

RESERVATION OF LEADER TIME

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

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Kansas is recognized.

SCHEDULE

Mr. ROBERTS. Mr. President, today the Senate will resume voting—and voting—on amendments to the reconciliation and tax relief bill, and consecutive votes will occur throughout the morning. It is hoped—hope springs eternal—that final passage on the tax relief and reconciliation bill will occur during today's session. If passage occurs as expected, the Senate will resume consideration of the education bill. There will be additional votes all throughout the day, and Senators are encouraged to stay in the Senate Chamber after the final votes on the tax bill. I thank my colleagues for their consideration and cooperation.

Mr. President, I yield the floor.

Mr. REID. Mr. President, before we hear from our friend, I wish to indicate to the Senate that we have six amendments lined up. We are confident that the two leaders can work something out during the day. We hope maybe there can be some end to the debate on this bill, but that will be up to the two leaders. We have shared the first amendment with the majority. We have five others we will give to them briefly.

We are hopeful things will move along well today, and especially, if we stick to our 10-minute voting, I think we can go through the first six amendments at an accelerated rate.

Mr. ROBERTS. I say that is splendid news.

RESTORING EARNINGS TO LIFT INDIVIDUALS AND EMPOWER FAMILIES (RELIEF) ACT OF 2002

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 1836, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1836) to provide the reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2002.

Pending:

Collins/Warner amendment No. 675, to provide an above-the-line deduction for qualified professional development expenses of elementary and secondary school teachers and to allow a credit against income tax to elementary and secondary school teachers who provide classroom materials.

The PRESIDING OFFICER (Mr. ROBERTS). The distinguished Senator from Maine.

AMENDMENT NO. 741

Ms. SNOWE. Mr. President, I send up amendment No. 741 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Ms. SNOWE], for herself, Mrs. LINCOLN, Mr. JEFFORDS, Mr. CHAFEE, Mr. DEWINE, Mr. KERRY, Mr. DODD, Mr. ROCKEFELLER, Ms. COLLINS, Mr. DOMENICI, and Mr. SMITH of Oregon, proposes an amendment numbered 741.

Ms. SNOWE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To express the sense of the Senate that the modifications to the child tax credit contained in section 201 should be part of the final tax package)

On page 18, between lines 14 and 15, insert:
SEC. 202. SENSE OF THE SENATE ON THE MODIFICATIONS TO THE CHILD TAX CREDIT.

(a) FINDINGS.—

(1) There are over 12,000,000 children in poverty in the United States—about 78 percent of these children live in working families.

(2) The child tax credit was originally designed to benefit families with children in recognition of the costs associated with raising children.

(3) There are 15,400,000 children whose families would not benefit from the doubling of the child tax credit unless it is made refundable and another 7,000,000 children live in families who will not receive an increased benefit under the bill unless the credit is made refundable.

(4) A person who earns the Federal minimum wage and works 40 hours a week for 50 weeks a year earns approximately \$10,300.

(5) The provision included in section 201 would give families with children the benefit of a partially refundable child tax credit based on 15 cents of their income for every dollar earned above \$10,000.

(6) For a family earning \$15,000 that is an additional \$750 to help make ends meet.

(7) Doubling the child tax credit to \$1,000 and making it partially refundable will benefit over 37,000,000 families with dependent children.

(8) The expansion of the child tax credit included in section 201 is a meaningful and a responsible effort on the part of the Senate to address the needs of low income working families to promote work and such an expansion would provide the benefit of a child tax credit to 10,700,000 more children than the provision passed by the House of Representatives.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the “10-15” child tax credit provision included in section 201 is a worthy start, and should be maintained as part of the final package.

Ms. SNOWE. Mr. President, I rise today to offer a sense of the Senate amendment in support of the provisions in the bill that expand and extend the child tax credit to millions of working families. I am joined in offering this amendment by Senators LINCOLN, JEFFORDS, CHAFEE, DEWINE, KERRY, DODD, ROCKEFELLER, COLLINS, DOMENICI, SMITH of Oregon, and WELLSTONE.

The RELIEF Act doubles the maximum child tax credit from \$500 to \$1,000 per child and extends it by making it partially refundable for 15 cents on every dollar earned above \$10,000. These provisions were incorporated in the bill during the Senate Finance Committee markup on a bipartisan basis and, together, these provisions will extend the benefits of the child tax credit to more than 55 million children nationally, as well as 37 million families. Without refundability, almost 16 million of these children would not be eligible for an increased benefit. The overwhelming majority of these children—almost two-thirds—live in working families.

This amendment demonstrates our commitment to the child tax credit provisions in this package. I urge support of the amendment.

The PRESIDING OFFICER. Who yields time in opposition?

Mr. REID. Mr. President, I know of no opposition to this amendment. We yield back our time.

The PRESIDING OFFICER. All time is yielded back.

Ms. SNOWE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from North Carolina (Mr. HELMS) are necessarily absent.

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

The result was announced—yeas 94, nays 4, as follows:

[Rollcall Vote No. 159 Leg.]

YEAS—94

| | | |
|-----------|------------|-------------|
| Akaka | Domenici | McConnell |
| Allard | Dorgan | Mikulski |
| Allen | Durbin | Miller |
| Baucus | Edwards | Murkowski |
| Bayh | Ensign | Murray |
| Bennett | Feingold | Nelson (FL) |
| Biden | Feinstein | Nelson (NE) |
| Bingaman | Fitzgerald | Reed |
| Bond | Frist | Reid |
| Boxer | Graham | Roberts |
| Breaux | Grassley | Rockefeller |
| Brownback | Gregg | Santorum |
| Bunning | Hagel | Sarbanes |
| Burns | Harkin | Schumer |
| Byrd | Hatch | Sessions |
| Campbell | Hollings | Shelby |
| Cantwell | Hutchinson | Smith (NH) |
| Carnahan | Hutchison | Smith (OR) |
| Carper | Inhofe | Snowe |
| Chafee | Inouye | Specter |
| Cleland | Jeffords | Stabenow |
| Clinton | Johnson | Stevens |
| Cochran | Kennedy | Thomas |
| Collins | Kerry | Thomas |
| Conrad | Kohl | Thompson |
| Corzine | Landrieu | Thurmond |
| Craig | Leahy | Torricelli |
| Crapo | Levin | Voinovich |
| Daschle | Lieberman | Warner |
| Dayton | Lincoln | Wellstone |
| DeWine | Lott | Wyden |
| Dodd | Lugar | |

NAYS—4

Enzi Kyl
Gramm Nickles

NOT VOTING—2

Helms McCain

The amendment (No. 741) was agreed to.

AMENDMENT NO. 769, AS MODIFIED

Mr. NELSON of Nebraska. Mr. President, I call up my amendment No. 769 and ask unanimous consent to modify it.

The PRESIDING OFFICER. The Senator has that right. Without objection, the amendment is modified. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. NELSON] proposes an amendment numbered 769, as modified.

Mr. NELSON of Nebraska. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide a circuit breaker for tax cuts if debt levels are not reduced as provided in the budget resolution for fiscal year 2002)

At the appropriate place, insert the following:

SEC. . CIRCUIT BREAKER.

(a) IN GENERAL.—In any fiscal year beginning with fiscal year 2004, if the level of debt held by the public at the end of that fiscal year (as projected by the Office of Management and Budget sequestration update report on August 20th preceding the beginning of that fiscal year) would exceed the level of debt held by the public for that fiscal year set forth in the concurrent resolution on the budget for fiscal year 2002 (H. Con. Res. 83, 107th Congress), any Member of Congress may move to proceed to a bill that would make changes in law to reduce discretionary spending and direct spending (except for changes in Social Security, Medicare and COLA's) and increase revenues in a manner that would reduce the debt held by the public for the fiscal year to a level not exceeding the level provided in that concurrent resolution for that fiscal year.

(b) CONSIDERATION OF LEGISLATION.—A bill considered under subsection (a) shall be considered as provided in section 310(e) of the Congressional Budget Act of 1974 (2 U.S.C. 641(e)).

(c) PROCEDURE.—It shall not be in order in the Senate to consider any bill, joint resolution, motion, amendment, or conference report, pursuant to this section, that contains any provisions other than those enumerated in section 310(a)(1) and 310(a)(2) of the Congressional Budget Act of 1974. This point of order may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members duly chosen and sworn. An affirmative vote of three-fifths of the Members duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this paragraph.

Mr. NELSON of Nebraska. This amendment is a circuit breaker as opposed to a trigger. Nothing automatically kicks in as in the case of the trigger amendments that have been offered in the past but it does, in fact, create an opportunity for a privileged motion

that deals with spending or tax cuts in the event the debt reduction targets are not being met.

Mr. BAUCUS. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senator is correct. The Senate will please come to order.

Mr. NELSON of Nebraska. Mr. President, this circuit breaker does not specify any action to be taken if the midcourse review legislation is not enacted into law. What it does is it simply permits any Senator to bring up a privileged motion that deals with spending or tax cuts but exempts Social Security, Medicare, and COLA's from being subject to any potential spending cuts in the midcourse correction.

I hope my colleagues will support this amendment. I ask they do so.

Mr. GRASSLEY. Mr. President, I am not going to use my 1 minute. With this modification, I ask unanimous consent the amendment be agreed to; if not, then by voice vote.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. GRASSLEY. I do.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment (No. 769), as modified, was agreed to.

Mr. GRASSLEY. Mr. President, I move to reconsider the vote.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

Mr. REID. Mr. President, the list we gave to the majority lists Senator DURBIN being next but we want to flip that and have Senator GRAHAM's amendment be next in order.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ENSIGN). Without objection, it is so ordered.

AMENDMENT NO. 784

Mr. HARKIN. Mr. President, I call up amendment No. 784 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself and Mr. JOHNSON, proposes an amendment numbered 784.

Mr. HARKIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide a deduction for unreimbursed expenses related to certain public activities of emergency response professionals)

At the end of subtitle D of title IV, add the following:

SEC. . ABOVE-THE-LINE DEDUCTION FOR QUALIFIED EMERGENCY RESPONSE EXPENSES OF ELIGIBLE EMERGENCY RESPONSE PROFESSIONALS.

(a) DEDUCTION ALLOWED.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals), as amended by this Act, is amended by redesignating section 224 as section 225 and by inserting after section 223 the following new section:

“SEC. 224. QUALIFIED EMERGENCY RESPONSE EXPENSES.

“(a) ALLOWANCE OF DEDUCTION.—In the case of an eligible emergency response professional, there shall be allowed as a deduction an amount equal to the qualified expenses paid or incurred by the taxpayer during the taxable year.

“(b) DEFINITIONS.—For purposes of this section—

“(1) ELIGIBLE EMERGENCY RESPONSE PROFESSIONAL.—The term ‘eligible emergency response professional’ includes—

“(A) a full-time employee of any police department or fire department which is organized and operated by a governmental entity to provide police protection, firefighting service, or emergency medical services for any area within the jurisdiction of such governmental entity,

“(B) an emergency medical technician licensed by a State who is employed by a State or non-profit to provide emergency medical services, and

“(C) a member of a volunteer fire department which is organized to provide firefighting or emergency medical services for any area within the jurisdiction of a governmental entity which is not provided with any other firefighting services.

“(2) GOVERNMENTAL ENTITY.—The term ‘governmental entity’ means a State (or political subdivision thereof), Indian tribal (or political subdivision thereof), or Federal government.

“(3) QUALIFIED EXPENSES.—The term ‘qualified expenses’ means unreimbursed expenses for police and firefighter activities, as determined by the Secretary.

“(c) DENIAL OF DOUBLE BENEFIT.—

“(1) IN GENERAL.—No other deduction or credit shall be allowed under this chapter for any amount taken into account for which a deduction is allowed under this section.

“(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a) for qualified expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135, 529(c)(1), or 530(d)(2) for the taxable year.

“(d) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 2006.”.

(b) DEDUCTION ALLOWED IN COMPUTING ADJUSTED GROSS INCOME.—Section 62(a) (relating to adjusted gross income defined), as amended by this Act, is amended by inserting after paragraph (19) the following new paragraph:

“(20) QUALIFIED PROFESSIONAL DEVELOPMENT EXPENSES.—The deduction allowed by section 224.”.

(C) CONFORMING AMENDMENTS.—

(1) Sections 86(b)(2), 135(c)(4), 137(b)(3), and 219(g)(3), as amended by this Act, are each amended by inserting “224,” after “221.”

(2) Section 221(b)(2)(C), as amended by this Act, is amended by inserting “224,” before “911”.

(3) Section 469(i)(3)(E), as amended by this Act, is amended by striking “and 223” and inserting “, 223, and 224”.

(4) The table of sections for part VII of subchapter B of chapter 1, as amended by this Act, is amended by striking the item relating to section 223 and inserting the following new items:

“Sec. 224. Qualified emergency response expenses.

“Sec. 225. Cross reference.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Mr. HARKIN. First, I thank my colleagues, the chairman of the committee, Senator GRASSLEY, and the ranking member, Senator BAUCUS, for helping work out this amendment. They have done a great job. I really appreciate it. But I also believe all of our policemen and our firefighters and our volunteer firefighters are going to appreciate it even more because what happens right now is a lot of our law enforcement officers, firefighters, and volunteer firefighters spend a lot of money out of their own pockets for work-related expenses. This amendment would help cover their out-of-pocket expenses for their guns, bullet-proof vests, uniforms, some transportation costs, and equipment for volunteer firefighters.

Just to give you an example of what I am talking about, police officers in Altoona, IA, pay for their own guns, which can cost up to \$800. In Des Moines, they have to pay for their guns, ammunition, shoes and boots, and part of the cost of their \$600 bullet-proof vests. For some police, when they go to training, the training is paid for but the transportation to get there is not paid for, so they have to pay for that out of their own pocket.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HARKIN. I ask unanimous consent for just 30 seconds more.

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

Mr. HARKIN. For these men and women, who earn an average of \$28,000 to \$40,000 a year and have families to support, those expenses add up, especially for new officers. This amendment would help provide a deduction for these people when they pay for those expenses out of their own pocket.

Again, I thank Senator GRASSLEY and Senator BAUCUS for being willing to work out this amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, this amendment is similar to one we did in another profession on another amendment that is being worked out. We accept this amendment, look favorably on it. I ask if we can have a voice vote.

I yield back my time.

The PRESIDING OFFICER. All time is yielded back.

The question occurs on agreeing to amendment No. 784.

The amendment (No. 784) was agreed to.

Mr. GRASSLEY. I move to reconsider the vote.

Mr. BAUCUS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BUNNING). Without objection, it is so ordered.

MOTION TO RECOMMIT

Ms. STABENOW. Mr. President, I call up my motion at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan (Ms. STABENOW) moves to recommit the bill H.R. 1836, as amended, to the Committee on Finance with instructions to report the same back to the Senate forthwith with an amendment that—

(1) ensures that the provisions of this bill do not result in any fiscal year in an on-budget surplus for that fiscal year that is less than the surplus for that year in the Federal Hospital Insurance Trust Fund; and

(2) establishes a 60-vote point of order prohibiting any bill, resolution, amendment, motion, or conference report that uses funds in such Trust Fund for any purpose other than for providing part A benefits under the Medicare program.

Ms. STABENOW. Mr. President, I ask my colleagues to join me in this motion to recommit and to join with Senator BOB GRAHAM, who has been such a leader in protecting Medicare, and my colleague from Minnesota, Senator DAYTON, who has been such a champion on Medicare and prescription drugs.

This is a very simple, straightforward motion. No. 1, it says we will not use the Medicare Part A trust funds in order to pay for this tax cut. We have seen in the numbers from the final conference committee on the budget that every single year Medicare trust funds are used for this tax cut. This says no to that practice. It puts into place a 60-vote point of order in the future for any other attempts to use the Medicare trust fund.

We believe strongly that we need to update Medicare. We need to provide prescription drugs and strengthen Medicare. We ought not to be using it for other purposes.

We ask colleagues to join us, to say strongly that when it comes to Medicare, we want to update it, not raid it.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, everything the Senator from Michigan

said, I agree with. I would just do it in a different way. I would do it according to the budget resolution that was adopted.

In that budget resolution, we fully protect Part A. It is a commitment on the part of this party, this Congress, and the President of the United States to only use Medicare money for Medicare, nothing else. That is what we will do.

This amendment is not needed because of the budget and the planning on this tax bill. This issue comes up every time we are trying to spread out the tax reductions over the next 10 years. It is very basic to every decision we make that we not go into the Medicare trust fund.

I ask Members not to vote for the amendment because it is not needed.

I raise a point of order on germaneness. That point of order is based upon section 305(b)(2) of the Budget Act.

Ms. STABENOW. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act for consideration of the pending motion, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

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

The legislative clerk called the roll.

The yeas and nays resulted—yeas 46, nays 54, as follows:

[Rollcall Vote No. 160 Leg.]

YEAS—46

| | | |
|----------|-----------|-------------|
| Akaka | Dorgan | Lieberman |
| Bayh | Durbin | Lincoln |
| Biden | Edwards | Mikulski |
| Bingaman | Feingold | Murray |
| Boxer | Feinstein | Nelson (FL) |
| Byrd | Graham | Reed |
| Cantwell | Harkin | Reid |
| Carnahan | Hollings | Rockefeller |
| Carper | Inouye | Sarbanes |
| Cleland | Johnson | Schumer |
| Clinton | Kennedy | Stabenow |
| Conrad | Kerry | Torricelli |
| Corzine | Kohl | Wellstone |
| Daschle | Landrieu | Wyden |
| Dayton | Leahy | |
| Dodd | Levin | |

NAYS—54

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|-----------|------------|-------------|
| Allard | Enzi | Miller |
| Allen | Fitzgerald | Murkowski |
| Baucus | Frist | Nelson (NE) |
| Bennett | Gramm | Nickles |
| Bond | Grassley | Roberts |
| Breaux | Gregg | Santorum |
| Brownback | Hagel | Sessions |
| Bunning | Hatch | Shelby |
| Burns | Helms | Smith (NH) |
| Campbell | Hutchinson | Smith (OR) |
| Chafee | Hutchison | Snowe |
| Cochran | Inhofe | Specter |
| Collins | Jeffords | Stevens |
| Craig | Kyl | Thomas |
| Crapo | Lott | Thompson |
| DeWine | Lugar | Thurmond |
| Domenici | McCain | Voinovich |
| Ensign | McConnell | Warner |

The PRESIDING OFFICER. On this vote there are 46 yeas and 54 nays. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the motion falls.

The PRESIDING OFFICER. The Senator from Florida is recognized.

AMENDMENT NO. 763

(Purpose: To allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs)

Mr. GRAHAM. Mr. President, I call up amendment No. 763.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 763.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

(The text of the amendment is located in the RECORD of Tuesday, May 22, 2001, under "Amendments Submitted and Proposed.")

Mr. GRAHAM. Mr. President, one of the dramatic announcements of the 2000 census was the fact that one of the fastest growing components of our population is Americans over the age of 80. This is just the first ripple of what will be a tidal wave of Americans over the age of 80 as we move into the 21st century.

This amendment goes to exactly that issue by first recognizing the care that is currently being given to older Americans by caregivers by providing a \$3,000 tax credit to those persons who are tending to the needs of a frail elderly member of their family, and second, to encourage Americans to purchase long-term care insurance for their own protection when they might reach the point where they require institutional care.

This is an extremely important amendment for preparation of the future of millions of Americans. I urge its adoption.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, we know of the need to recognize the contribution of 22 million family caregivers in the United States. We know the need to encourage people to save for long-term care through tax credits for long-term health care.

Following a hearing I held last month on long-term care, Senator GRAHAM and I introduced legislation to do what this amendment creates. He and I worked jointly on a similar bill last year and pressed hard for its passage.

As I stated at the hearing, I am committed to addressing the pressing financial long-term care challenges that accompany the retirement of the baby boom generation. However, I cannot support the inclusion of his amendment in the bill since it raises taxes on people to pay for it.

I will be offering a second-degree amendment. I yield back my time.

The PRESIDING OFFICER. The Senator's time has expired.

AMENDMENT NO. 786 TO AMENDMENT NO. 763

Mr. GRASSLEY. Mr. President, I have a second-degree amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] proposes an amendment numbered 786 to amendment No. 763.

On page 1, line 2, strike all after the word "strike" through the end of page 1, line 3.

On page 20, strike lines 14 and 15 and insert the following:

"This section shall apply to policies issued after January 1st 2006."

Mr. GRASSLEY. Mr. President, this amendment, rather than raise taxes, will be paid for out of the budget surplus.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, what is the time limit for debate on second-degree amendments?

The PRESIDING OFFICER. One minute each. The Senator yielded back his time. The Senator from Florida has 1 minute.

Mr. GRAHAM. The amendment that is offered proposes to pay for this by making a 1-percent reduction in the marginal rate cut for the highest income Americans. The second-degree amendment pays for it by blowing the budget cap of \$1.35 trillion and going above that for the purposes of this very important amendment.

I believe strongly in this amendment, but I also believe in fiscal discipline. I am afraid the course being suggested by the second-degree amendment is the course that is going to be suggested for the remaining months of this session of Congress; that is, every time we have a new tax idea, let's do it by increasing the total amount of tax and not be faithful to the commitment we have made to limit the total tax authority to \$1.35 trillion.

Mr. President, on policy grounds, I strongly oppose the second-degree amendment. I raise a point of order.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAHAM. Mr. President, I raise the point of order that the pending second-degree amendment violates section 311(a)(2)(B) of the Congressional Budget Act of 1974.

Mr. GRASSLEY. Mr. President, I move to waive the Budget Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

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

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 49, nays 51, as follows:

[Rollcall Vote No. 161 Leg.]

YEAS—49

| | | |
|-----------|------------|------------|
| Allard | Fitzgerald | Nickles |
| Allen | Frist | Roberts |
| Bennett | Gramm | Santorum |
| Bond | Grassley | Sessions |
| Brownback | Gregg | Shelby |
| Bunning | Hagel | Smith (NH) |
| Burns | Hatch | Smith (OR) |
| Campbell | Helms | Snowe |
| Chafee | Hutchinson | Specter |
| Cochran | Hutchison | Stevens |
| Collins | Inhofe | Thomas |
| Craig | Jeffords | Thompson |
| Crapo | Kyl | Thurmond |
| DeWine | Lott | Voivovich |
| Domenici | Lugar | Warner |
| Ensign | McConnell | |
| Enzi | Murkowski | |

NAYS—51

| | | |
|----------|-----------|-------------|
| Akaka | Dodd | Lieberman |
| Baucus | Dorgan | Lincoln |
| Bayh | Durbin | McCain |
| Biden | Edwards | Mikulski |
| Bingaman | Feingold | Miller |
| Boxer | Feinstein | Murray |
| Breaux | Graham | Nelson (FL) |
| Byrd | Harkin | Nelson (NE) |
| Cantwell | Hollings | Reed |
| Carnahan | Inouye | Reid |
| Carper | Johnson | Rockefeller |
| Cleland | Kennedy | Sarbanes |
| Clinton | Kerry | Schumer |
| Conrad | Kohl | Stabenow |
| Corzine | Landrieu | Torricelli |
| Daschle | Leahy | Wellstone |
| Dayton | Levin | Wydén |

The PRESIDING OFFICER. On this vote the yeas are 49, the nays are 51. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, am I correct the second-degree amendment has failed?

The PRESIDING OFFICER. It failed.

Mr. GRAHAM. By virtue of the waiver of the point of order not having received 60 votes, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. GRASSLEY. Mr. President, I have a point of order that the pending amendment is not germane to the provisions of the reconciliation bill. I make that under section 305(b)(2) of the Budget Act.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I ask the budget point of order be waived. I will ask for the yeas and nays, but before doing so I would like to use my 1 minute to speak against the motion.

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

Mr. GRAHAM. Mr. President, what we have raised in this one amendment are two of the most basic questions that this overall tax bill raises. One is fiscal discipline. We had a vote, and I am pleased more than a majority of Senators voted not to break the \$1.35 trillion cap. That was what we were being asked to do, to add \$50 billion beyond the current tax cut authority through the amendment that was offered by the Senator from Iowa.

The second issue we are now facing is one of priorities. Upon which do you

put the higher priority, assisting Americans prepare for their old age, helping families who are providing care for a frail, elderly family member through a \$3,000 tax credit—is that a higher priority than delaying the 1-percent decrease for the highest income-tax payers in America, the rate reduction which is in this underlying bill? Those are the choices. Which is more important to you? What are your priorities?

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent for equal time.

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

Mr. GRASSLEY. Mr. President, I rise to support my point of order and to say I agree on the need for long-term care insurance, a need to encourage family care giving through tax credits. The Senator and I have introduced legislation to accomplish that. Also, people need to remember that senior citizens who pay income taxes are going to benefit from our tax reduction as well.

The second and last point I will make is: This, again, is one more time of, I will bet, dozens of times over the last 4 days that we have had amendments from the other side to break up the rate structure, the bipartisan compromise in this bill. I ask we vote against waiving the point of order.

Mr. GRAHAM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is sufficient second. The question is on agreeing to the motion. The clerk will call the roll.

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

The yeas and nays resulted—yeas 47, nays 53, as follows:

[Rollcall Vote No. 162 Leg.]

YEAS—47

| | | |
|----------|-----------|-------------|
| Akaka | Dorgan | Lieberman |
| Bayh | Durbin | Lincoln |
| Biden | Edwards | Mikulski |
| Bingaman | Feingold | Murray |
| Boxer | Feinstein | Nelson (FL) |
| Byrd | Graham | Reed |
| Cantwell | Harkin | Reid |
| Carnahan | Hollings | Rockefeller |
| Carper | Inouye | Sarbanes |
| Cleland | Johnson | Schumer |
| Clinton | Kennedy | Specter |
| Conrad | Kerry | Stabenow |
| Corzine | Kohl | Torricelli |
| Daschle | Landrieu | Wellstone |
| Dayton | Leahy | Wyden |
| Dodd | Levin | |

NAYS—53

| | | |
|-----------|------------|-------------|
| Allard | Domenici | Lott |
| Allen | Ensign | Lugar |
| Baucus | Enzi | McCain |
| Bennett | Fitzgerald | McConnell |
| Bond | Frist | Miller |
| Breaux | Gramm | Murkowski |
| Brownback | Grassley | Nelson (NE) |
| Bunning | Gregg | Nickles |
| Burns | Hagel | Roberts |
| Campbell | Hatch | Santorum |
| Chafee | Helms | Sessions |
| Cochran | Hutchinson | Shelby |
| Collins | Hutchison | Smith (NH) |
| Craig | Inhofe | Smith (OR) |
| Crapo | Jeffords | Snowe |
| DeWine | Kyl | |

| | | |
|---------|----------|-----------|
| Stevens | Thompson | Voinovich |
| Thomas | Thurmond | Warner |

The PRESIDING OFFICER. On this vote the yeas are 47, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

Mr. SCHUMER addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

AMENDMENT NO. 777

Mr. SCHUMER. Mr. President, I call up amendment No. 777, the good luck amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. SCHUMER] proposes an amendment numbered 777.

Mr. SCHUMER. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide alternative minimum tax relief for individuals, extend certain expiring tax provisions, and to provide an offset for revenue loss)

On page 314, after line 21, add the following:

SEC. —. INDIVIDUAL ALTERNATIVE MINIMUM TAX INDEXING; EXTENSION OF CERTAIN EXPIRING PROVISIONS.

(a) ALTERNATIVE MINIMUM TAX RELIEF.—Section 701(a) of this Act is amended to read as follows:

(a) IN GENERAL.—Section 55(d) (relating to exemption amount) is amended by adding at the end the following new paragraph:

“(4) INFLATION ADJUSTMENT.—

“(A) IN GENERAL.—In the case of any taxable year beginning after 2000, the dollar amounts referred to in paragraph (1) shall each be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section (1)(f)(3) for the calendar year in which the taxable year begins, by substituting ‘1999’ for ‘1992’.

“(B) ROUNDING.—If any amount as adjusted under subparagraph (A) is not a multiple of \$50, such amount shall be rounded to the nearest multiple of \$50.”.

(b) ONE-YEAR EXTENSION OF CERTAIN EXPIRING PROVISIONS.—

(1) ADOPTION CREDITS.—

(A) CHILDREN WITHOUT SPECIAL NEEDS.—Section 23(d)(2)(B) (defining eligible child) is amended by striking “2001” and inserting “2002”.

(B) ADOPTION ASSISTANCE PROGRAMS.—Section 137(f) (relating to termination) is amended by striking “2001” and inserting “2002”.

(2) NONREFUNDABLE PERSONAL CREDITS UNDER AMT.—So much of section 26(a)(2) as precedes subparagraph (A) is amended to read as follows:

“(2) SPECIAL RULE FOR 2000, 2001, AND 2002.—For purposes of any taxable year beginning during 2000, 2001, or 2002, the aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—”.

(3) WORK OPPORTUNITY CREDIT.—

(A) TEMPORARY EXTENSION.—Section 51(c)(4)(B) (relating to termination) is amended by striking “2001” and inserting “2002”.

(B) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to individuals who begin work for the employer after December 31, 2001.

(4) WELFARE-TO-WORK CREDIT.—

(A) TEMPORARY EXTENSION.—Section 51A(f) (relating to termination) is amended by striking “2001” and inserting “2002”.

(B) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to individuals who begin work for the employer after December 31, 2001.

(5) ELECTRICITY FROM CERTAIN RENEWABLE RESOURCES.—Subparagraphs (A), (B), and (C) of section 45(c)(3) (defining qualified facility) are each amended by striking “2002” and inserting “2003”.

(6) DELAY IN EFFECTIVE DATE OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.—Paragraph (2) of section 1032(f) of the Taxpayer Relief Act of 1997 is amended by striking “January 1, 2002” and inserting “January 1, 2003”.

(7) QUALIFIED ZONE ACADEMY BOND PROGRAM.—Section 1397E(e)(1) (relating to national limitation) is amended by striking “and 2001” and inserting “2001, and 2002”.

(8) EMPLOYER PROVIDED EDUCATIONAL ASSISTANCE.—Section 127(d) (relating to termination) is amended by striking “2001” and inserting “2002”.

(9) INCOME LIMIT FOR PERCENTAGE DEPLETION.—Subparagraph (H) of section 613A(c)(6) is amended by striking “January 1, 2002” and inserting “January 1, 2003”.

(10) SUBPART F EXEMPTION.—

(A) TEMPORARY EXTENSION.—Section 953(e)(10) is amended—

(i) by striking “January 1, 2002” and inserting “January 1, 2003”, and

(ii) by striking “December 31, 2001” and inserting “December 31, 2002”.

(B) CONFORMING AMENDMENT.—Section 954(h)(9) is amended by striking “January 1, 2002” and inserting “January 1, 2003”.

(11) PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.—

(A) TEMPORARY EXTENSION.—Subsection (f) of section 9812 is amended by striking “on or after September 30, 2001” and inserting “after September 30, 2002”.

(B) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to benefits for services furnished after September 30, 2001.

(12) PHASEOUT OF DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.—

(A) TEMPORARY EXTENSION OF PHASEOUT.—Subsection (b)(1)(B) of section 179A is amended—

(i) in the matter preceding clause (i), by striking “December 31, 2001” and inserting “December 31, 2002”,

(ii) in clause (i), by striking “2002” and inserting “2003”,

(iii) in clause (ii), by striking “2003” and inserting “2004”, and

(iv) in clause (iii), by striking “2004” and inserting “2005”.

(B) EXTENSION OF TERMINATION DATE.—Section 179A(f) is amended by striking “December 31, 2004” and inserting “December 31, 2005”.

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to property placed in service after December 31, 2001.

(13) PHASEOUT OF CREDIT FOR ELECTRIC VEHICLES.—

(A) TEMPORARY EXTENSION OF PHASE OUT.—Section 30(b)(2) is amended—

(i) in the matter preceding subparagraph (A), by striking “December 31, 2001” and inserting “December 31, 2002”,

(ii) in subparagraph (A), by striking “2002” and inserting “2003”,

(iii) in subparagraph (B), by striking “2003” and inserting “2004”, and

(iv) in subparagraph (C), by striking "2004" and inserting "2005".

(B) EXTENSION OF TERMINATION DATE.—Section 30(e) is amended by striking "December 31, 2004" and inserting "December 31, 2005".

(C) EFFECTIVE DATE.—The amendment made by this paragraph shall apply to property placed in service after December 31, 2001.

(14) GENERALIZED SYSTEM OF PREFERENCES.—Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended by striking "September 30, 2001" and inserting "December 31, 2002".

(15) ANDEAN TRADE PREFERENCE.—Section 208(b) of the Andean Trade Preference Act (19 U.S.C. 3206(b)) is amended to read as follows: "(b) TERMINATION OF DUTY-FREE TREATMENT.—No duty-free treatment extended to beneficiary countries under this title shall remain in effect after December 31, 2002."

(16) TEMPORARY INCREASE IN AMOUNT OF RUM EXCISE TAX COVERED OVER TO PUERTO RICO AND VIRGIN ISLANDS.—Section 7652(f)(1) (relating to limitation on cover over of tax on distilled spirits) is amended to read as follows:

"(1) \$10.50 (\$13.25 in the case of distilled spirits brought into the United States after June 30, 1999, and before January 1, 2003), or".

(c) EFFECTIVE DATE.—Except as otherwise provided in this section, the amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) REVENUE OFFSET.—The Secretary of the Treasury shall adjust the reduction in the highest marginal tax rate in the table contained in section 1(i)(2) of the Internal Revenue Code of 1986, as added by section 101(a) of this Act, as necessary to offset the decrease in revenues to the Treasury for each fiscal year resulting from the amendments made by this section.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 minute.

Mr. SCHUMER. Mr. President, this is a simple amendment. We have had two worries mainly about this tax bill. One is that the dollars go too much to the wealthiest people and not enough to the middle class, and we have had a lot of amendments thereon. The second is that it breaks fiscal discipline. This amendment deals with that second category.

What is missing in this tax bill bothers me as much as what is in it, maybe more. We do not do any of the tax extenders which we know we will do later this year. We do not change the alternative minimum tax hardly at all, which will catch 39 million people by the time this 10-year bill is finished.

This amendment includes both of those so we do not have to come back and do them and break the \$1.35 trillion that we said we will keep and lowers the top rate to make room for those.

It is a fiscally responsible amendment. I would challenge anyone who wants to vote against it to make a pledge that they will not vote at a later time outside the budget cap for these two issues.

I thank you, Mr. President.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Texas.

Mr. GRAMM. Mr. President, this amendment raises the whole extender

question, something the Finance Committee will be looking at later this year. The bipartisan bill before us does not address this issue.

This amendment is nongermane to the bill, and I raise a point of order that it is nongermane.

Mr. SCHUMER. Mr. President, I move to waive the point of order and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

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

The assistant legislative clerk called the roll.

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

The yeas and nays resulted—yeas 46, nays 54, as follows:

[Rollcall Vote No. 163 Leg.]

YEAS—46

| | | |
|----------|-----------|-------------|
| Akaka | Dorgan | Lieberman |
| Bayh | Durbin | Lincoln |
| Biden | Edwards | Mikulski |
| Bingaman | Feingold | Murray |
| Boxer | Feinstein | Nelson (FL) |
| Byrd | Graham | Reed |
| Cantwell | Harkin | Reid |
| Carnahan | Hollings | Rockefeller |
| Carper | Inouye | Sarbanes |
| Cleland | Johnson | Schumer |
| Clinton | Kennedy | Stabenow |
| Conrad | Kerry | Torricelli |
| Corzine | Kohl | Wellstone |
| Daschle | Landrieu | Wyden |
| Dayton | Leahy | |
| Dodd | Levin | |

NAYS—54

| | | |
|-----------|------------|-------------|
| Allard | Enzi | Miller |
| Allen | Fitzgerald | Murkowski |
| Baucus | Frist | Nelson (NE) |
| Bennett | Gramm | Nickles |
| Bond | Grassley | Roberts |
| Breaux | Gregg | Santorum |
| Brownback | Hagel | Sessions |
| Bunning | Hatch | Shelby |
| Burns | Helms | Smith (NH) |
| Campbell | Hutchinson | Smith (OR) |
| Chafee | Hutchison | Snowe |
| Cochran | Inhofe | Specter |
| Collins | Jeffords | Stevens |
| Craig | Kyl | Thomas |
| Crapo | Lott | Thompson |
| DeWine | Lugar | Thurmond |
| Domenici | McCain | Voinovich |
| Ensign | McConnell | Warner |

The PRESIDING OFFICER. On this vote the yeas are 46, the nays are 54. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

RECESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now stand in recess until 1:30.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Mr. President, may I inquire of the distinguished floor leaders, the Collins-Warner amendment has been pending. We have been very deferential to the leadership. Can we get an idea of when that might be disposed?

Mr. GRASSLEY. Let me be perfectly candid with the Senator from Virginia. If the Senator from Virginia and the

Senator from Maine still want a rollcall on their amendment, we will do that at 1:30.

Mr. REID. Mr. President, reserving the right to object, I have worked hard over here today with people wanting to offer amendments. Some have been on file since last week. I hope this doesn't start another string of amendments.

Mr. WARNER. I am not hearing the soft, wonderful voice of my great friend. Can he raise it a bit?

Mr. REID. We have about 40 amendments over here that have been filed. Through various means, the amendments are not going to be brought up. I hope the managers can work something out as to the amendment of the Senator from Virginia without another rollcall vote. I am afraid this may start a series of rollcall votes.

Mr. WARNER. Mr. President, might I say to the distinguished Democratic leader and the managers of the bill that there has been an ongoing negotiation with regard to this amendment, and my distinguished colleague from Maine and I have been very forthcoming with our managers. Our bill was up and we got the yeas and nays when this matter first hit the floor. We have acceded to their requests day after day to delay it. We think the time has come now.

I assure the Senator we were in the front of the queue. Amendment after amendment has been filed at the desk subsequent to ours. We were here day 1, hour 1. We have cooperated with our distinguished managers to this point. I hope our distinguished Democratic whip will allow us to bring up this amendment.

Mr. REID. Senator BAUCUS and I will work to see that we have no more rollcall votes. If you have to have this one, I guess you do. But I hope we don't have to have another one also. We will do our best to see that there will not be any more.

Ms. COLLINS. Mr. President, if the Senator will yield, I point out to the Senator that the yeas and nays were ordered on the Collins-Warner amendment last Thursday night when it was first debated for a half hour on the Senate floor. This isn't a new amendment or a new request. The yeas and nays were, in fact, ordered last week. I wanted to clarify that for the record.

Mr. WARNER. Mr. President, I advise our distinguished Democratic leader that Senators MIKULSKI, DODD, and HARKIN have worked with us right along, so it is a bipartisan effort. I am sure if they were present, they would join us in this request.

Mr. REID. That is my point. It sounds as if you have a good bipartisan amendment. I can't understand why we need a rollcall vote.

Mr. WARNER. I say to my good friend, I guess I reached down in the 23 years of experience in managing many bills and being in many conferences. There is a certain feeling about this legislation. It is for teachers. It is simple—