

business. The House is currently voting on the conference report. Therefore, we expect to receive the papers shortly. When the papers arrive, it is hoped that we can enter into a short time agreement so that a final vote can be set. I have already spoken briefly to Senator DASCHLE, and we will be working together to get an agreement on a reasonable period of time for debate. Of course, we will try to accommodate Senators who will be coming in and others who will be wanting to leave. We do plead with all Senators to give us your best measure of cooperation because we are trying to be sensitive to all kinds of special events, including graduation ceremonies and weddings and commitments of longstanding. It is not always easy to accommodate them all. I know some Senators are agitated that they have already been inconvenienced, and for that we apologize. But I commend the leadership on both sides of the aisle. We have said to each other, let's stay; let's get this done; and we are going to do that. We will notify the Senators as soon as an agreement can be entered into as to the time sequence. We are hoping we can get something that could get to a vote either before noon or hopefully by 1 o'clock. That is not agreed to, by any means, but that is the goal we are pursuing.

I yield the floor.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, with Senators permitted to speak therein for not to exceed 10 minutes.

The Senator from Pennsylvania.

SENATOR JEFFORDS

Mr. SPECTER. Mr. President, I have sought recognition this morning to comment on Senator JEFFORDS' announcement that he will vote with the Democrats on organization of the Senate. I have delayed in expressing these thoughts to further reflect upon them and perhaps avoid saying something that I would later regret. I have written them down, which is unusual for me because I believe that floor statements, as speeches generally, are best made from the heart rather than text.

When I first heard last Tuesday that Senator JEFFORDS was considering this move, I told the news media: "It shouldn't happen—it won't happen—it can't happen." Well, I was wrong.

When Senator JEFFORDS confirmed that he was about to vote with the Democrats, I joined five other Senators who tried to dissuade him in a morning meeting last Wednesday. The group reconvened for an afternoon meeting, with some ten other Senators and Senator JEFFORDS. Between the two meetings, we conferred with the Republican leadership on what suggestions we could make to Senator JEFFORDS to keep him in the fold.

For 13 years, JIM JEFFORDS has been one of my closest friends in the Senate and he still is. We have had lunch together every Wednesday for years. First, with Senator John Chafee, and later with Senator OLYMPIA SNOWE, Senator SUSAN COLLINS, and Senator LINCOLN CHAFEE. He had never given any hint to me of such a move.

Before discussing the suggestions which would be made to Senator JEFFORDS, we first pleaded with him, saying his change would disrupt the Senate, it would change the balance of power in the Federal Government generally, it would severely weaken the Republican Party—of which he was a lifelong member, it would hurt his Senate friends, and likely cost many staffers to lose their jobs.

Senator JEFFORDS replied that he was opposed to the party's policies on many items and believed he could do more for his principles by organizing with the Democrats.

We then told Senator JEFFORDS that we were authorized by the Republican leadership to tell him that if he stayed, the term limits on his chairmanship would be waived, he would have a seat at the Republican leadership table as the moderate's representative, and IDEA, special education, would become an entitlement which would enrich that program by billions of dollars for children across America.

At the end of our second long meeting, I felt we had a significant chance to keep him. On Thursday morning, I was deeply disappointed by his announcement that he would organize with the Democrats. My immediate response to the news media was that it felt as if there had been a death in the family. Other Senators from our close-knit group were, candidly, hurt and confused. For some, that has turned to anger. Most of the Republican Senate caucus has had little to say, trying to put the best face on what is really a devastating loss.

The full impact has yet to sink in. It will undoubtedly be the topic of much contemporaneous columnist comment and beyond that for the historians.

Well, the question now arises, Where do we go from here? The Senate leadership, notwithstanding Senator JEFFORDS' departure from our caucus, has created a moderate seat at the leadership table to address some of Senator JEFFORDS' concerns. More needs to be done. And I think more will be done.

How should these issues be handled by the Senate for the future? I intend to propose a rule change which would preclude a future recurrence of a Senator's change in parties, in mid-session, organizing with the opposition, to cause the upheaval which is now resulting.

I take second place to no one on independence voting. But, it is my view that the organizational vote belongs to the party which supported the election of a particular Senator. I believe that is the expectation. And certainly it has been a very abrupt party change, al-

though they have occurred in the past with only minor ripples, none have caused the major dislocation which this one has.

When I first ran in 1980, Congressman Bud Shuster sponsored a fundraiser for me in Altoona where Congressman Jack Kemp was the principal speaker. When some questions were raised as to my political philosophy, Congressman Shuster said my most important vote would be the organizational vote. From that day to this, I have believed that the organizational vote belonged to the party which supported my election.

When the Democrats urged me to switch parties some time ago, I gave them a flat "no." I have been asked in the last several days if I intended to switch parties. I have said absolutely not.

Senator PHIL GRAMM faced this issue when he decided to switch parties. He resigned his seat, which he had won as a Democrat, and ran for reelection as a Republican. As he told me, his last vote in January 1983 was for the Speaker of the House of Representatives, and he voted for Tip O'Neill with the view that he was elected as a Democrat and should vote that way on organizational control. Even though, he intended to become a Republican and would have preferred another person to be Speaker.

To repeat, I intend to propose a Senate rule which would preclude a change in control of the Senate when a Senator decides to vote with the opposing party for organizational purposes.

One other aspect does deserve comment, and that is the issue of personal benefit to a changing Senator. In our society, political arrangements avoid the consequences of similar conduct in other contexts.

For example, if company A induces a competitor's employee to break his contract with company B and join company A, company B can collect damages for company A's wrongful conduct. If A gives a benefit to an employee of B to induce the employee to breach a duty, that conduct can have serious consequences in other contexts which are not applied to political arrangements.

On the Lehrer news show on Thursday night, the day before yesterday, Senator HARRY REID and I sparred over this point. I expressed my concern about reliable reports that Democrats had told Senator JEFFORDS that Senator REID would step aside so Senator JEFFORDS could become chairman of the Environment and Public Works Committee. Senator REID replied that there was no quid pro quo, an expression I had not used.

Accepting Senator JEFFORDS' decision was based on principle for the reasons he gave at his news conference on Thursday morning, a question still remains as to whether any such inducement was offered and whether it played any part in Senator JEFFORDS' decision. Questions on such offers and counteroffers should be considered by Senators and by the Senate in an ethical context, but at this moment I do

not see any way to effect such conduct by rulemaking or legislation.

This week's events raise very profound questions for the governance of our country as well as the operation of the Senate. I intend to press a rule change which would preclude a recurrence of this situation and will be discussing with my colleagues the whole idea of inducements as an incentive for a party switch.

I thank the Chair and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Mr. President, before the Senator leaves, I was off the floor and am disappointed that the Senator saw me here and decided to speak after I left the Chamber, using my name on several occasions. Would the Senator from Pennsylvania tell the Senator from Nevada, is he saying that Senator JEFFORDS did something wrong in switching parties?

Mr. SPECTER. I have been very careful in my selection of words. I have not said anybody did anything wrong.

Mr. REID. OK.

Mr. SPECTER. I am a little surprised to hear the Senator from Nevada expressing some concern about the statement which this Senator has just made. This is the floor of the U.S. Senate and these are matters of grave concern for the Senate. I have spoken with great modulation on a subject where a great deal more could have been said by me and by others.

Mr. REID. I appreciate the Senator's statement. It seems to me that, no matter if it was a matter of importance or nonimportance, if I was going to speak about the Senator from Pennsylvania, I would tell the Senator from Pennsylvania, "I am going to say a few words mentioning your name; do you want to be on the floor?" The Senator decided not to do that. I appreciate that.

It is my understanding that the Senator from Vermont, prior to his leaving the Republican Party, was chairman of a pretty big committee, the HELP Committee?

Mr. SPECTER. That is true. And one of the concerns which Senator JEFFORDS had, as expressed to a number of us, was his term limitation.

But if I might respond to an earlier point by Senator REID, I saw Senator REID on the floor. He is the assistant majority leader. Perhaps, I might have said to Senator REID: "I am about to mention your name."

I did so really to accommodate his statement that there was no quid pro quo. There had been a statement that there was nothing done in exchange for something. So that in saying that, it was not said in any condemnatory, derogatory, or critical manner.

Mr. REID. I appreciate the statement of the Senator from Pennsylvania. I am one of the biggest fans of the Senator from Pennsylvania. I am one of the few people here, probably, who have read his book from cover to cover.

Mr. SPECTER. That number is growing, I say to the Senator.

Mr. REID. It takes a long time to read. I am a fast reader. That is the reason I am ahead of most people. I say to my friend from Pennsylvania, I appreciate not only what he said but how he said it. I am sorry if I in any way mistook the Senator's statement.

This is a time, as the Senator indicated, of some tenseness around here. I wanted to make sure the Senator and I understood each other, which we do. I thank him very much.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. DURBIN. Mr. President, I seek recognition in morning business.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. DURBIN. Mr. President, first let me address the comments of the Senator from Pennsylvania.

The Nation and perhaps many parts of the Western World will be focused on the comments of Senator JEFFORDS this week. They are particularly important not because a man who was a lifelong Republican has declared that he would become an Independent but because of the impact of that decision on this institution and on the Government in Washington.

For people to change political parties is rare in this American political scene but not unheard of. In fact, the Senator from Pennsylvania, on his side of the aisle, has at least four colleagues who have done that:

Senator STROM THURMOND, first elected as a Democrat, Governor of South Carolina, then ran as a candidate for the U.S. Senate as a Democrat and decided to change parties and become a Republican. That was his decision.

I served with Senator PHIL GRAMM in the House when he was a Democrat. He made the decision to change parties and stood for reelection in Texas as a Republican to let the people make their decision as to whether or not they would validate his choice of the new party.

Then there is Senator RICHARD SHELBY of Alabama, once a Democrat, now a Republican on Senator SPECTER's side of the aisle.

Senator BEN NIGHORSE CAMPBELL, once a Democrat, is now a Republican.

So I find it interesting that now is the moment that the Senator from Pennsylvania wants to suggest we have to change the rules to militate against this change of party sponsorship, when there is a change of party allegiance. The difference, I think, is obvious. In the four previous examples, it did not result in the change of control of the Senate. I think perhaps that is why more attention has been paid to Senator JEFFORDS' decision. I honor his decision. I think he is an honorable man. I don't believe he made this decision lightly. I think he reflected on it. He made the decision to be an Independent and to join the Democrats in organizing in the Senate. I think the statement he made in Burlington, VT, in

front of the people he will represent was one of the better statements I have heard in my public career. It was clearly a decision of conscience.

To suggest that there was any quid pro quo or any other reason demeans the integrity of one of our colleagues whom we both respect very much. So I hope we will put this in some historical perspective within this institution, where half a dozen Members have either contemplated or changed political party. They have a right to serve, and they will ultimately answer to the people of their State about their decision.

Mr. SPECTER. Will the Senator yield?

Mr. DURBIN. For a question, I am happy to yield, retaining my right to the floor.

Mr. SPECTER. Mr. President, my response is not really a question, although it can always be articulated in the form of a question which is our custom. The Senator from Illinois has the floor, and I appreciate his yielding to me. I just have a brief comment to make without any articulation of a question, if I may, reserving the Senator's right to the floor.

Mr. DURBIN. I do not object, but I retain my right to the floor.

Mr. SPECTER. Mr. President, I will formulate it as a unanimous consent request that I may reply very briefly, retaining the status of the Senator's right to the floor.

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

Mr. SPECTER. Mr. President, in what I have had to say here, I have said it as carefully as I can. I have written it all down and I read it. I think it may be the first speech I have ever read on the Senate floor in the 20 years and 5 months I have been here. I wanted to be very precise.

I believe Senator JEFFORDS is a man of the highest principle and integrity. I have enormous respect for all of what he has done, including the statement made in Vermont on Thursday morning.

When the Senator from Illinois comments about the change in parties of others, what he says is true. I have said in the prepared text that Senator GRAMM went to the unusual extent of actually resigning. Senator GRAMM told me, as I recounted, that his last vote in early 1983 was for the Speaker of the House of Representatives. He voted for Congressman Tip O'Neill. I think Senator GRAMM said he was elected as a Democrat.

I think the examples of Senators SHELBY, CAMPBELL, THURMOND, and then-Congressman PHIL GRAMM/nov Senator GRAMM are really irrelevant to what happened here. This is really a very, extraordinary matter. As the Senator from Illinois knows, we have had a change in the governance of the Senate, and each of us can attest to how hard it is to get to the Senate, and then how hard it is to get party control of the Senate. With that historical

election and a 50/50 balance, any one of the Senators on either side could tip the balance. Republicans had control by virtue of the Vice Presidency.

When Senator JEFFORDS made a switch for organizational purposes, he affected the governance of the country. The ability to set the agenda here is of enormous consequence. To have the Democrat as the majority leader, he gets the first recognition. Then you have the President's agenda. Some people are glad that the President's agenda will not have an advocate in the Senate and the majority leader as a Republican to put that agenda forward. The Senate chairmanships we need not focus on too long.

But there were people in the Senate family who were weeping—staffers who are going to lose their jobs. I said on the "Jim Lehrer Show" that what happened was "seismic." Senator DORGAN agreed with me that it was an "earthquake".

So in seeking a limitation on organizational change, I am not moving to the point to say that if a Senator wants to change parties, there ought to be any rule against that. He can find his peace with his electorate, where there may be a political price to pay or there may not be. But when so many others pay a price, it is my very firm view that the rule ought to be changed, and I will be submitting an appropriate rule shortly.

I thank my colleague from Illinois and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Illinois has the floor.

Mr. DURBIN. Mr. President, I have the floor, but I would like to know if the Senator from Iowa would like to make a request.

Mr. GRASSLEY. No.

Mr. DURBIN. Mr. President, I will accept the statement of the Senator from Pennsylvania. I understand there is change, and with change there is pain. I hope we can do our best to be positive and constructive as the Senate leadership does change. I hope we can continue to show mutual respect for our colleagues, as I have great respect for the Senator from Pennsylvania. I think that is an important hallmark of this institution, and I think we should all make an extra effort to preserve that.

ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001—CONFERENCE REPORT

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the conference report to accompany H.R. 1836, the tax reconciliation bill.

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

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the

amendment of the Senate to the bill (H.R. 1836), to provide for reconciliation pursuant to section 104 of the concurrent resolution on the budget for fiscal year 2002 having met, have agreed that the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, and the Senate agree to the same, signed by a majority of the conferees on the part of both Houses.

The ACTING PRESIDENT pro tempore. The Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD (continuation) of May 25, 2001.)

Mr. DURBIN. Mr. President, about 15 minutes ago I was handed this stack of paper. It is not uncommon for us to receive bills of great consequence and great moment only a few minutes before we are asked to vote on them. We rely on good staff work and hope they give us some insight into what the legislation means.

This piece of legislation, of course, represents the proposed tax bill—457 pages. I will hazard a guess that very few Members of the Senate will have a chance to study it or reflect on it or even ask for a response from others before we are asked to vote in a very few minutes. That is not unusual.

I don't want to suggest that this is an extraordinary situation, but it is extraordinary in this respect: What we are being asked to vote on in this tax bill will literally have an impact on America for 10 years, long after many of us have gone from the scene. Long after this President has finished his tenure in the White House, the impact of this bill will still be felt. So it is important for us to pause and reflect on what we are doing. We are being asked to sign onto a tax cut proposed by the White House, originally, and now crafted by the leaders in the House and the Senate, which will have a dramatic impact on the economy of this country.

It is a tax bill which doesn't affect just next year but in fact goes into effect sometimes 5, 6, 7, 8, 9, 10 years from now. Someone noted that the marriage tax penalty provisions, which I believe under the new bill go into effect in 2009 or 2010, will go into effect after many currently married couples are no longer married; many who are contemplating marriage will have been married and perhaps will no longer be married. The provisions about the estate tax will go into effect about 10 years from now after many people who are watching this debate are long gone.

The reason I raise this point is to try to put in some historic perspective the vote we are about to take this morning. I think this tax bill is a serious mistake. The Congress of the United States made a grievous error in the early 1980s under President Reagan when we accepted his message—and many voted for it—that called for a massive tax cut. It is easy to preach the gospel of a tax cut. What could be easier for a politician than to go to people and say, I want to reduce your taxes. There can't be anything more appealing.

But we have a responsibility in the Congress to reflect on what the tax cut means and whether or not it is the right thing to do. In the Reagan years, when many yielded to the siren call for a tax cut, they created a deficit situation in this country which crippled our economy for more than 10 years. History tells the story. With the Reagan tax cut and with the increase in spending on military affairs and other things, America did not have enough money to meet its basic needs for Social Security, Medicare, education, transportation, for the things which people expect this Government to provide in a civilized society.

As a result, we took the accumulated debt of America when President Reagan became President and saw it explode to the point where it is today of \$5.7 trillion—\$5.7 trillion in national debt, a national debt which requires us to collect in taxes \$1 billion a day across America simply to pay the interest. That was a serious mistake. The bill we are considering today, unfortunately, could jeopardize our future just as much.

This morning's Washington Post gave us information about the productivity over the last several months in America. The projected productivity we hoped for did not occur. In this time of slowdown, in this time bordering on recession, we have seen our economic activity and growth reduced in America.

Many people who only 8 or 10 months ago were sure we were in prosperity and expansion were proven wrong. It was only 8 or 10 months ago when Alan Greenspan, the Chairman of the Federal Reserve, who is viewed as the wisest man in all of Christendom when it comes to our economy, guessed wrong. He was raising interest rates because he was afraid of inflation. Now Alan Greenspan is struggling and running as fast as he can to reduce interest rates. He was wrong.

This bill on which we will be voting is based on the best guess of the economists for President Bush that we will have continued prosperity for the next 10 years—10 years. There is no economist who would wage their reputation on where we will be 10 months from now, let alone 10 years. It is based on pure speculation about anticipated surpluses, and that is a significant shortfall in the logic behind this tax cut.

It is important we have a tax cut, but we should go carefully to make certain we do not go out too far or too big and jeopardize our economy. That is what is at stake.

Most Americans will tell you: A tax cut is important to me; even more important to me is what is going to happen to the economy, how will my family do in just the next few years, how will small businesses do.

We have seen an unparalleled period of economic prosperity over the last 8 or 9 years: 22 million new jobs in America, a recordbreaking number of small businesses created, record home ownership, the lowest inflation in decades,