

Specter Thompson Warner
Stevens Torricelli Wellstone

The nomination was confirmed.
● **MR. WELLSTONE.** Mr. President, I ask that the RECORD show that I was necessarily absent for this evening's vote on the nomination of Callie Granade to be U.S. district judge for the Southern District of Alabama. I was attending the visitation for Minnesota State Representative Darlene Luther, who passed away last week. Had I been present, I would have voted in favor of the nomination.●

THE PRESIDING OFFICER. The Senator from Idaho.

MR. CRAIG. Mr. President, what is the current order of business?

THE PRESIDING OFFICER. Under the previous order, the President will be notified of the Senate's action.

LEGISLATIVE SESSION

THE PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

HOPE FOR CHILDREN ACT— Continued

THE PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 2770

MR. CRAIG. Mr. President, I have an amendment which I send to the desk.

THE PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Idaho [Mr. CRAIG], for himself, Mr. TORRICELLI, Mr. GRASSLEY, Mr. SANTORUM, Mr. FRIST, Mr. ENSIGN, and Mr. HUTCHINSON, proposes an amendment numbered 2770 to the language proposed to be stricken by amendment No. 2698.

MR. CRAIG. 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 amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts)

At the appropriate place, insert the following:

SEC. ____ . EXPANSION OF AVAILABILITY OF ARCHER MEDICAL SAVINGS ACCOUNTS.

(a) REPEAL OF LIMITATIONS ON NUMBER OF MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code is amended by striking subsection (f).

(b) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(1) of such Code (relating to eligible individual) is amended to read as follows:

“(A) IN GENERAL.—The term ‘eligible individual’ means, with respect to any month, any individual if—

“(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

“(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

“(I) which is not a high deductible health plan, and

“(II) which provides coverage for any benefit which is covered under the high deductible health plan.”.

(2) CONFORMING AMENDMENTS.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) INCREASE IN AMOUNT OF DEDUCTION ALLOWED FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:

“(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/2 of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan.”.

(2) CONFORMING AMENDMENT.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking “75 percent of”.

(d) BOTH EMPLOYERS AND EMPLOYEES MAY CONTRIBUTE TO MEDICAL SAVINGS ACCOUNTS.—Paragraph (4) of section 220(b) of such Code (as redesignated by subsection (b)(2)(C)) is amended to read as follows:

“(4) COORDINATION WITH EXCLUSION FOR EMPLOYER CONTRIBUTIONS.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year.”.

(e) REDUCTION OF PERMITTED DEDUCTIBLES UNDER HIGH DEDUCTIBLE HEALTH PLANS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking “\$1,500” in clause (i) and inserting “\$1,000”; and

(B) by striking “\$3,000” in clause (ii) and inserting “\$2,000”.

(2) CONFORMING AMENDMENT.—Subsection (g) of section 220 of such Code is amended to read as follows:

“(g) COST-OF-LIVING ADJUSTMENT.—

“(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1998, each dollar amount in subsection (c)(2) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by

“(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins by substituting ‘calendar year 1997’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) SPECIAL RULES.—In the case of the \$1,000 amount in subsection (c)(2)(A)(i) and the \$2,000 amount in subsection (c)(2)(A)(ii), paragraph (1)(B) shall be applied by substituting ‘calendar year 2000’ for ‘calendar year 1997’.

“(3) ROUNDING.—If any increase under paragraph (1) or (2) is not a multiple of \$50, such increase shall be rounded to the nearest multiple of \$50.”.

(f) PROVIDING INCENTIVES FOR PREFERRED PROVIDER ORGANIZATIONS TO OFFER MEDICAL SAVINGS ACCOUNTS.—Clause (ii) of section 220(c)(2)(B) of such Code is amended by striking “preventive care if” and all that follows and inserting “preventive care.”

(g) MEDICAL SAVINGS ACCOUNTS MAY BE OFFERED UNDER CAFETERIA PLANS.—Subsection

(f) of section 125 of such Code is amended by striking “106(b).”.

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

(i) EMERGENCY DESIGNATION.—Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this section below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

MR. CRAIG. Mr. President, I come this evening to add to the underlying legislation that we are now calling a stimulus package, or at least an effort on the part of Congress and this Senate to produce a Senate version of stimulus that we might get to the House and into conference, an amount that I think is a clear and important part of that stimulus package.

As President Bush has said, Americans know economic security can vanish in an instant without health security. Today nearly 40 million Americans lack health insurance, a crisis that can only worsen today's climate of job loss and double-digit health premium increases.

In 1997, Congress launched a test program to see if medical savings accounts could provide families with health security. That program has succeeded. Despite unnecessary restrictions, over one-third of the participants were previously uninsured. A medical savings account effort to extend coverage to the uninsured at a fraction of the cost of government health care programs has worked in this economy. Rather than letting this promising reform program expire this year, my colleague from New Jersey and I have introduced an amendment to make medical savings accounts permanent and widely available. That is the thrust of this amendment.

I have some great accounts of our country's citizens who have used this advantage, many of them hard-working men and women, middle or lower middle class Americans. Let me cite an example. These are the women. Kay Heine, Kristina Anderson Wright, and Rebecca Turner had this to say for the Wisconsin State Journal:

All three of us are working, middle-class mothers. Two of us are single moms. We all have medical savings accounts that provide health insurance for our families. Our message to people in Washington in plain, unmistakable English, is that MSAs work for working families.

So I hope as we consider the stimulus package, my colleagues would consider

this amendment, make it a part of the stimulus package to not allow this very important program to expire and for these citizens to lose it, and, more importantly, that we should be adding citizens by giving them the opportunity to have medical savings accounts as a part of their insurance portfolio.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REED). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2764, AS MODIFIED

Mr. REID. Mr. President, I ask that amendment No. 2764 that I offered earlier today be the pending matter.

Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The Senator has that right. The amendment is so modified.

The amendment, as modified, is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide a nonrefundable credit for recreational travel, to modify the business expense limits, and for other purposes)

At the end, add the following:

TITLE —PERSONAL TRAVEL AND BUSINESS EXPENSES

SEC. 01. PERSONAL TRAVEL CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

“SEC. 25C. PERSONAL TRAVEL CREDIT.

“(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified personal travel expenses which are paid or incurred by the taxpayer during the 60-day period beginning on the date of the enactment of this section.

“(b) LIMITATIONS.—

“(1) MAXIMUM CREDIT.—The credit allowed a taxpayer under subsection (a) for any taxable year shall not exceed \$600 (\$1,200, in the case of a joint return).

“(2) PER TRIP LIMITATION.—The expenses taken into account under subsection (a), with respect to any trip, shall not exceed \$200.

“(c) QUALIFIED PERSONAL TRAVEL EXPENSES.—For purposes of this section—

“(1) IN GENERAL.—The term ‘qualified personal travel expenses’ means reasonable expenses in connection with a qualifying personal trip for—

“(A) travel by aircraft, rail, watercraft, or commercial motor vehicle, and

“(B) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

“(2) QUALIFYING PERSONAL TRIP.—

“(A) IN GENERAL.—The term ‘qualifying personal trip’ means travel within the United States (including the Commonwealth of Puerto Rico and the possessions of the United States)—

“(i) the farthest destination of which is at least 100 miles from the taxpayer’s residence,

“(ii) involves an overnight stay at a commercial lodging facility and

“(iii) which is taken on or after the date of the enactment of this section.

“(B) ONLY PERSONAL TRAVEL INCLUDED.—Such term shall not include travel if, without regard to this section, any expenses in connection with such travel are deductible in connection with a trade or business or activity for the production of income.

“(3) COMMERCIAL LODGING FACILITY.—The term ‘commercial lodging facility’ includes any hotel, motel, resort, rooming house, watercraft, or campground.

“(d) SPECIAL RULES.—

“(1) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual’s taxable year begins.

“(2) EXPENSES MUST BE SUBSTANTIATED.—No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records the amount of the expenses described in subsection (c)(1).

“(e) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B) of the Internal Revenue Code of 1986 is amended by striking “23 and 25B” and inserting “23, 25B, and 25C”.

(2) Section 25(e)(1)(C) of such Code is amended by inserting “25C,” after “25B,”.

(3) Section 25B of such Code is amended by striking “section 23” and inserting “sections 23 and 25C”.

(4) Section 26(a)(1) of such Code is amended by striking “and 25B” and inserting “25B, and 25C”.

(5) Section 1400C(d) of such Code is amended by striking “and 25B” and inserting “25B, and 25C”.

(6) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 26 the following new item:

“Sec. 25C. Personal travel credit.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 02. TEMPORARY INCREASE IN DEDUCTION FOR BUSINESS MEAL EXPENSES.

(a) IN GENERAL.—Subsection (n) of section 274 of the Internal Revenue Code of 1986 (relating to only 50 percent of meal and entertainment expenses allowed as deduction) is amended by adding at the end the following:

“(4) TEMPORARY INCREASE IN LIMITATION.—With respect to any expense for food or beverage paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (1) shall be applied by substituting ‘80 percent’ for ‘50 percent’.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 03. TEMPORARY RESTORATION OF DEDUCTION FOR SPOUSES ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) IN GENERAL.—Section 274(m) of the Internal Revenue Code of 1986 (relating to limitations on travel expenses) is amended by adding at the end the following:

“(4) TEMPORARY REPEAL OF LIMITATION.—With respect to any travel expense paid or incurred on or after the date of enactment of

this paragraph, and before the date that is 180 days after such date, paragraph (3) shall not apply.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, is it necessary for me to ask unanimous consent to set the pending amendment aside?

The PRESIDING OFFICER. For the purposes of calling up a new amendment, it is necessary to set the pending amendment aside.

Mr. GRASSLEY. I ask unanimous consent that the pending amendment be set aside.

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

AMENDMENT NO. 2773

(Purpose: To amend the Internal Revenue Code of 1986 to provide a nonrefundable credit for recreational travel, to modify the business expense limits, and for other purposes)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself, Ms. SNOWE, and Mr. LOTT, proposes an amendment numbered 2773 to the language proposed to be stricken by amendment No. 2698.

Mr. GRASSLEY. 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 printed in today’s RECORD under “Amendments Submitted.”)

CLOTURE MOTION

Mr. GRASSLEY. I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending Grassley amendment:

Charles E. Grassley, Bob Smith, Craig Thomas, Pat Roberts, Jeff Sessions, Ben Nighthorse Campbell, George Allen, Larry E. Craig, Jim Bunning, Robert Bennett, Jon Kyl, John Ensign, Michael D. Crapo, Frank Murkowski, Olympia J. Snowe, and Don Nickles.

Mr. GRASSLEY. Mr. President, is the amendment filed and the cloture motion filed?

The PRESIDING OFFICER. Yes, the amendment and the cloture motion have been received.

Mr. GRASSLEY. For the sake of my colleagues, the amendment that I sent to the desk is the White House-centrist bipartisan bill that was pending in the Senate—not pending but was filed after it passed the House of Representatives

before the holidays with one slight modification that represents the Bond amendment on expensing, which was adopted. Otherwise, the amendment is the same as what has passed the House of Representatives and the President said he would sign.

I hope we have an opportunity to get 60 votes for cloture on the amendment and that we are able to get that amendment adopted, get the bill to the President for signature, and consequently, then, immediately—not 3 or 4 months down the road when we have a conference committee trying to reach some agreement—get help to stimulate the economy through accelerated depreciation for business, through middle-income-tax reduction, making it permanent the 27-percent bracket down to 25-percent bracket, and tax rebates for low-income people to stimulate the economy on the demand side, consumer spending. All three are meant to create jobs and will create jobs.

Also, this amendment is for the displaced workers; those mostly affected because of what happened on September 11 will get an increase of unemployment compensation of 13 weeks and a 60-percent tax credit for health insurance, and we do it in a way that people can have the option, if they do not want COBRA, to have other insurance, and also to help those who did not have any COBRA insurance where last employed.

It is a well-rounded stimulus package that will get the job done. The fact that it passed the House of Representatives and will be signed by the President is reason enough for this body to adopt it, particularly because in this body nothing gets done that is not bipartisan. This has bipartisan support.

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

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

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a period of morning business with Senators allowed to speak for a period not to exceed 5 minutes each.

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

ALLIANCE FOR YOUTH PROGRAM

Mr. ROCKEFELLER. Mr. President, last Friday the children in my State of West Virginia had reason to celebrate. I am delighted to announce that the Communities in Schools Program and America's Promise have joined to form a new partnership aimed at giving our children resources that help them to

stay in school and be successful in life. This exciting new program, launched on January 31, 2002, is called the Alliance for Youth.

Bill Milliken, Communities in Schools CEO and West Virginia Governor Bob Wise joined together last week to signal the start of a major initiative to help students. The Alliance for Youth combines the missions of education and community service with the goal of making each more accessible to students in West Virginia. Through the Alliance, children can connect with concerned adults and have a safe place where they can develop useful life skills, have a wholesome start in life, and have the opportunity to become involved in their communities. As a former VISTA worker, I personally know how public service can change and improve someone's life. Providing more opportunities for public service will help both the communities served and the students involved. By helping to shape the lives of our children, the Alliance for Youth Program is making the most important investment in our future.

Years ago, the National Commission on Children which I chaired, challenged society in general to create a moral climate for our children. The Alliance for Youth Program responds to this challenge. We all understand that the chances for children's success are tied to quality education, strong child development, and strong support from family and caring adults. It is my hope that the Alliance for Youth will continue the worthy and important work of providing children with extra support for a successful start in life. I applaud this new partnership, and I look forward to seeing the results of its valuable work.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred August 30, 1997 in Chicago, IL. A woman and two gay men were attacked by several men who were shouting anti-gay epithets. The assailants, Matthew W. Polley, 21, Jason C. Polley, 22, and Kenneth A. Schultz, 20 were each charged with a felony hate crime in connection with the incident.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

CONGRATULATIONS TO SOUTH DAKOTA'S SUPER BOWL XXXVI PARTICIPANTS

Mr. JOHNSON. Mr. President, today I congratulate Adam Vinatieri of the New England Patriots. Adam, a native of Rapid City and a South Dakota State University graduate, was instrumental in the Patriot victory in Super Bowl XXXVI. With :07 left in the fourth quarter and the score tied at 17, Adam kicked the game winning 48-yard field goal.

Adam has had a long and very successful football career. During his NFL tenure, Adam has been to two Super Bowls and numerous playoff games. Prior to Adam's professional career, he played for the Jackrabbits from 1991-1994 and was all-North Central Conference punter and kicker from 1992-1994. Also, during Adam's early athletic years at Central High School in Rapid City, I was pleased to have nominated him for a service academy appointment.

Although Adam will be remembered for his Super Bowl winning kick, his two field goals during the playoff game against the Oakland Raiders may have been even more impressive. During a snowstorm, he kicked a 45-yard field goal to send the game to overtime, and then kicked the game winning field goal in overtime to win the Divisional Playoff game. Without his leadership and resolve, the New England Patriots would not have been in a position to play in the Super Bowl, let alone win it. Adam reflects the best of South Dakota, and I know I speak for the entire State when I say congratulations on the great victory. We are all very proud of you.

Also, I would like to congratulate several other participants from Super Bowl XXXVI who have South Dakota ties, including Adam Timmerman, a guard for the St. Louis Rams and a SDSU graduate; Matt Chatham, a University of South Dakota standout and backup linebacker for the Patriots; Brad Seely, a Baltic native and Special Teams coach for the New England Patriots; and Mike Martz who was born in Sioux Falls and is the head coach of the Rams.

It is very satisfying to know that even though South Dakota has no professional or Division I sports, we were very well represented in the biggest sporting event in America. Congratulations to all who played and participated in one of the best Super Bowls ever played.

BLACK HISTORY MONTH

Mr. SMITH of Oregon. Mr. President, I rise today to honor February as Black History Month. Each February since 1926, our Nation has paused to recognize the contributions of black Americans to the history of our Nation. This is no accident, February is a significant month in black American history. Abolitionist Frederick Douglass, President Abraham Lincoln, and