



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, FIRST SESSION

Vol. 147

WASHINGTON, MONDAY, DECEMBER 10, 2001

No. 170

Senate

The Senate met at 3 p.m. and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer: *"Not by might nor by power, but by My Spirit," saith the Lord.*—Zechariah 4:6.

Almighty God, our Adonai, thank You for these salient words reminding us that You are the only reliable source of strength to accomplish anything of lasting value. These words spoken through Zechariah and repeated during the days of Hanukkah have particular significance to us this year. We claim the meaning of the word Hanukkah, "dedication," as we rededicate our lives to serve You in the struggle to assure religious freedom for all people. We join with Jewish people in the celebration of the Feast of Dedication and remember the victory in 165 B.C. of the Maccabees over the tyrant Antiochus IV Epiphanes and his troops who had occupied Jerusalem, desecrated the temple, and sought to destroy forever the Hebrew religion.

We celebrate this victory that enabled the Jews to rededicate the temple and once again worship You freely. Gratefully, we remember the one remaining flask of pure olive oil left in the temple that You kept burning for 8 days and 8 nights until the supply could be replenished. Now, as Jews light menorahs, we ask You to light up all of our hearts with Your truth so

that we all can shine in the spiritual darkness of our time when evil things are done in the name of religion, and where religious freedom is denied people. We dedicate ourselves to battle injustice not by our might or our power, but by the courage of Your Spirit. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore 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.

RESERVATION OF LEADER TIME

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

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The majority whip is recognized.

SCHEDULE

Mr. REID. Mr. President, this afternoon we are going to consider the farm bill. There will be no rollcall votes today. The next rollcall votes will occur on Tuesday morning at 9:30 a.m. on judicial nominations.

MEASURES PLACED ON THE CALENDAR—S. 1786 and S. 1789

Mr. REID. Mr. President, I understand there are two bills—S. 1786 and S. 1789—at the desk, having been read the first time. Is that true?

The PRESIDENT pro tempore. That is correct.

Mr. REID. Mr. President, I ask unanimous consent that it be in order, en bloc, for these two bills to receive a second reading, but I would then object to any further consideration on the legislation.

The PRESIDENT pro tempore. Is there objection to the request that the two bills be considered en bloc?

Hearing no objection, it is so ordered.

The two bills are considered, en bloc.

Is there objection to the second reading of the two bills, en bloc?

Hearing no objection, the two bills are read, en bloc.

The majority whip has objected to further reading of the bills. They will, consequently, be placed on the general orders calendar on the next legislative day.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of S. 1731, which the clerk will report.

NOTICE

Effective January 1, 2002, the subscription price of the Congressional Record will be \$422 per year or \$211 for six months. Individual issues may be purchased for \$5.00 per copy. The cost for the microfiche edition will remain \$141 per year with single copies remaining \$1.50 per issue. This price increase is necessary based upon the cost of printing and distribution.

Michael F. DiMario, *Public Printer*

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



Printed on recycled paper.

S12755

The legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

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

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ECONOMIC STIMULUS

Mr. REID. Mr. President, now before the Senate is the farm bill. The farm bill will do a number of things. First of all, it will stimulate the economy. The need to stimulate the economy is something we need to do right away.

Before getting into the intricacies of the farm bill, I refer to a couple of pieces of mail I have received. Unfortunately, we don't get mail the way we used to, but I have some e-mails here.

Dear Senator REID: We wish to thank you for the Thanksgiving meal we received from you via the Culinary Union here in Las Vegas.

During Thanksgiving break, I helped pass out some turkeys and other little boxes until we ran out. People were donating them. They thought they would have enough. They weren't even close to having enough meals. But this is a letter, an e-mail, that says:

My husband has worked here for 29 years plus and is out of work. Never have we not had money for the holiday. We would not have had the turkey dinner if wasn't for you. We have even enjoyed leftovers. We just want you to know how we appreciate it. Thank you very much. The Heller's.

Here is another one:

I was recently changed to part time at the corporation where I work. This was done to reduce my hours and eliminate my health insurance. The result is I am earning one half of my prior income and I am paying \$600 per month for COBRA. I need temporary help in maintaining my health insurance through COBRA. I understand there is legislation regarding a tax credit for people relying on COBRA. Your endorsement of this proposal would be of great help to me and my family. Thank you for your support. Sharon Sharp.

These are two examples of things we need to do in addition to the farm bill to stimulate this economy. No. 1, do something about unemployment compensation so people who, for example, have gone from welfare to work and don't qualify for unemployment benefits can get some unemployment benefits. If you want to stimulate the economy, give money to then people who are most likely to spend it. Then, of course, this letter from Sharon Sharp, who talks about the importance of doing something about COBRA.

Two of the fundamental precepts of our economic recovery plan, our stim-

ulus, should be to do something about unemployment benefits and to do something about COBRA. I hope we will do both.

I was a little bit confused yesterday as Vice President CHENEY blamed the majority leader for the Senate's failure to pass an economic stimulus package. He even went so far as to call Senator DASCHLE an obstructionist. I know Vice President CHENEY is very busy. Maybe he hasn't had the chance to see what goes on in this body.

The fact is, Senator DASCHLE has not obstructed anything. It appears to me the Republicans are protesting too much. They are saying Senator DASCHLE is obstructing this. Why? It is because under this unique situation that has developed here, we are not going through the ordinary process. We are not going through the ordinary process where you would take a bill to the Finance Committee and report a bill out of the Finance Committee.

That is not what we are doing because we received some suggestions that maybe the committee process is not the right way to go. Senator DASCHLE agreed: OK, how do you want to do it then? Speaker HASTERT sent him a written proposal. Senator DASCHLE said: I accept it. He sent it back. That wasn't quite what they meant to say. They sent something else back. Senator DASCHLE agreed to accept that as well.

The agreement is that, among other things, two Democrats from the Senate will join with our counterparts, Republican counterparts here in the Senate and in the House. Senator DASCHLE selected the chairman of the Finance Committee, Senator BAUCUS, and Senator JAY ROCKEFELLER, a senior member of the Finance Committee, to represent the Democratic Senators. He told us in our conference when we met last Tuesday: Look, I trust these men implicitly. They will do the best they can, and they will report back to us when they have an agreement.

Now, it has been suggested that he has called for a two-thirds ratification. Well, he did call for a two-thirds ratification, but he said that Democratic Senators would have to agree with what Senators BAUCUS and ROCKEFELLER negotiated. That certainly doesn't sound unreasonable to me. I hope that whatever the Republicans come back with, they will want their conference to agree on it also. Or are we going to resort to a situation where whatever the President wants, we just blindly accept it?

I don't think that is the way the Constitution was established. I think this little document—the Constitution—sets up three separate but equal branches of Government, and I think we have should have some say on what is produced. Senator DASCHLE is doing his job. We not only have Vice President CHENEY blaming Senator DASCHLE for obstructing an economic stimulus package, but the minority leader in the Senate also stated he would rather

have no bill than a bad bill. I think he speaks for a lot of us here. But, he went on to say that if we can't get a bill done this week, we should put it off until next year. I don't think that the American people want us to put off their work until next year. I think we should work hard to get it done this year . . . this week.

I think we should keep in mind the document off of which we are working. The legislation pending at the desk is a bill passed by the House of Representatives. It is a bill that is really interesting, to say the least. In fact, it's not an economic stimulus bill, it's a tax bill, because most of the proposals passed by the House and favored by the Administration are approximately 90 percent in tax cuts, many of them, retroactive. Senate Democrats favor tax relief—including corporate tax relief—that would encourage American businesses to invest more or accelerate certain purchases. However, we shouldn't be pushing permanent, retroactive tax cuts while at the same time American workers who have lost their jobs that their tax relief belongs on the back burner. Case in point: Permanent and retroactive repeal of the corporate alternative minimum tax. That is a primary component of the House bill. This isn't something we are making up, this is in the House bill. How can anybody in good conscience tell a hard-working American such as Sharon Sharp and the Heller family from Nevada—people who lost their jobs—that we don't have enough money to extend unemployment benefits for a few weeks, but we have enough money to give IBM a \$1.4 billion tax refund? These are taxes they have already paid, going back to 1988. Any tax you have paid since AMT was passed, they want to give it back.

If that doesn't give you a little bit of an alert, let's look at the list. I will give you some of the companies on the list, and I think it's fair to comment that there is a heavy presence of the oil and energy sector who will get a ton of money back if we accept the House bill that we are accused of obstructing: Ford would get \$1 billion; General Motors would get \$832 million returned to them; General Electric, \$671 million; TXU, \$608 million. A foreign company—some of these others are foreign—DaimlerChrysler gets a \$600 million refund; Chevron, \$572 million; Enron—Enron, who has done a few things such as really damaging people's pensions—some people had invested so heavily in some of these pension fund moneys in Enron stock, which dropped from \$98 to 34 cents a share. Enron would get \$254 million; Phillips Petroleum, \$241 million; IMC Global, \$155 million. Also, it is interesting to note that United Airlines and American Airlines, for which we just appropriated \$15 billion a few weeks ago, would get about \$600 million; CMS Energy, \$136 million.

Maybe we are doing a pretty good job of slowing things up. This is the document from which we are working. It

would be a shame if we passed this bill. I can't imagine why in the world we would want to pass this piece of legislation.

I think it is important that we get a stimulus package. What will stimulate the economy more, money going to General Electric or any of the companies on this list, or money going to people who have recently been unemployed? Who is going to spend that money? The unemployed people are. They have no other money; they have to spend it to buy groceries, clothing and, perhaps, a turkey for Christmas. As Sharon Sharp says, she wants to keep her health insurance. Unemployment benefits to people who will spend the money would stimulate the economy.

So rather than giving all these corporations a retroactive tax break—remember, this was first enacted because of the widespread problem of the large, highly profitable corporations which used to thrive on the loopholes and didn't pay a penny of corporate taxes. We just said: If you pay no taxes, there is going to be a minimum that you have to pay. That is all we asked in the past. Now we are going to say: Sorry, you don't have to pay any of those taxes. In fact, those of you who did pay, we are going to give it back to you.

Permanent repeal of the corporate alternative minimum tax might be even more expensive than just refunding past tax payments. The AMT reduces the incentive of corporations to find tax loopholes and take as many deductions as possible and to pay at least a minimum tax. Without this, we return to the days when corporations went to extreme measures to find tax loopholes and not pay taxes at all.

If it were up to the House and this administration, we would have enough money for more than \$7 billion of retroactive corporate tax breaks, but not any money to help American workers who have lost their jobs. It is precisely these people—middle-income Americans—who are most likely to spend additional money because they would stimulate the economy. They have to; they have no other money. That is what we are trying to do—enact an economic stimulus package that would stimulate the economy.

So I say to my friend, with whom I served in the House of Representatives, the President of the Senate, the Vice President of the United States, he should get a better briefing as to what is going on before he makes statements that Senator DASCHLE is an obstructionist. Senator DASCHLE is doing the American public a service by standing in the way of what they have done in the House of Representatives. It is blatantly unfair to call him an obstructionist, especially when the representatives he appointed to this group of negotiators who are trying to come up with a stimulus package—Senators BAUCUS and ROCKEFELLER—were prepared to attend a meeting that was

scheduled for Friday afternoon to continue the negotiations on this package and the chairman of the group, the chairman of the Ways and Means Committee in the House of Representatives, Mr. THOMAS, goes to California to attend a fundraiser. Chairman BAUCUS and Senator ROCKEFELLER thought they had a meeting scheduled, then it was abruptly canceled because the Chairman of the Ways and Means Committee wanted to leave town. Madam President, they know how to spin this well because they have the bully pulpit. They spin things pretty well. The minority leader gets on television and says: Why is TOM DASCHLE doing this? They have the Vice President get on TV and say he is an obstructionist. This is to cover up for the fact that their lead negotiator, Chairman THOMAS, is in California doing a fundraiser when he should be in Washington working. I think they are protesting too much. I don't think they want a stimulus package. So they are trying to point all their poison arrows at Senator DASCHLE, saying he is the reason why we don't have an economic stimulus bill. He is not the reason.

Last month, Senator BAUCUS, chairman of the Finance Committee, marked up an economic stimulus package and reported it to the floor, where Senator DASCHLE immediately called it up for consideration. What happened? The Republicans killed it. Without any amendment process, it was simply killed—no negotiation, no discussion of the amendments.

What makes it even more frustrating, while their excuse for killing the economic stimulus package was that it violated the Budget Act—their own proposal violated the Budget Act. Had we really been trying to kill the stimulus package, we would have raised a budget point of order against their proposal. But in an effort to keep it before the Senate so that we could debate the substance and contents of an economic stimulus, we decided not to raise a point of order. How can they brand Senator DASCHLE an obstructionist? They are the obstructionists. I repeat, they are protesting too much.

For example, the former chairman of the Budget Committee, Senator DOMENICI, came to me a few weeks ago with a proposal I think should have the most serious of discussion. He said: Let's not have withholding taxes collected from the employee or the employer for a month; a proposal that would cost approximately \$38 billion. That money would shoot back into the economy like an injection of penicillin. It would be so good for the economy. But no, we were not given a chance to consider that either.

I hope people understand this is a game that is being played. There are no negotiations going on. Our friends on the other side of the aisle won't talk to us. The person supposedly leading the negotiations for the Republicans headed off to California.

I hope Chairman HARKIN gets into the meat of this discussion on the farm

bill and that we do not lose sight of the fact that not only are these farm programs great for the country, because we all eat food and America is the farm basket of the world, but they stimulate the economy.

The provisions in this bill—I have worked with the chairman of the committee—are going to be good for the economy. I heard the Republican leader on television over the weekend say: Why do we need a farm bill? I hope the chairman of the committee will describe in detail today why we need a farm bill. We really do need a farm bill. It is important we move forward.

I want to reiterate my point about the meetings that were canceled over the weekend. In the spirit of an agreement reached by the Senate, the House, and the administration, BAUCUS, ROCKEFELLER, GRASSLEY, THOMAS, ARMEY, and RANGEL were supposed to meet on Friday. As I said, without the courtesy of even a simple phone call, the chairman of the Ways and Means Committee, Mr. THOMAS, took off for California. Even Senator GRASSLEY, representing the Republicans, expressed dismay that the negotiations had been rudely interrupted and canceled.

Madam President, with people refusing to meet and negotiate, I'd say that it is pretty clear who is obstructing.

Mr. HARKIN. Will the Senator yield?

Mr. REID. I will be happy to yield to my friend, the chairman of the Agriculture Committee.

Mr. HARKIN. I thank the assistant majority leader for yielding, and I thank him for responding to some of the statements that were made over the weekend.

I did not watch any of the Sunday morning shows, but I read the papers this morning. I saw that Vice President CHENEY had referred to our majority leader, Senator DASCHLE, as an obstructionist, obstructing the stimulus bill. I am delighted the Senator from Nevada has clearly pointed out that no one on this side is obstructing anything. We have been more than willing to work with the other side on a number of items, but it almost seems to this Senator that their definition of obstructionism is "our way or the highway." If we do not do it all how the President or how the Vice President wants or how the Republicans want, then we are obstructionists.

We ought to work together across party lines, get bipartisan agreements, and move ahead. It is not this side that has been obstructing anything. We have wanted to move ahead with legislation.

Take the farm bill—and I will have more to say about it this afternoon. We have been trying to get some time agreements. A request was proposed by our staff earlier that we have a time agreement and that all first-degree amendments at least be laid down by tomorrow afternoon. It was objected to on the Republican side, not on this side.

Everyone knew the farm bill was going to be up. It was laid down last week. Yet they are objecting to having some meaningful debate. No one wants to cut off amendments, but at least we can have some amendments laid down, have time agreements, and debate them.

Second, on the stimulus package, I think the Senator from Nevada is right. I think they are protesting too much on the other side. I smell a little bit of a rat someplace because I have been hearing from my Governor in Iowa, and I have heard from other people and other Governors from around the United States about what bad shape their economies are in right now and how their legislatures will be meeting in January.

Their budget situations look very dire. They are cutting expenses; they are cutting education; they are cutting other programs around the States. They have looked at the proposed Republican stimulus bill with all of the tax cuts, and they have now begun to figure out what that is going to mean in the States and how the State budgets are going to be impacted by these proposed tax cuts the Republicans have proposed in the stimulus package.

A lot of States are saying: Don't give us so much of this "help" because the tax cuts you are putting in there are going to help a lot of the large corporations, a lot of the wealthiest in our country, but at the same time it is going to take money out of our States at a time during the recession when our States can ill afford it.

There is some feedback. Of course, our friends on the other side of the aisle are a little bit in a bind. They promised their big-wig supporters—the big companies and the big corporations—all these tax cuts they were going to get for them, and even though they want to deliver, they cannot because they are going to hurt a lot of the Republican Governors and Democratic Governors, too, in the State budgets. Maybe our friends are caught in a little bit of a bind, promising too much to the large corporations and the wealthy of this country, and then finding out what the impact is going to be on our States.

What they have come up with is not a stimulus package. It is simply a tax relief package for the biggest and wealthiest in our country. That is not stimulus at all.

If they want to sit down, negotiate, talk about it, and work out agreements, that is the spirit of this place and that is what we ought to be doing. To say it is their way or no way, and we say we want to work it out, and they say we are being obstructionist—the American people understand that. They understand we are not being obstructionists.

Talk about obstructionism, try this one on for size. We are now engaged in a conference with the House on the re-authorization of the elementary and secondary education bill. For years,

people on both sides of the aisle—I will not point to one side or the other—people on both sides of the aisle have been saying we need to meet our Federal commitment to special education.

The agreement the Federal Government made 26 years ago was that the Federal Government would pick up at least 40 percent of the average per pupil cost of educating kids with disabilities. Twenty-six years ago, the Federal Government said that. Today our commitment is at about 15 percent. This is the single biggest issue in every school district in America—the funding for special education.

The Senate adopted an amendment offered by me and by Senator HAGEL from Nebraska that would put us on the pathway of fully funding special education over 6 years by taking it off the appropriations side and putting it on the mandatory side. We are now in conference negotiations.

The National Governors' Association, headed by a Republican Governor from Michigan, signed a letter, supported by every Governor in the United States, saying they supported the Senate's position of full funding special education.

The National School Boards Association, the National PTA, the National Education Association, the National Conference of State Legislatures—38 State legislatures have already passed resolutions supporting this full funding. The only reason we do not have 50 is because some of them were not meeting this year after we adopted it. Wait until January. All the legislatures are saying it is time the Federal Government stepped up and did its part in special education.

Here is the catch: The White House, the administration, has said no, they will not agree with the Senate position on funding for special education.

So we had our vote on it. The House voted against it. We voted for it. Okay. What is to be done then? Usually in a conference, negotiations are started and compromise is attempted.

So we offered to the House a compromise, and the House said forget it, they are not going to compromise. They do not want to fund special education one more nickel than what they have done in the bill. It is not coming from the House side. It is coming down from the other end of Pennsylvania Avenue. It is coming from the White House. It is the White House that is stonewalling.

So talk about obstructionism, that is obstructionism when the White House refuses to negotiate or reach any kind of compromise with the Senate on full funding for special education. So I think before the Vice President and others start throwing around words about obstructionism, they ought to pick up the mirror and look at themselves, especially when it comes to funding for special education.

So I thank the Senator from Nevada for pointing out the fact we have not been obstructing anything on this side, and for pointing out this so-called

stimulus package is nothing more than the old "trickle down." If those at the top are given to it, some of it may trickle down on the rest of us. We have tried that before and it has never worked; it will not work this time either.

Yes, we do need to do something about unemployment compensation. The biggest stimulus we could have right now is getting health care for our children and health care for people who do not have health care coverage right now. That is the biggest stimulus we could give to our economy and help people at the same time.

I am going to wrap up my statement, and then I am going to talk about the farm bill, another stimulus.

We are in dire straits. Rural America is hurting. We need a farm bill. When farmers know a bill is coming, they are borrowing money; they are buying new equipment; they are doing the things that stimulate the kind of growth and the kind of manufacturing we need in this country. So I sure hope we will not hear any more of this blame game, trying to blame someone for being obstructionist when all we are trying to do is work in a bipartisan fashion, as we should be doing, to reach the best decisions for the American people. So when they say "obstructionism," they say it is our way or the highway. To me, that is obstructionism.

I yield the floor.

The PRESIDING OFFICER (Mrs. BOXER). The Senator from New Mexico.

Mr. DOMENICI. Parliamentary inquiry: Am I entitled to speak for a given time or must I seek consent of the Senate?

The PRESIDING OFFICER. The Senate is on the farm bill, and the Senator may speak as long as he wishes on the farm bill.

Mr. DOMENICI. I ask unanimous consent that I speak for only 9 minutes instead of as long as I wish, but that it not be on the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 9 minutes.

WHERE IS THE DEMOCRATIC STIMULUS PACKAGE?

Mr. DOMENICI. Madam President, fellow Senators, especially to my good friend, HARRY REID, I will not take time this afternoon to attempt in some feeble way to rebut the statement with reference to the partisanship of the last month or so with reference to various items, including the stimulus package. Suffice it to say, the granddaddy of all partisanship occurred on the stimulus package that was reported out of the Finance Committee of the Senate because on that particular one, the conferees were instructed by the Democratic majority—and I remind everyone that majority is by one vote—they told that committee to report out a Democratic package every single Democrat Senator would support. That meant there were no Republicans because they had something