cuts, \$23 billion of which goes in the form of retroactive AMT relief to the largest corporations

in the country—General Motors, \$1 billion; IBM, close to \$1 billion; Ford, almost \$1 billion in retroactive payments. Where is the stimulative value in retroactive payments of that magnitude to corporations that have billions of dollars of cash on hand?

Their notion is, we can't afford it, while at the same time our Republican friends will tell us, well, we still think we ought to be spending not \$75 billion, which is what the President advocated for a stimulus package, but \$175 billion—\$100 billion more than what the President has acknowledged would be of stimulative value to us.

I have to say that argument doesn't hold much water either. Based on what opposition I have heard so far, I don't think the argument is even close.

The bottom line is that we have to be prepared. The bottom line is that for an economic stimulus package to work, people have to feel more secure. The bottom line is that we need these resources to put in place a homeland defense system that we recognize will be needed for all perpetuity—not just this year and not just next year.

I hope our colleagues will join with us in supporting this package in the recognition that we need to be just as cognizant of our needs here at home as we are abroad.

Mr. CONRAD. Mr. President, will the leader yield?

Mr. DASCHLE. I would be happy to yield to the Senator from North Dakota.

Mr. CONRAD. I saw their discussion occurring on the floor. I have been doing some calculations with my staff in the Budget Committee. I thought some of what we found might be useful in the discussion.

Over the next 3 years, the difference between the Republican stimulus plan and the Democratic stimulus plan is that the Republicans would add \$140 billion more in deficits with their stimulus plan than with ours. And now they are talking about—

Mr. DASCHLE. Did the Senator from North Dakota say \$140 billion over how long?

Mr. CONRAD. Just 3 years.

Mr. DASCHLE. Just 3 years? Not a 10-year difference but just 3 years?

Mr. CONRAD. That is correct. If one looks at the different fiscal outcomes based on the Republican stimulus plan and the Democratic stimulus plan just over the next 3 years, it is over \$140 billion of additional deficits and additional debt with the Republican stimulus plan versus the Democratic stimulus plan.

Interestingly enough, they are criticizing adding \$7.5 billion for homeland security to respond to the bioterrorism threat, to improve security at airports, to improve security at our harbors, to improve security for the rail system in this country—all things that are clearly necessary. I submit that terrorists are unlikely to wait for us.

But I also have learned that within the administration, they are working

on a supplemental that would come to us early next year for as much as \$20 billion for these same items. So what we have in terms of resistance on the other side to addressing the vulnerability of this country now on the terrorist threat rings pretty hollow—rings pretty hollow—when they say, on the one hand, gee, you are going to be adding \$7.5 billion to the deficit and the debt, and yet when we examine their stimulus package over the next 3 years, compared to ours, they are going to be adding \$140 billion to the deficit and debt and perhaps most revealing, all of their talk about how this represents big spending, and we have learned through sources in the administration they are working on their own additional spending plan to be brought before us next year in the amount of approximately \$20 billion.

I did not know if the leader had heard of these calculations or of these reports, but I thought it might be useful to the discussion as to what the issue is going to be when we vote on these questions on the floor of the Senate.

Mr. DASCHLE. I really appreciate the Senator from North Dakota clarifying and reporting to the body about the intentions of the administration. I was not aware they are contemplating a supplemental of that magnitude. I find it all the more ironic, I guess, that at the very time they oppose \$7.5 billion, they would be contemplating a supplemental of the magnitude the Senator has just announced—a \$20 billion supplemental.

If \$20 billion is good for February, why isn't \$7.5 billion good for December? Where is the difference? Why is it that we must wait? And what happens between December and February if something, God forbid, would happen?

So it seems to me that it makes the case all the more that this isn't necessarily about money, it isn't about the need. It cannot be about the administration's intentions. I do not understand the basis for their opposition, if, in just 60 days, as the Senator from North Dakota reports, they could be preparing a supplemental of the magnitude he has just discussed.

So I hope our colleagues can clarify that because I think the \$20 billion is a clear indication they, too, understand the importance of homeland defense. What we are arguing over is whether we ought to do it now or we ought to do it later.

What the Senator from North Dakota is saying is, we ought to do it now. This is the time when we ought to be putting much of the preventative infrastructure in place. So I appreciate very much the Senator's comments and his contribution to this colloquy.

Mr. CONRAD: I just say to my colleague, I was startled to hear the criticism coming from the other side on the question of \$7.5 billion to deal with specific threats that we all know exist. After all, our vulnerability in these matters is not something we just discovered. We have had report after re-

port made by very respected Members. In fact, the former Republican majority leader in the Senate, Howard Baker, did a report that alerted us to the need for tens of billions of dollars of expenditure to deal with weapons of mass destruction being developed in other parts of the world, specifically the former Soviet Union; and there are also the reports that were done on a bipartisan basis of the terrorist threats that existed to this country's infrastructure and the need to respond. It takes money to respond.

In light of what I have been told by people within the administration that they are, right now, working on a potential supplemental of \$20 billion for early next year, perhaps in the March timeframe, that they would be bringing before us, they themselves know it is going to take more money to respond to bioterrorism; it is going to take more money to strengthen our airports against terrorist attack; it is going to take more money to provide defense for our harbors and to deal with the threats to the rail infrastructure of this country.

I do not think there is a person here that does not know there are these additional threats. When I couple that with what the Republicans are doing in terms of their stimulus package that would add, in comparison to our package, over \$140 billion of additional deficit and debt over the next 3 years, and they are talking about defending the deficit on \$7.5 billion of funding necessary to protect this Nation at the same time they are working on a plan for \$20 billion of additional funding to protect this Nation, that kind of rings hollow.

Mr. DASCHLE. I say to the Senator from North Dakota, it does ring hollow. I would hope our colleagues could enlighten us as to the intentions of the administration. If, indeed, they are going to be requesting this \$20 billion supplemental, we ought to know that. If they are going to be requesting it, how much would be dedicated to homeland defense? If they can tell us that, they ought to be explaining why it is important to do it in March but it is not important to do it in December.

Can they assure us that between December and March there will not be any need at all? I do not think anyone can do that. Nobody is that clairvoyant. So it is a risk. I do not think anybody ought to be willing to take that risk today.

Clearly, we could commit a lot more than \$7.5 billion to our own personal security. But that is what we are doing in the name of reaching accommodation with our Republican friends. We started out with \$15 billion, and we have cut it back in an effort to try to find a way to reach some compromise. What we have done is to cut it back to the bare essentials.

As the Senator from North Dakota pointed out, the essentials—which includes the fight against bioterrorism; the fight to ensure that our infrastruc-

ture, our nuclear facilities, our ports, our airports are secure; the fight to ensure that we have the health facilities in place—we were just apprised of a situation where somebody contracted West Nile disease in September. The diagnosis was sent to the Centers for Disease Control, and they were not informed as to what that diagnosis was until just this week because they are so backlogged because they do not have the resources, they do not have the personnel.

My goodness, that is a wakeup call of a magnitude about which everybody should be concerned. But that is what we are talking about with homeland security: ensuring that we have the resources to deal with diagnosis, ensuring we can work with local law enforcement officials.

To which part of what I have just described is our Republican caucus opposed? Which part of it do they want to take out? I think that is what we are going to have to try to figure out.

I think clearly within each one of those cases not only are we attempting to address it in as conservative a way as we can from a fiscal point of view but in as prudent a way as possible, taking what needs to be done first and dealing with those issues that could be dealt with later at a later date.

So I appreciate very much the Senator's comments this morning.

Mr. CONRAD. Will the Senator yield for an additional observation?

Mr. DASCHLE. I am happy to yield.

Mr. CONRAD. I thought I should report on testimony we had before the Budget Committee with respect to stimulus. We had a number of economists who appeared who said spending to strengthen security is perhaps the very best thing we could do to stimulate the economy. Not only would the spending itself be stimulative, but, more important, it would improve the security of people in the country.

One of the big problems we have is a lack of confidence.

People are feeling threatened. People are feeling vulnerable. That inhibits economic activity. We see that in airline travel. People don't feel safe flying. To the extent you can make expenditures that improve the security of airports and improve the security of rail operations and improve the security in ports, that is going to improve the psychological security factor that people feel. That is going to help the economy. They said you actually get a double hit: Not only the expenditures will be stimulative, but the additional security will make people feel safer and be safer.

I hope this does not become kind of a political debate, a partisan political debate, but that we deal with the underlying realities. The fact is, we know there are things that have to be done to strengthen our security. We can make that commitment now and get the work underway now. That makes sense instead of delaying.

We are talking about \$7.5 billion, when our Republican friends are talking about a stimulus package that

means \$140 billion of additional debt over the next 3 years over and above what Democrats are advocating. This choice is going to be a relatively simple one.

Mr. DASCHLE. I thank the Senator from North Dakota for his contribution. I underscore what he said just now about the stimulative value of confidence. You can't calculate how much of an improvement in the economy it will make when people feel safe again. You know it is there; intuitively, you know that if people feel good about flying and traveling and doing all the things we did months ago, this economy is going to start improving. People are going to start putting their lives back together again with a sense of normalcy that we have not experienced in some time. They have to know it is safe to do so, that our airports and our ports and our nuclear facilities and all of our infrastructure are safer today than they were before.

That is, in essence, what we are talking about, creating that psychology, that confidence, that sense of normalcy that we have not had now for some time. I hope my colleagues will work with us in a way that will allow us to address this need. If we are going to do it next March, let's do it now. Let's do it in a way that we can agree ought to be done.

Homeland security is not a partisan issue, and it should not be in this case either.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, the majority leader has outlined for us what we will take up the balance of today and possibly tomorrow as we debate the most important issue of Department of Defense appropriations.

There is something that has to be said in response to what the majority leader has just outlined because while he has opined with great emotion a frustration about the basis of opposition that those of us on this side are expressing to this particular bill, what he has failed to talk about are the very agreements he once made and once entered into with our President.

That agreement first started on October 2, well after September 11, as this country was beginning to assess its needs in light of a terrorist threat and how we might ultimately conclude our efforts in Congress for fiscal year 2002.

The President, the majority leader from South Dakota, the Republican leader, and the House met. They looked at all of these different issues and agreed on a couple of issues. First, they agreed that \$686 billion in discretionary spending was an adequate level, plus \$40 billion that would be dedicated to homeland defense and the very emergencies we are talking about and the effort to deal with the great tragedy in New York City. Forty billion had already been agreed to: \$20 billion of it was to be spent immediately at the discretion of the President; \$20

billion was to be worked out cooperatively with the Congress and the appropriating committees of the Congress. That work has been done.

What has gone on in the meantime is the breaking of a word. I come from Idaho. The majority leader comes from South Dakota. Out there is a ground level expression called "a deal is a deal." You walk up; you look your fellow person in the eye; you shake hands; you arrive at an agreement, and that is the way you operate. We went even beyond that.

The President, in a letter, wrote:

This agreement is the result of extensive discussions to produce an acceptable bipartisan solution to facilitate the orderly enactment of appropriation measures. This agreement and the aggregate spending level are the result of a strong bipartisan effort at this critical time for our Nation, and I expect that all parties will now proceed expeditiously and in full compliance with the agreement.

Sincerely,

GEORGE W. BUSH.

Today the deal is not a deal; the deal has been broken. The DOD bill that comes before us this afternoon is a deal breaker.

What the majority leader did not say, as he opined the criticality of a homeland defense expenditure, was that it was not designed by the appropriate committees. It was not reviewed by all of the committees of jurisdiction. It was largely written in the back room of the chairman of the Appropriations Committee, Senator BOB BYRD. I am not at all here today to impugn the integrity of Senator BYRD. That is not my intent. I work with him on a daily basis. I have high regard for him.

But for the majority leader to come and say that \$15 billion of spending is necessary in all of these categorized areas for homeland defense is totally ignoring the fact that darn few have seen all of where it goes. Our new Homeland Defense Director is at this moment developing an analysis of and an expression of need for a full implementation of homeland defense. That is where he talks, and the majority leader spoke, too—the issue of coming forth next year with recommendations, thoroughly vetted, looked at by all, examined by the committees of jurisdiction and not done in the back room of the Appropriations Committee of the Senate.

I am a bit surprised when the majority leader comes to the Chamber and suggests that Republicans are attempting to play politics with the issue of the stimulus package. It has been openly discussed. That is appropriate. It has been reviewed by the authorizing committees, and that is appropriate. But what has not gone on and that which is being brought to this committee this afternoon is a thorough and responsible examination by all involved. That is why we look at it with great concern, and the very reality that the money we are spending today crosses that line of a balanced budget and into deficit.

There is no question that a stimulus package that will be dealt with

bipartisanly or not is going to have the impact of deficit spending or it likely could happen. But the reason we are willing to look at an investment in the economy today is the hopes of lessening that deficit, getting people back to work, causing things to happen out there.

Before the August recess, 1 million Americans had lost their jobs. We were already in recession by August.

The appropriate committees that examine it and the appropriate Federal agencies that examine it to make the official proclamation had not yet done so. That didn't occur until just a few weeks ago. Any of us going home, any of us spending time in our communities knew this country's economy had turned down dramatically. Now the figures show that it started well before George W. Bush came to town. It started in September of a year ago, and it was accelerating through the fall and into the winter months and across the summer. We now know that as a reality. It is important that we do a stimulus package. We responded to that when we did tax relief earlier this spring, and the then-chairman of the Budget Committee, who is now on the floor, spoke very eloquently as to why we did that. That is all part of the reason we are here.

I am extremely surprised we would now attempt to do what we are attempting to do in this. We will oppose this effort.

A deal is a deal. The President has said he will veto it. I am sorry the message did not get to the majority leader. I am sorry the agreement he once struck is no longer the deal because he says circumstances have changed.

No, frankly, circumstances have not changed. There is still a lot of money out there to spend. This afternoon we will thoroughly debate this issue, but it is important that the statements made this morning be responded to.

I yield the floor.

ECONOMIC STIMULUS

Mr. DOMENICI. Mr. President, before we are finished with the appropriations bill that will be before the Senate shortly and the economic stimulus package that someday will come up—I do not know when—I am very hopeful this will not end up being a partisan charade, but I can cite a couple items that do bother me.

I was reading Roll Call a couple days ago. I understood the majority leader made a statement that whoever was on that committee to produce a stimulus, they had gotten the message from the leadership and the Democrats that unless two-thirds of the Democrats were for the package, they could not take it out of this conference committee. It would not come out. That is an interesting statement. I assume it is pretty partisan, too.

Things operate in the Senate on a majority basis. We do not need two-thirds of Democrats and Republicans to