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House of Representatives

The House was not in session today. Its next meeting will be held on Monday, February 26, 2001, at 2 p.m.

Senate

THURSDAY, FEBRUARY 15, 2001

The Senate met at 10 a.m. and was called to order by the Honorable GEORGE ALLEN, a Senator from the Commonwealth of Virginia.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Providential Lord of History, we prepare for the forthcoming Presidents' weekend and the Senate's subsequent recess by expressing our gratitude for the way You have raised up great Presidents to lead us in each stage of our progress as a nation. Today we remember the faith in You that produced the greatness of Washington and Lincoln. Reverently, we recall Washington's confession of faith, "Providence has at all times been my only dependence," he said, "for all other sources seem to have failed us." And we call to mind Lincoln's declaration of dependence, "I have been driven many times to my knees by the overwhelming conviction that I had nowhere else to go." The same affirmation of trust in You has been sounded by dynamic Presidents throughout our nation's history.

Thank You for Your hand upon President George W. Bush. Bless him as he expresses his trust in You in these strategic days of his Presidency. We praise You for the integrity of authentic faith expressed by the women and men of this Senate. It is with gratitude that we will say "one nation under God, indivisible" when we give our allegiance to the flag this morning. This is a nation You have blessed; we will rejoice and be glad to serve in it! Amen.

PLEDGE OF ALLEGIANCE

The Honorable GEORGE ALLEN led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 15, 2001.
To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable GEORGE ALLEN, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. ALLEN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The assistant majority leader, the Senator from Oklahoma, is recognized.

THE CHAPLAIN'S PRAYER

Mr. NICKLES. Mr. President, first I wish to thank our Chaplain. He gives

us daily blessings by beginning the Senate with a prayer. He does it so eloquently and so well; many of us almost take it for granted. But I wish to personally thank him for his dedication and his thoughtfulness. I think his construction of the prayers is a blessing to the Senate but, frankly, I think to our country as well.

SCHEDULE

Mr. NICKLES. Today the Senate will be in a period of morning business until 1 p.m. Following morning business, the Senate can be expected to consider any number of the following matters: the bill honoring our former colleague, Senator Paul Coverdell; a resolution relative to the energy crisis on the west coast; and/or the nomination of Joseph Allbaugh to head the Federal Emergency Management Agency. Therefore, votes can be expected to occur during today's session.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a time for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for up to 10 minutes each.

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



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Under the previous order, the time until 11 a.m. shall be under the control of the Senator from Illinois, Mr. DURBIN.

MEASURE PLACED ON THE CALENDAR—S. 328

Mr. NICKLES. Mr. President, I understand there is a bill at the desk due for its second reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 328) to amend the Coastal Zone Management Act.

Mr. NICKLES. Mr. President, I object to further proceedings on the bill at this time.

The ACTING PRESIDENT pro tempore. Under the rule, the bill will be placed on the calendar.

Mr. NICKLES. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New York, Mrs. CLINTON.

Mrs. CLINTON. Mr. President, as we begin our work on the 2002 budget, we find ourselves at a crossroads, facing a very big choice. The choice we make will determine whether we pay down our national debt. It will determine our investments in priorities like education, the environment, health care and Social Security. And it will define the quality of life for millions of Americans for years to come.

The choice we face is this: Do we continue along the budgetary path that we, as a Government and a nation, have followed in recent years? Or do we make a break from that path, and return to the one we followed 2 decades ago?

Let's look, for a minute, at history. Eight years ago our budget deficit was \$290 billion—the largest in our history. The national debt was \$3 trillion and unemployment had surged to 7.8 percent. At the time, the Congressional Budget Office predicted that the deficit would reach \$513 billion by this year.

This year, the predicted deficit is, in fact, a surplus, likely to reach \$281 billion. We are scheduled to pay off \$600 billion of the national debt—concluding the largest three-year debt reduction in our nation's history. As Federal Reserve Chairman Alan Greenspan once said, our "commitment to fiscal discipline has been instrumental in achieving the longest expansion in the nation's history."

Now debt reduction has meant lower interest rates for college, car loans and home mortgages. With Government no longer draining resources out of the capital markets, private investment in equipment and software skyrocketed, and productivity gains kept fueling prosperity.

At the same time, we have invested in America's working families. We doubled student financial aid. In New York, for example, 45,000 more children

enrolled in Head Start in 1999 than in 1993 and this year New York schools will receive an additional \$100 million for renovations and repairs which, based on observations during my many visits, are very much needed.

Democrats and Republicans have worked together to set aside the Social Security and Medicare Trust Fund surpluses to extend their solvency. Together, we put more police on the streets, more teachers in classrooms and moved people from welfare to work.

And we have done all of this while holding Federal income taxes, as a percentage of income for the typical American family, to their lowest level in 35 years.

And something else happened. As the information age exploded, America flourished, making itself a leader in new technologies and increasing our productivity so that once again we became competitive in this new world. It turned out that these policies were not only prudent—but they opened the doors to the changes that prepared us and our children to be successes in the 21st Century. Twenty-two million new jobs were created—nearly 1 million in New York alone—unemployment dropped to 4 percent. And those jobs are pouring more than 900 billion dollars into our economy each year. That's how we have gone so quickly from deficit to surplus. But here's the catch: If we upset the careful balance of our economy, we can lose far more than the cost of the tax cut—a tax cut recession would cost us trillions more in lost income through lost jobs.

Mr. President, I share the concerns of many of my colleagues that President Bush's extremely large tax proposal will take us back to the days of big deficits, high interest rates, shrinking investment, and a growing national debt.

I may be old-fashioned, but as the daughter of a small businessman who did not believe in living outside our means and who even paid cash for the house where we lived, I just don't believe we should spend what we don't yet have in the bank. President Bush's extremely large tax plan would spend trillions we don't have, and may never have.

If we reverse the engines of economic growth by adopting President Bush's tax proposal, I fear that we will reverse the progress we've made—by increasing interest rates now and by saddling our children with big debts in the future.

I know and respect that President Bush supports faith-based programs, but his tax plan should not be one of them. Going forward with a huge tax proposal now is like getting a letter from Ed McMahon and going out to buy a yacht. A surplus projection is not a promise. And if the past is any guide, it's not even a likely outcome.

That is not my view alone. It is the view of many experts who have testified before the Budget Committee, on which I serve. It is the view of col-

leagues like the gentleman from West Virginia, Mr. BYRD and the gentleman from Florida, Mr. NELSON, both of whom voted for President Reagan's tax plans in the 1980's, only to regret those votes when those cuts plunged us deep into debt.

I encourage my colleagues to read the comments of both Mr. BYRD and Mr. NELSON in our Committee's proceedings, or speak with them personally about their historic and wise perspective.

The question before us is not whether or not we should enact tax cuts. I support tax cuts. The question is: how do we structure a responsible tax cut? A prudent tax cut that will allow us to pursue our important national values while keeping interest rates down and encouraging economic growth.

The path of fiscal discipline is marked by four signposts: It pays down the debt, it protects Social Security and Medicare, it invests wisely in children and families, and it reduces taxes in a prudent and sensible way.

I do not believe President Bush's tax plan meets those tests. It also fails the fairness test. President Bush says that, under his plan, the typical family of four will be able to keep \$1,600 of their money. Citizens for Tax Justice found that when the Bush plan is fully in effect, 85 percent of families would receive a nominal tax cut of less than \$1,600 or no tax cut at all.

Even if President Bush's proposal were fair to all Americans, it would not be prudent. During this time of surplus, it would leave nothing for the real reforms necessary to ensure that Social Security and Medicare are intact for future generations. The President's tax plan abandons the principle of putting first things first.

Just yesterday, some of America's wealthiest citizens came out against President Bush's estate tax repeal, saying that it was "bad for our democracy, our economy and our society." And I agree.

A tax cut that is fair to all Americans needs to be part of a framework that strengthens, not weakens, our economy. In my view, we can and should have a tax cut that cuts income tax rates, but we have to give relief to those paying the payroll tax on their income as well. And I believe there is a bipartisan consensus for smart, responsible and fair tax cuts.

It is smart to include a long-term care tax credit to provide relief for families caring for elderly and disabled family members. And the college opportunity tax deduction of \$10,000 a year, championed by my distinguished colleague from New York, would enable families to pay for college, graduate study, or training courses. Tax cuts like these will bring tangible relief to New Yorkers and working families everywhere.

It's also both smart and responsible to invest in our people, especially in building the knowledge economy. And I know that the President has had first