now in the wake of the devastating attacks of September 11. Yesterday, my colleague Senator KERRY and I introduced a resolution, S. Res. 264, expressing the sense of the Senate that small business participation is vital to the defense and security of our Nation. On September 11, 2001, the people of the United States were subject to the worst terrorist attack in American history. Our nation's response has been truly astounding. And it should come as no surprise that small businesses are playing a vital role in that response.

Small businesses have the unique ability to respond quickly and precisely, to emerging needs and conditions. Many of the most innovative solutions to our problems such as new technologies for defense readiness come from small firms. In fact, in October 2001, the Pentagon's technical support working group sent out an urgent plea, seeking ideas and technology to assist the military fight terrorism. In just two months, legions of small businesses responded to the Pentagon's call. Over 12,500 ideas poured into the Pentagon, most of them from small businesses. This remarkable response once again shows that small business remain the most innovative sector of the United States economy, accounting for the vast majority of new product ideas and technological innovations.

Just last week I had the opportunity to acknowledge the volunteer efforts of three Missouri companies that are helping re-build over an acre-long section of the Pentagon's roof, which was damaged badly in the September 11 terrorist attacks.

Frederic Roofing and Sheet Metal Company of St. Louis, Performance Roof Systems of Kansas City, and Watkins Roofing of Columbia, are participating in a massive effort to help repair part of the damage sustained by the Pentagon. These Missouri companies are independent, small businesses, modern-day Davids ready and willing to take on part of a Goliath-sized project. They have joined with roofing contractors from across country and the National Roofing Contractors Association to raise in excess of $500,000 worth of cash, materials, and labor toward this project. Their work reflects the enterprising spirit that makes small businesses such a potent force in our economy. They deserve our admiration for rolling up their sleeves and pitching in to help restore the Pentagon.

To help raise awareness of small business innovation in the homeland defense area, on July 10, 2002, Senator KERRY and I will co-host an expo on Capitol Hill to showcase small businesses and their homeland security products. The Small Business Homeland Security Expo will provide an opportunity for small business owners to educate us here in Washington about their latest innovative products, technology, and research. I am excited to bring these hardworking entrepreneurs here to show us just how valuable their contributions are to our Nation's security and defense. These small businesses are a cross-section of America—they are women-owned, minority-owned, and often represent economically disadvantaged areas.

Numerous small businesses have lined up to showcase their exciting products and services for homeland defense and the fight against terrorism. We intend to highlight these businesses at the Expo and in the accompanying book being prepared for the event. The work of small businesses toward this goal is a product of the same volunteer spirit that helped save lives, combat unthinkable disaster, and restore the nation's hope after the darkest hours of September 11.

Madam President, I am happy to report to the Senate that the small business sector of our economy is thriving even though the challenges they face are stiff and numerous. The determination to be successful is a hallmark of small businesses as it has been the foundation of our nation throughout the years. Small businesses are at the forefront of new advances in technology, health care, environmental management, and virtually every industry possible. I have no doubt that small businesses will continue to lead the way.

The big question I have is whether we will be able to help them. Small business wants the Federal government to be a friend, not an adversary. They want us to be their customer and advisor, not a competitor or intruder. In every action we take, we must always ask what the impact on small businesses will be, and make every effort to refrain from that action if we do not believe it will have a beneficial impact. The future of our country is tied to the future of small business and by enhancing the conditions that support small business, we will ensure a more prosperous future for all.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

ANDEAN TRADE PREFERENCE EXPANSION ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 3009, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3009) to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I am very proud to be able to stand in this Chamber today and say that we have reached a compromise on fast track, trade adjustment assistance, Andean trade, and the Generalized System of Preferences, or GSP.

Last night, my good friend and colleague, Senator GRASSLEY and I—along with the administration—were able to reach an agreement that I believe will gain very broad bipartisan support.

As I have said before, this bill, if passed, will be the first major rewrite of international trade legislation in 14 years. It is an historic opportunity for all of us.

Last week, I outlined the need for fast track and for renewing and expanding the Andean Trade Preference Act. Those bills are identical to the bills offered last week.

Let me outline today the compromise that was reached on trade adjustment assistance.

I believe that the TAA legislation will be one of the most important bills to be adopted by the Senate this year. Importantly, this bill makes several changes to the TAAA program to make it more effective.

First, it extends the period for which TAA pays out income support from 52 to 78 weeks. This allows TAA recipients to stay in the program long enough to complete training for new jobs.

Second, we expand eligibility for TAA benefits to secondary workers. For example, if an automobile producer is affected by imports, displaced workers in supplier companies—tire and windshield manufacturers, for example—will also be covered. We expect that approximately 65,000 additional workers will be eligible for TAA because of this provision.

Third, we agreed to extend TAA benefits when a U.S. manufacturing plant moves offshore to any country. In addition, we have codified the provisions covering downstream workers who are currently covered by the NAFTA transitional program.

Fourth, we expand TAA benefits. This legislation authorizes $300 million for training—nearly tripling the program.

The legislation also helps TAA recipients obtain healthcare insurance. Displaced workers will be eligible for an advanceable, refundable tax credit of 70 percent.

That money can be used for COBRA or for the purchase of certain State-based group coverage options. We also provide interim assistance through the National Emergency Grant program.

In my opinion, this is most significant bipartisan agreement on health care in many, many years.

Fifth, this legislation provides a special TAA program for family farmers, ranchers, and fishermen.

And finally, this bill creates a pilot program on wage insurance—a concept that has been endorsed by former USTR Carla Hills and Federal Reserve Chairman Alan Greenspan.

In addition to agreeing on a much improved and expanded TAA program, we have also agreed to extend the Generalized System of Preferences through the end of 2006. This important legislaiton extends preferential duty treatment for goods from developing countries.

As a part of the deal reached last night, we will update the definition of ''core worker rights'' in GSP to make it consistent with the ILO's 1998 definition of core worker rights.

This is important, of course, because in considering countries' eligibility for GSP benefits, the President must consider whether they are taking steps to protect core worker rights.

With the updated definition, the President's evaluation will now encompass countries' compliance with the ILO prohibition on the worst forms of child labor and the ILO prohibition on discrimination with respect to employment and occupation.

As I said when I began my remarks, I am very proud of this legislation. But it would not have been possible without the help of many of my colleagues.

So let me end with some thanks. First, on the TAA bill, Senators BINGAMAN and SNOWE have been instrumental in this process. And on the Andean trade bill, Senator BOB GRAHAM has been a tireless advocate.

I also thank Senator DASCHLE for this support through both the committee process and as we completed negotiations.

And finally, I thank two of my colleagues on the Finance Committee, Senator BREAUX and Senator PHIL GRAMM, for their help in reaching consensus on this deal.

I look forward to working with all of my colleagues to pass this important legislation.

Mr. President, I very shortly expect to go through the procedure where we can lay down this substitute amendment and begin working through various amendments that will be offered to that amendment. That should happen momentarily.

In the meantime, 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. BAUCUS. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

AMENDMENT NO. 3401

(Purpose: To provide a substitute amendment)

Mr. BAUCUS. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS], for himself and Mr. GRASSLEY, proposes an amendment numbered 3401.

Mr. BAUCUS. Mr. President, I ask unanimous consent 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 ''Text of Amendments.'')

Mr. BAUCUS. 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 that the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, I ask unanimous consent that the Senator from Michigan be recognized to speak as in morning business for up to 10 minutes and that I be recognized following that.

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

The Senator from Michigan.

PRESCRIPTION DRUGS

Ms. STABENOW. Mr. President, I come to the floor to discuss a letter Senator DAYTON and I are sending to the pharmaceutical companies of America—and invite colleagues to join with us in doing that—expressing our concern about articles we read yesterday about a campaign that evidently is starting through an organization to spend money on advertising, promoting what is a woefully inadequate plan for seniors and families that appears to be proposed by our colleagues in the House of Representatives through the Republican side of the aisle that in fact would be available, would pay less than 20 percent of the cost for our seniors on Medicare for their prescription drugs, and would use reductions in hospital fees—another cut to hospitals—and certainly in Michigan, whether it is our rural hospitals or urban hospitals, we have seen enough cuts and closures of hospitals and facilities. We don't need any more cuts in our hospitals.

But they are proposing to cut more reimbursements for hospitals and also to provide some kind of a per-visit fee for home health care. One of the things we heard was a $50 fee. We are getting this from the media, so it may not be the exact number. Regardless, the notion of adding some kind of a fee or copay for home health care and cutting hospitals further to pay for a woefully inadequate proposal that would pay for less than 20 percent of the costs that our seniors pay for their prescription drugs I find very disturbing.

We are hearing that the drug companies now are contributing $3 million for an unrestricted education grant to a group that is very closely aligned with them to run ads promoting this particular plan. The plan is good for the drug companies. It is not good for American seniors. It is not good for American families. It is not good for American business that is paying the tab for health care premium costs, whether it is a big business or a small business.

When we look at the $3 million they are willing to invest, again in advertising, promoting a plan that is good for them, bad for the American people, Senator DAYTON and I are sending a letter that basically will indicate we are asking them, instead of using the $3 million they are giving to this group to run advertising, to use the $3 million for lower prices, lower prices for our seniors.

Just to read a portion of this:

> . . . we were greatly disturbed to read in yesterday's New York Times that the pharmaceutical industry is funding a group called United Seniors Association that will run television ads supporting the House Republican prescription drug plan . . . we have learned that the House bill is totally inadequate. . . .
>
> The New York Times article states that drug companies will devote as much as $3 million for this media campaign. We respectfully urge you to redirect these funds and devote them to lowering the price of prescription drugs to all Americans, especially our nation's seniors. We think this would be a much better use of your profits.

This is a letter going to each of the companies urging them, rather than continuing to advertise excessively, 2½ times more in advertising than research on their products and continuing to fund groups that put forward plans that don't make any sense other than for the companies themselves—rather than spending all the money to do that, I invite the companies that do good work—we are proud of what they do and the lifesaving medicines they create—once they are created, we are asking them to work with us to make sure they are affordable to every American, that they are affordable to our seniors and our families; that a small business in America doesn't have to drop insurance coverage for employees because of rising, spiraling-out-of-control prescription drug prices. This is another example of $3 million going to fund an effort to stop the right thing from being done in the United States—a woefully inadequate plan. Instead of making the plan better, instead of spending the money to help lower prices so that more seniors don't walk away from the pharmacy without being able to get that prescription after looking at the price—instead of doing that, they are spending another $3 million in advertising and promoting a plan that doesn't make sense for America.

So I invite colleagues to join with Senator MARK DAYTON and me today in sending this letter and asking the companies—thank them for their good work, but ask them to join with us in a meaningful proposal for a Medicare prescription drug benefit, and also to take the dollars they are spending now to fight the efforts to lower prices, and just lower prices. They would get a lot