words, we would be paying $4 billion out to the States so they can reach out and help people in their respective States who are not covered by some of the particular provisions in the stimulus package.

Last if not least, the centrist package provides a $4.6 billion, one-time grant to assist states with their Medicaid programs.

I worked with the National Governors Association and the Bush administration to try to get them to understand that the State governments are not like the Federal Government. States are in deep budgetary trouble because they have to balance their budgets every year. The money isn't there for them to take care of the many needs they face. This $4.6 billion grant would have gone out to the States to help them provide Medicaid for the neediest of our brothers and sisters. In many States they are going to have to cut Medicaid payments because they simply don't have the money since their State treasuries are in such deep financial trouble.

I hope my colleagues understand that this is not some kind of a game. We are talking about real human beings.

This morning at a press conference, one of the reporters said to me: I understand the problem with this stimulus bill is that the majority leader has a problem with the philosophy of it.

I said that this bill responds to most of the concerns that have been raised by my colleagues from the other side of the aisle.

Think about it. When was the last time Congress gave serious consideration to providing health care to unemployed workers? I don't ever recall such consideration before. But this time, we have been able to get a Republican administration and a Republican House of Representatives to consider providing health insurance to unemployed workers. That was a breakthrough in terms of dealing with the unemployed and displaced workers in this country.

I happen to believe that if this proposal had come from the other side of the aisle and not from the centrist coalition and the White House, many of my colleagues on the other side of the aisle would have been very much in favor of this proposal.

I am hoping, as we all go home and look into the eyes of the people who will come and see us because they have lost their jobs, and are panicked about health care for themselves and their families, that we start to understand we have an obligation to touch their lives. And to do this, the first thing we need to do when we come back to this chamber is pass a stimulus package that addressed the needs of unemployed men and women. We need to restore people's faith in their economy and restore people's faith that we do care about them.

The thing that really bothers me about our failure to pass a stimulus package, is that so many people anticipated we would do so. They really did. They were counting on us, as did the financial markets. I think from a psychological point of view, we have really done a disservice to the American people, particularly at a time when we are all going home to celebrate Christmas and the holidays.

What a lousy Christmas present we are giving to the people of America. Shame on us. I hope when we come back in January that we will make it up to them. They need our help.

I yield the floor.

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

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

THE HOUSE ECONOMIC STIMULUS PACKAGE

Mr. DASCHLE. Mr. President, when people become doctors they take the Hippocratic oath which, among other things, instructs them to ''First, do no harm.''

Maybe our Nation's leaders in Washington need to take a similar oath if they intend to operate on the economy.

Sadly, our friends in the Republican Party are steadfast in their insistence that we enact legislation that would harm our economy. Their plan takes more than $200 billion out of Social Security and uses it mostly for tax breaks for wealthy individuals and profitable corporations. It will do little to stimulate the economy, and even less for the millions of newly unemployed Americans. Their plan will not make the recession better, but it will make the deficit worse. This impasse is regrettable—and it was completely avoidable.

Immediately after September 11, it became clear that the attacks dealt our economy—which already was slowing—a devastating blow. We all agreed—Democrats and Republicans, House and Senate—that America needed an economic recovery plan. And Congress had a responsibility to pass such a plan.

We asked the best financial thinkers in the country, economic leaders, such as Chairman Greenspan and Secretary Rubin: What should such a package contain?

Their advice led to the development of a set of bipartisan principles for an economic recovery plan. Those principles were endorsed by the chairmen and ranking members of the Budget Committees in both the House and the Senate.

Rather than work together to develop a plan based on those principles, Republicans in the House chose to withdraw from bipartisan negotiations and pass their own highly partisan economic plan.

The experts we consulted told us that the problem with the economy right now is that corporations have too much capacity and that consumers have too little cash. That is it in a nutshell: Corporations have too much capacity; consumers have too little cash. So we developed a plan to address those problems.

The plan we put together included tax cuts for businesses that invest and create jobs in the near future. It had tax rebates for people who were left out of the first round and unemployment and health benefits for workers who have lost their jobs in this recession and as a result of the September 11 attacks.

Our plan did what economists say needs to be done—no more, no less. And it met the bipartisan standards agreed to by the budget leaders in both Houses.

Early this morning the House passed a far different plan. Their plan speeds up the tax cuts Congress passed last summer—months before the terrorist attacks. Their tax cuts give most of the benefits to the wealthiest individuals, and they will get those tax cuts not just next year, but the year after that, and the year after that, and the year after that. That is the first part of their plan.

The second part of the House Republican plan is to take the biggest corporations in America and give them billions of dollars in new tax breaks. Some profitable corporations would get permission not to pay taxes at all.

Under their plan, companies such as Enron would get hundreds of millions of taxpayer's money. Republicans are not proposing to do that for police officers, for firefighters, for postal workers. They are not proposing it for hard-pressed, hard-working families. Maybe it would help if they did, but they are not.

They are proposing it for the biggest corporations in America, with no strings attached. The corporations do not need to create a single job to get this gift. They can lay off workers and still not have to pay a dime in taxes under the Republican plan. That kind of plan does not help the economy, and it does not help workers.

Since September 11, nearly a million American workers have lost their jobs. Eight and a half million Americans are now out of work.

Often, the biggest worry when Americans lose their jobs is how to pay for their health care. The average cost of keeping health care coverage is half of the average monthly unemployment check, half of a family's total monthly income. That is why only 20 percent of workers who are eligible for COBRA coverage purchase it. Most simply cannot afford it.

The plan passed by the House provides an inadequate tax credit for individuals to buy health care, and it leaves many of them at the whim of the private insurance market.

Under their plan, health insurance will remain out of reach for millions of

laid-off workers. The credit would require a parent to spend, on average, a quarter of their unemployment check for COBRA coverage. For most individuals not eligible for COBRA, the price tag would be even higher.

One million displaced workers—part-time workers and recent hires—do not even qualify for assistance under the plan.

Survivors of victims of September 11 do not qualify for assistance under their plan. Employees, whose hours have been reduced and who have lost their health care as a result, do not qualify for their plan.

Their individual tax credit discriminates against older and sicker workers. An insurer can refuse to cover a sick worker, can charge exorbitant prices based on age and health, and can refuse to provide coverage for such basic needs as pregnancy, prescription drugs, or mental health.

All the worst practices of the insurance industry are fair game in their bill. What is worse, it would actually discourage laid-off workers from taking a new job. Under the plan passed by the House, the moment an individual goes back into the workforce, they lose their eligibility for the insurance premium tax credit.

Say a recently laid-off worker has a sick spouse; if he wants to go back to work, he can't because his new job may not offer health insurance for his wife. He would have to choose between freeing himself from unemployment and losing health care his wife needs.

That is their plan for health care. It gives workers insufficient help, and it discourages responsibility in the process.

On jobless benefits, Republicans say their plan extends jobless benefits for all laid-off workers. But it doesn't. More than half of America's laid-off workers held part-time jobs over recent hires. They paid into the unemployment system, but the House plan leaves them out.

A week ago, the whole world paused to remember the victims of September 11, but the House-passed plan forgets the economic victims of those attacks, and that is wrong.

Three days after September 11, we passed a $15 billion airline bailout package. Democrats tried to include help for laid-off workers in that plan. We were told: Now is not the time. There will be another chance soon. We are going to consider airline security. We can help workers then.

Reluctantly, we agreed to wait. We tried to include our package of help for workers on airline security. Again, Republican colleagues filibustered. Again, they said: This is not the time. We still need to pass an economic stimulus package. We will help workers then.

We took them at their word. We included jobless and health benefits for laid-off workers in our economic recovery plan. But instead of joining us, Republicans voted to kill our proposal. They said that helping workers is not an emergency. We have waited. We have compromised.

At Republican insistence, we dropped the measures to strengthen America's homeland security from our plan, even though we believe such measures are essential to restoring confidence in our safety and our economy. We said: We are willing to support larger tax cuts to let businesses write off more of their investment costs.

We also made a significant concession on health care. We believe the best approach is to provide laid-off workers with a direct subsidy to help pay for COBRA premiums. But in the name of compromise, we said we would be willing to move toward the Republican approach again and again. We are willing to adopt an employer tax credit as long as it will work and as long as it will pay 75 percent of health care costs. We even said we will discuss additional tax cuts, such as the Domenici payroll tax holiday, the charitable choice legislation, and others, as long as Republicans agreed to help workers. We made concession after concession after concession to try to get an agreement both sides could support and the President could sign.

We have been willing to compromise on every part of this plan. The only issue we couldn't compromise on was our fundamental principle: We could not support a plan that does not adequately protect workers or help our economy.

By insisting once again on a bloated package of tax cuts that lack real help for workers, the bill that passed in the House indicates that perhaps Republicans were never serious about achieving a negotiated compromise in the first place.

Instead of political theatrics, instead of writing another bill with no chance of passing the Senate, instead of finger pointing and casting blame, we need to come together and pass a real economic recovery plan. We need to pass a bill that helps the economy, helps workers, and meets the standards that we all agreed to at the beginning of this process. At the very least, we need a bill that first does no harm.

We may have missed our opportunity to get it done this year. If that is the case, it is regrettable. But we will again try. We will do all that we can to get it done early next year, as we should.

Mr. KENNEDY. Mr. President, it has been over three months since the terrorist atrocities of September 11. Since that day, the Nation's workers have been among the Nation's most respected heroes. They have come together in the face of new challenges, risking their lives in the rescue and recovery efforts, and in too many cases, losing their lives. Our hearts are heavy with those losses.

Our Nation's workers have come together, and the American people strongly support our efforts to give them the support and assistance they deserve. But our Republican colleagues in Congress have stalled our efforts to help these heroic workers. Senator DASCHLE proposed an effective and balanced plan to stimulate the faltering economy. It had a majority of support in the Senate.

The provisions had the support of the nation's most preeminent economists, including nine Nobel prize laureates. But our Republican colleagues refused to even debate it. They said it wasn't an ''emergency.''

Listen to what the economists say. They say the House Republican proposal ''will do little to assist a near term recovery and is likely to undermine growth in the economy.'' But also listen to what our values say, that we cannot abandon our fellow citizens in their time of need. If there is any lesson from the tragedy of September 11, it is this: that we are one American community, and the backbone of that community comes from average Americans.

Millions of members of that community are hurting today because they lost their jobs. Yet, our Republican friends repeatedly say no to the very actions that would help these families and strengthen our economy at the same time.

Democrats tried to negotiate in good faith, but Republicans have been unwilling to support any recovery package unless it contains tens of billions of dollars for new tax breaks for wealthy individuals and corporations that will jeopardize the nation's long-term fiscal health and threaten Social Security and Medicare. We cannot let Republicans hold laid-off workers hostage to these irresponsible and costly tax breaks.

Republicans have also refused to agree to a proposal to provide real health insurance to the victims of this terrorist attack and the current economic downturn. Instead, they offer only inadequate plans that leave workers with sky-high premiums for meager health benefits, and that leave behind the survivors of September 11 and many other of our most vulnerable workers.

The Democratic economic recovery proposal puts money in the hands of the people who will spend it immediately.

We strengthen unemployment insurance, and guarantee affordable health care to laid-off workers on the front lines of the economic battle. These workers deserve no less.

Every day that we fail to pass a stimulus package, we fail to help more laid-off workers. The unemployment rate is now 5.7 percent, a 33 percent increase since the recession began. Over 8 million Americans will start the year out of work, through no fault of their own. Millions of Americans are left with no paycheck and no golden parachute. We cannot accept a plan that fails these workers.

Health premiums can cost nearly $600 a month for a family—most of an unemployment check. That is why only

about one in five laid-off workers today continue their coverage, even if they are eligible. Our plan covers 75 percent of the health care premium for those who are eligible to continue their coverage, but can't afford the cost.

Some workers are not eligible for any continuing health plan. Our plan also allows states to cover these vulnerable workers. Taken together, our plan ensures that men and women who lose their jobs don't have to worry about losing their health insurance as well.

Our plan also provides fiscal relief to the States, which face serious budget shortfalls, yet must meet yearly balanced budget requirements. We increase Medicaid payments, so that States don't have to cut back on coverage, just as more workers need help. The head of the Republican Governors' Association, Governor John Engler, said without this plan, a stimulus package is ''robbing Peter to pay Paul, because States will have to cut critical services, stifling the positive effect of any stimulus measures enacted at the federal level.''

Our Democratic plan assures 13 weeks of extended unemployment benefits for laid-off workers.

The current recession is already 9 months old, and the two million workers who have run out of unemployment insurance benefits should not have to continue to wait for our help.

Our plan also makes part-time and low-wage workers eligible for unemployment benefits. In 1975, on average, 75 percent of unemployed workers received unemployment benefits. Last year, the figure was only 38 percent. Expanding coverage to include part-time and low-wage workers will benefit more than 600,000 more of those who have been laid-off, and it will also provide additional economic stimulus.

In addition, our plan supplements the current meager level of unemployment benefits, which do not replace enough lost wages to keep workers out of poverty.

In 2000, the national average unemployment benefit only replaced 33 percent of workers' lost income, a steep drop from the 46 percent of workers' wages replaced by jobless benefits during the recessions of the 1970's and 1980's.

During an economic crisis, unemployed workers have few opportunities to rejoin a declining workforce. They depend on unemployment benefits to live. Adding $150 a month to unemployment benefits will stimulate the economy and help these laid-off workers support their families while they look for a new job.

While Democrats have been negotiating an economic recovery package in good faith, the House Republicans pulled the rug out from under those negotiations. They walked away from the negotiating table, made harsh personal attacks against our Democratic leader, and brought a separate Republican bill, largely a repackaging of the previous bill—back to the House floor.

The latest GOP plan is not an effort to stimulate the economy or help workers. It is a Republican game of political hot potato, to avoid blame. They do not deserve credit for a misguided plan that does nothing for the economy and nothing for workers.

The latest House Republican bill fails the economy. It fails the states, which are struggling to balance their budgets. It fails the millions of workers who have been laid off through no fault of their own and are struggling to keep a roof over their families' heads and food on their tables.

What it will do is blow a deep hole in our economy, estimated at $250 billion, adding to deficits already expected next year. All of it will have to come from the Social Security Trust Fund.

Our Republican colleagues are more concerned about helping wealthy corporations and individuals than about stimulating the economy or assisting laid-off workers. The new House Republican bill continues to gut the corporate Alternative Minimum Tax. They refuse to offer any true help for workers, but wealthy corporations will receive a promise that they won't have to pay any income tax in future years.

The Republican bill also provides new tax reductions for wealthy individuals. Only the top quarter of American families will receive any benefit from these rate reductions and only the top 4.4 percent will receive the full benefit.

The House bill also maintains a 30 percent bonus depreciation over the next 3 years, even though nobody believes the recession will last 3 years. With no incentive for immediate action, companies will not invest, now when the economy is weak. Instead, they will get windfalls in later years.

At the same time, states will suffer revenue losses for the full 3 years of this proposal, on top of the $35 to $50 billion budget deficits they are already facing.

The Republican bill drains money from States, but it provides little fiscal relief. Since states must balance their budgets even in recessions, the Republican plans will force still-larger budget cuts. These losses in revenue will almost certainly result in deep cuts for Medicaid, education, and other vital State and local services.

The Republican bill clearly shortchanges workers. It does little to provide unemployment benefits or affordable health care for laid-off workers.

Perhaps the best and purest form of economic stimulus is to increase unemployment benefits for families, because they are sure to spend it quickly.

Yet, the unemployment insurance provisions in the bill passed by the House do not accomplish nearly enough. The bill leaves out hundreds of thousands of low-wage and part-time workers who have paid into the unemployment fund, but are not eligible for benefits under it.

The Republican plan fails to raise the meager level of benefits, which currently replace half or less of an individual's lost wages. A few weeks ago, the chairman of the Ways and Means Committee proposed temporarily suspending income taxes on UI benefits as a way of raising these meager benefits. That step would be slower and less inclusive than a benefit increase, but at least it acknowledged that we need to raise benefit levels. However, even that tax suspension has been dropped from the latest Republican bill. Instead, that bill provides funding for unemployment insurance that will most likely be used for employer tax cuts, and to boost trust fund reserves instead of worker benefits.

The Republican health proposals are also an empty promise to millions of Americans. Their plan leaves out hundreds of thousands of unemployed workers. It excludes the survivors of the September 11 attack. It excludes low-wage and part-time workers. Even for those are eligible, it provides an inadequate subsidy that most workers can't afford to use.

The Republican plan leaves deserving Americans who are not eligible for COBRA to the flawed individual insurance market which charges thousands of dollars for inadequate benefits. Their plan does not prevent HMOs and insurers from discriminating against sick and older workers, or from charging unlimited premiums.

In these difficult economic times, it is wrong to ignore the needs of working families. It is wrong to repeatedly help our Nation's most prosperous firms, while ignoring the needs of millions of workers.

It is wrong to tell workers, who have been laid off that they don't deserve unemployment benefits. It is wrong to tell hard-working men and women that the price they must pay for the terrorist attack is to go without the health care they need and deserve. It is wrong to offer only an empty promise with unlimited premiums. It is wrong to enact a stimulus plan that says yes to the greedy and no to the needy.

It is time to end the suffering of the millions of families who have lost jobs and health insurance in this economic downturn. It is time for Congress and the President to listen to the voices of working families, instead of powerful special interests.

Over the past 3 months, Congress has acted to help affected industries receive the assistance that they need. Businesses have also received stimulus after stimulus from the Federal Reserve which has cut interest rates 11 times. But business clearly has excess capacity today. Providing more benefits to business is not what will help this country recover most effectively.

Economic recovery will come best and quickest helping unemployed workers pay for their groceries, their mortgage and their health costs. We reject the Republican proposals, because we cannot accept a plan that fails so many millions of workers. We owe it to all the Americans who have lost their jobs to provide the support they need and deserve, and to provide it now.

Mr. ALLARD. Mr. President, at the beginning of this year we passed a series of tax cuts. This was a strong action in favor of hardworking Americans. With the recent slowdown in the economy, we must again act, and act quickly, for the American worker. Historically, Congress has failed to act quick enough to provide economic relief when it is needed. Let us not repeat this error. It is imperative that we now take this opportunity to act in unison to provide the American people with the assistance they deserve.

Several economic stimulus packages have been proposed. The House has recently passed a stimulus package that I feel will give the economy a much needed boost and provide dislocated workers with the temporary assistance they require. I, as well as many of my colleagues, have some reservations about certain items contained in this package. But for the sake of the economy and the American worker we must take quick and decisive action now. Overall, this stimulus package is a positive and much-needed step in the right direction.

We must provide aid to dislocated workers. In times of a slow economy, many hardworking Americans are forced from their jobs through no fault of their own. It is of the utmost importance that we provide the support these hardworking Americans deserve. This package provides around 20 billion dollars in aid to these displaced workers, which includes a measure that will provide a 13 week extension to unemployment benefits, supporting American individuals and families in their time of financial hardship. This also provides support to Medicaid. This assistance is a temporary and much needed helping hand to those whose families and way of life are currently threatened by the recent economic downturn.

When we have taken care of these dislocated workers, we must look forward to what lies beyond the realm of short-term relief. History has shown us time and time again that overall economic growth is one of long term planning. Here we have the opportunity to provide the economy with a short and long term boost via a 10 year investment stimulus package. This would provide almost $160 billion worth of support, through the year 2011, to small businesses and taxpayers. This package calls for increased tax cuts for individuals, $60 billion of tax relief in Fiscal Year 2002 and $112 billion over the next 10 years. This package will provide health care tax credits so that displaced workers and their families do not go without medical coverage. Furthermore, this package provides increases in investment opportunities and net operating loss flexibility for small businesses.

This package, aptly named Economic Stimulus and Aid to Dislocated Workers, is a good start. In the future, we will need to return to these issues. We will need to provide more incentives for long term economic growth and development. But our immediate action on this package is crucial. We must act now, we must pass this stimulus bill before Christmas, because this is what the American people need and deserve. I have commended my colleagues on the passage of the education school reform bill; a bill that leaves no child behind. We must now ensure that American families, workers, and the temporarily unemployed are not left behind. The President proposed an economic security package in October. Now I stand before you in December and tell you that the American people can wait no longer. We must support our economy and our unemployed workers now. I humbly ask my fellow Senators: Put aside your differences and vote in unison for the economy, for hardworking displaced Americans, and for the American family.

Mr. KERRY. Mr. President, at a time when so many Americans are out of work, with out Nation at war and with, appropriately, calls for national unity, I regret to say I have to come to the floor to address what I feel is the ultimate breakdown on unity. Rather than delivering a responsible stimulus package that is targeted and temporary, my colleagues on the other side of the aisle have been working overtime to turn a legitimate policy debate into a personal exercise in demonization. They have worked hard to turn a battle of ideas into a battle of name calling. And their focus has been our leader TOM DASCHLE. They have called him obstructionist—partisan—divisive—and worse.

Now let me make clear for the record, I'm not worried about TOM DASCHLE. He's tough and resilient like the South Dakota prairie. He won't buckle, he won't shrink from their charges, and TOM DASCHLE knows that truth wins out in the end. He knows that what a different wartime leader, Abraham Lincoln, said is still true: ''If the end brings me out all right, what is said against me won't amount to anything. If the end brings me out wrong, ten angels swearing I was right would make no difference.'' By that measure, TOM DASCHLE will do just fine. But let's be honest. This really isn't about TOM DASCHLE. It's about a Republican Party that knows their agenda won't stand up to the light of day and so they need to make the debate about something else.

Can't pass drilling in an Arctic Refuge on its merits? Then do it because you're patriotic. Can't do that? Attach it to a ban on human cloning. Have that cynical effort rejected almost unanimously, then just blame the Democratic Leader. Can't ram backloaded, retroactive corporate tax giveaways through Congress while ignoring workers? Well, that must be because TOM DASCHLE is a partisan. Better to demonize the Democratic leader than acknowledge that your stimulus bill is unacceptable because it won't stimulate the economy. Better to attack TOM DASCHLE than admit that your bill is an insult to the working, everyday Americans who've been honored in words countless times since September 11th but insulted by the first so-called stimulus bill that the Republican House passed by one vote. Then, Senate Republicans prevented a vote on a balanced package put together by the Fiance Committee.

Now, the House is set to vote on a supposed ''bipartisan compromise''—''bipartisan'' because it may likely get 51 or 52 votes here in the Senate. But it is not a stimulus bill. It's a tax cut bill that will spend $211 billion over the next five years, with more than half of that cost coming after 2002, when the administration believes that the economy will have already recovered. A ''bipartisan'' bill is not one that barely gets enough votes for passage. A bipartisan bill is one like the education bill we passed yesterday, which received 87 votes. We were statesmen when we passed—almost unanimously—an emergency spending bill, a use-of-force resolution, a counterterrorism bill, an airline industry bailout, and an airport security bill that will make the skies safer for millions of Americans. But in a Senate as closely divided as this one, to call a bill ''bipartisan'' that gets two or three Democrats to vote for it is laughable.

There are still other ways in which statesmanship can be exercised. Statesmanship can be resisting bad ideas that take advantage of national emotion to do unacceptable special interest favors for a favored political constituency. That, regrettably, is what the Republican stimulus bill is all about, although they will tell you it is for workers. But they do nothing to expand unemployment insurance to the many thousands of laid-off workers who are not currently eligible for benefits, and their ideas for health care simply will not work. And so we find ourselves divided—not because TOM DASCHLE is an obstructionist, but because a decades-old partisan agenda which was on its last legs before September 11th has been revived under the guise of economic security. Average Americans are being denied unemployment insurance and health care because Republicans want to hold out for more for those who are doing fine as it is. So we have an impasse—we are fighting for everyone to be treated fairly—they're fighting to reward those already rewarded with no guarantee it will be spent or invested in a way that has any immediate stimulative impact on an economy that needs it. No wonder they'd rather just attack TOM DASCHLE—it is easier than dealing in the truth and moving this economy forward and helping America's workers.

It doesn't need to be this way. In early October, three weeks after the terrorist attacks, Democrats and Republicans in the House and Senate agreed to a list of bipartisan principles for stimulus. These included the belief that the package should be temporary,

help those most vulnerable, impact the economy quickly, be broad-based, and include out-year offsets. The Republican leader of the Ways and Means Committee in the House abandoned those bipartisan negotiations in order to push through his own partisan package by one vote. It is his truculence, and the insistence of the Republicans that we reduce the corporate Alternative Minimum Tax and cut individual tax rates even more than we did in June, that have led directly to the situation we find ourselves in today.

Mr. President, 700,000 Americans lost their jobs in October and November alone. The unemployment rate is not at 5.7 percent. The country is at war, we have an economy in negative growth, and we are on the verge of returning to an era of deficits after finally putting our fiscal house in order. We should not be passing large, permanent tax cuts unless we can be certain that the cuts will have a stimulative impact. The tax cuts proposed by most Republicans would not have that effect, since most of the costs occur after 2002. Again, this is not a stimulus bill—it is a $200 billion tax cut disguised as a stimulus bill. I still hope that the Senate can work to develop a bipartisan agreement, and I commend my leader for his continued efforts. We owe it to working Americans everywhere to pass a responsible bill. We know that a real stimulus bill should contain some tax relief for businesses, provided that it will help spur new investment or address temporary cashflow concerns. We know that we should provide some temporary tax relief to those families who are likely to spend the money, thus helping generate some additional demand. We know that we need to help unemployed workers make ends meet, and make sure that they don't lose their health insurance as a result of the ripple effects from the terrorist attacks of September 11th.

And we know that we need to temporarily offset some of the impact of the current downturn on the states, by increasing the federal Medicaid matching rate, or FMAP. Let's be clear: Laid-off workers cannot contribute to economic recovery. The answer is not to sit back and wait for economic benefits to trickle down to workers already thrown off the job. Instead we must invest in health care, unemployment insurance, and worker retraining to help put money in their pockets and bring dislocated workers back into the economic mainstream of this country. We need to do that even if we can't agree on how to boost the economy through tax cuts. That's why I introduced the Putting Americans First Act, to take these worker protections out of the stimulus debate and provide a guarantee of immediate relief for those who have been hurt by the economic recession. The legislation would empower the states to expand unemployment compensation and health insurance coverage and provide help to states in which welfare caseloads are sharply increasing.

Common sense and common decency tells us now is not the time for a corporate grab-bag of tax cuts, or for revisiting a debate about future marginal tax rates—particularly when these rate cuts would do nothing for more than three-quarters of the population. It is incumbent upon us to act in the best interests of our country as a whole, not in the interests of a select few. All Americans want to see this economy get moving again, and no Americans want to see this country begin a new chapter in our history where we hold back health insurance and unemployment benefits in tough times because Democrats won't agree to further permanent tax cuts.

Let's put things straight and meet the objectives of the American people and not the objectives of an ideological minority, and let's stop demonizing those who disagree with us. We owe the American people better than what they have been given at one of the most important times in our Nation's history, and it's time the Congress delivered.

Mr. HUTCHINSON. Mr. President, there is no question that we are now in the middle of a recession. Even before the terrorist attacks 3 months ago, economic growth had slowed dramatically and unemployment was rising. Since September 11, the number of payroll jobs has declined by an average of 314,000 per month, unemployment has increased by an average of 392,000 per month, and consumer confidence is at its lowest level in 7 years.

In response to their pessimistic mood and uncertainty about the future, consumers stayed away from shopping centers and retail sales fell by 2.4 percent in September, the largest one-month drop since 1987. In Arkansas, more than three-fourths of employers indicate they have no plans to expand in the next 6 months, whether by adding jobs, making capital investments, or seeking new business opportunities. On October 5, the President publicly urged Congress to send him an economic stimulus package that encourages consumer spending, promotes business investment, and helps dislocated workers.

The House of Representatives has now twice passed economic stimulus legislation. I ask you, Mr. President, how many more Americans have to lose their jobs? How many more businesses have to file for bankruptcy? How many more families do we have to see turned away from their own doctor's office because their medical insurance has run out before we put petty politics aside and do something to help those that so badly need our help.

I have received hundreds of letters, e-mails, faxes, and phone calls from people all over my home State of Arkansas, as I'm sure have all of my colleagues, from people who need our help and need it now. Take for example an e-mail I recently received from a constituent in West Memphis who wrote:

I am one of the 450,000 Americans who were laid off before the September 11th attack, and I am going to need extended unemployment benefits.

My plant in Forrest City is in the process of closing. My last day was July 27. Since then, I have spent several hours a day trying to find another job. Things are tough right now. Plus, I have another problem—I am a few years away from retirement. I'm too young to retire but too old to get another job. I know that age discrimination is against the law (wink, wink), but the truth is that not even the government will hire a sixty year old.

In a couple of months, my $300 a week unemployment will run out. When that happens, I will have to dip into my retirement funds—if there's anything left by then—to pay the bills. An extension of benefits will help some, and would be appreciated. What I want more than government help, however, is a job.

If your staff knows of agencies, websites, etc., which specialize in senior jobseekers' need, I would appreciate knowing about them. I have a lifetime of knowledge and experience to offer a company, and I have kept up with the latest philosophies of manufacturing, as well. There are just more people than jobs right now.

This is NOT how and when I expected to retire!

Best Wishes—Mike

Some simply write and say: ''Please, I urge you help get an economic recovery bill passed now.''

While each person has their own individual story to tell about the effects this recession is having on them, they are all saying the same thing: We need help now! We don't have time for you to play politics with this one. People's lives and livelihoods are at stake.

One of, quite possible, the only good things to come out of the horrific terrorist attacks that occurred on September 11th is that we saw, even if for a limited time, real bipartisanship occur here on Capitol Hill. Well guess what . . . the American people saw bipartisanship in action and now expect it, and deserve it, every day. Bipartisanship was once a word that was only spoken by those in political office. It is now being used by nearly every person that contacts me. We need to listen to these people and do what they sent us here to do. We need to work together today, not a month from now, and send to the President an economic stimulus package before we go home for the year.

A constituent of mine recently wrote me and said: ''Please quit bickering and pass an economic stimulus package. Senators, it seems that the 'ball is in your court'. Thank you, and God Bless America.'' I think he summed it up rather nicely.

Mr. President, the ball is in our court, and we need to do something with it. We need to pass an economic stimulus package today.

Mr. ROCKEFELLER. Mr. President, I rise today to express my serious disappointment that we could not reach agreement on a stimulus package that would both help America's workers and encourage immediate business investment to strengthen our economy. I intend to keep fighting for real help for the workers who have lost their jobs

and need health care coverage until they get the assistance they need.

I think an economic recovery package is still important work to do. Had my Republican counterparts been willing to stay at the negotiating table and keep talking, I would not have left my post until we reached agreement. As a conferee on this unique Leadership Conference, I am especially disappointed that our work was abandoned by the Republican Leadership.

Unfortunately, the House Leadership chose to walk out on the tough work of negotiation and move a partisan bill that includes numerous, multiyear tax cuts for corporations and for the wealthiest Americans. The House bill would do little to actually stimulate our economy and would not provide real health care coverage for workers in need of meaningful assistance to retain their health insurance.

Moreover, from what I can learn of the legislation which passed just hours ago, it will have significant costs after 2002, as much as $67 billion. That means substantial deficit spending to finance corporate tax relief and additional tax cuts for the top 25 percent of all taxpayers. Nearly 80 percent of West Virginia taxpayers would not get a dime from the tax rate changes proposed by the House Republicans, and to add insult to injury, their payroll taxes would pay for the corporate tax breaks. I cannot support raiding billions of dollars from the Social Security and Medicare Trust Funds.

Nearly a million people have lost their jobs in recent months as a result of the economic downturn that was exacerbated by the September 11 terrorist attacks on our Nation. Those families deserve the help that the Senate Finance Committee package provided, substantial help to pay for health insurance that they can count on and a temporary extension and improvement of unemployment benefits, which includes improved benefits and makes part-time and low wage workers eligible. Unemployed Americans deserve access to affordable health care and to unemployment benefits as they seek new employment.

I deeply regret that the House Leadership conferees could not, or I should say, would not, accept the Senate's worker package that provides immediate, but temporary health care coverage for displaced workers and extended and improved unemployment insurance. The House approach on health care was inadequate and unworkable. It would not have guaranteed health care coverage to a single solitary worker. It failed to include needed reforms to the insurance market to make insurance affordable, or to ensure that a decent benefit package was available.

I am deeply frustrated that the Republican conferees wanted to leave workers at the mercy of the insurance industry. Under the House bill, workers would have had to, on their own, seek affordable coverage on the current, failed individual market, armed with limited resources and zero leverage. Older and sicker workers would have been left entirely out of luck with that kind of approach. I am frustrated that House Leaders insisted on promoting their ideology over existing programs that could have been used to provide reliable health care coverage to workers who need it.

I believe our economy would benefit from additional stimulus in the form of 1-year business incentives and additional individual tax cuts for those taxpayers who were left out and did not benefit from the rebate checks last summer. I believe we could have come together on a package that would have helped workers even as it provided business tax cuts like bonus depreciation and expensing for small businesses. We could have helped many businesses who are having a hard time in this economy by extending the carryback period for net operating losses, NOLs. I also firmly believe we could have reached accommodation on the issue of AMT relief, if only the House Leadership had been willing to accept real health care and unemployment coverage as part of the package.

But the House chose to move forward with a plan that consists primarily of tax cuts, not help for the workers who have been promised for months, promised by both the President and Congress, that we would attend to their needs after the tragedy of September 11. Instead, the House bill's cost over both 5 and 10 years is over 90 percent tax cuts. Less than half of those tax cuts would come in 2002 because it is a back-loaded plan, not the temporary stimulus measure Congress and the President had mutually agreed was the goal of a stimulus package. Common sense tells us that tax cuts in 2003 don't stimulate the economy during our current downturn. There is strong evidence that the House's proposed tax cuts to higher income individuals would not stimulate the economy in the out years, either, because wealthier individuals tend to save rather than spend.

Finally, the House bill does not sufficiently address the desperate financial conditions of the States, or the fact that some of the business tax provisions in the bill will actually mean the States lose billions in revenue. The House bill, as far as I can estimate, does not even offset those costs. States are facing a collective, roughly $50 billion deficit, and experts believe the House bill will cost States. Estimates are that West Virginia alone could lose $35 million in State revenues because of policies embedded in the House Republican package. That means West Virginia and other States would be more likely to cut health care to the poor and other low income programs just when the economy makes the programs most essential.

In sum, workers did not get the help they need or deserve from the House Republicans' bill. They did not get the consideration they deserve from the House Republican Leadership. And some useful business tax incentives, that combined with additional assistance for the unemployed, could have effectively stimulated our economy, won't pass this year.

I had hoped we could have put our partisan and ideological differences aside to speed relief to workers and our ailing economy. I will not give up until we help the people who are waiting to get their fair share of Federal assistance, just as other sectors of our economy have been provided with Federal aid in this unusual time.

Today, in an effort to at least provide a short-term extension of unemployment benefits to workers on the verge of running out of assistance and facing the holidays, the Senate Majority Leader asked unanimous consent to take up and pass a 13-week extension of existing unemployment benefits. He asked for a one-time, 13-week extension of existing benefits, no benefit improvements, no expanded eligibility, just a straight, short-term extension.

The Senate Republican Leader objected to that request, despite the fact that we have frequently extended these unemployment benefits in the past. That tells you something about why the stimulus conference did not produce legislation. American workers are still waiting for the help they need.

2001 IN REVIEW: A SENATE (MOSTLY) EQUAL TO THESE HISTORIC TIMES

Mr. DASCHLE. Mr. President, we are all tired. This has been a long day in what has been a long week and a long session. But before we go our separate ways for the holidays, I want to thank my colleagues for the support and kindness they have shown me during my short time as majority leader.

I thank our staffs, the many hard-working men and women who enable us to do our jobs—from the Capitol Police to the Official Reporters who transcribe our debates, the people in the cloakroom, the people who serve our meals, the doorkeepers, the pages, and so many others. The public may not know their names, but we know the Senate could not function without them.

On a very personal note, I want to say a special word of thanks to my own staff. In the last 3 months, they have experienced the horrors of September 11 as we all did, but they have undergone an additional challenge few of us ever have, or will, face.

Two months ago my staff, along with members of Senator FEINGOLD's staff, and law enforcement officers, were exposed to lethal levels of anthrax when a letter containing that deadly bacteria was opened in my office. I am pleased to report that they are all healthy today, and I am proud to say that they have continued to work throughout all of this time.