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No. 2

Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable DEBBIE STABENOW, a Senator from the State of Michigan.

PRAYER

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

Dear God, You have promised to keep us in perfect peace if we would allow You to stay our minds on You. We join with millions of Christians, Jews, Muslims, and Buddhists, in unity on this Daylong Prayer for Peace initiated by the Pope. In the midst of the treachery of worldwide terrorism, the conflict in the Middle East, the tensions between nations, the turmoil of race relations in every nation, we cry out to You for peace in our time. We ask You to instigate in the leaders of nations the desire for peace, to inspire all warring peoples with the yearning for peace, and to imbue in all humankind the longing to negotiate peace with justice. Bless America in our peacemaking and peacekeeping responsibilities throughout the world. We claim the promise through Isaiah that You "... shall judge between the nations, and rebuke many people; they shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war anymore."—(Isaiah 2:4). Lord, we pray for peace! Amen.

PLEDGE OF ALLEGIANCE

The Honorable DEBBIE STABENOW led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication

to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 24, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. REID. Madam President, morning business will continue until 10 a.m. this morning with Senators permitted to speak for up to 10 minutes each, the time equally divided between the two leaders or their designees. At 10 o'clock the Senate will resume consideration of H.R. 622, with the Daschle economic recovery amendment the pending matter. Senator DASCHLE will be on the floor at that time to start the debate. Rollcall votes are possible throughout the day.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there

will now be a period for the transaction of morning business for not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for up to 10 minutes each with the time to be equally divided between the leaders or their designees.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. REID. Madam President, because I asked for the quorum call, the time would run against this side. I ask unanimous consent the time be equally divided.

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

Mr. REID. I note the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

THE SENATE AGENDA

Mr. THOMAS. Madam President, we are all back, hopefully after a good recess and a good opportunity to visit with the folks at home and can now evaluate some of the things that have been done over the last year and, maybe more important, talk a bit about those things that are yet to come. There are many, and they are things that we must do.

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



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Certainly the stimulus package is one. I am delighted we are going to take that up and take a look at it. In some ways I think it would be well if we could hold our fire until after we hear the President's notions next Tuesday. I am sure he will talk a great deal about the stimulus package as well as the other domestic and terrorism needs.

But, as we do that—as I guess in everything—I hope we take a real look, the best we can, as to what our expectations are on a stimulus package. It is easy to talk about it. It sounds good. On the other hand, in the Finance Committee, where last year we held a number of hearings and talked to quite a number of professional economists—the best in the country, as a matter of fact—as the Presiding Officer will recall, there was no real consensus as to what is best done to have the immediate impact that we would like to have on the economy.

So I hope we give some thought, individually and collectively, to what it is that our goals are with respect to a stimulus package. It would be easy to begin to use that as a means for funding other kinds of things that may very well be justified as issues but not justified in this economic stimulus package.

Further, I am pleased to hear, at least from some, that the prospects for the economy seem to be better even than they were when we left here back in November or December. I hope that is the case. Again, no one knows exactly what that will be.

But I hope we do give this some thought and seek to move in a way that creates a better economy and creates jobs. There are people out there who need help, for various reasons. That is going to be part of it. But the real purpose is to create a better economy so there are jobs for people. It is not always easy. It is hard to get a feel for it.

I was interested, a while back, to hear that in 1996, which was one of the good times for the economy, unemployment was 5.7 percent.

We are never going to get rid of unemployment because obviously there is always some.

I hope we do that.

Second, of course, I am hopeful we can move on to agriculture, and to our farm bill. The current farm bill expires this year. Of course, we will have a new farm bill. I think all the work we have done on it over the last several months can now be picked up again and we can go forward.

Again, I hope we can sort of give an image as to what we want agriculture to be over time so that we don't just deal with short-term issues. What do we want the image to be for agriculture? Do we want it to be market oriented so production is generally related to the potential of selling those goods? That is the economic system for most everything. At the same time, of course, because agriculture is unique

and has unique problems, I think there needs to be a safeguard somewhere underneath. It is going to be difficult to do that. We don't want to do something that is going to increase production for a product so that it then doesn't have market demand. At the same time, we want to protect farmers and ranchers from some of the things over which they certainly have no control.

There has been quite a bit of discussion about AMTA payments that were made to the farmers over the last 6 years in the farm program. I think at least that is the perception. I think it is true the big payments have gone to relatively few. Even though we always talk about family farmers, it is also true that family farmers are getting large payments. But many are corporate farmers who get large amounts of money. We need to look at what we can do about that issue.

There are a number of things I think are very important. I come from Wyoming where livestock is our largest agricultural issue, and we have lots of public land. The country of origin labeling is in our bill. It is very important. I think it is important for consumers to be able to look at a package of meat and see that it came from the United States, or, if it didn't, from where it came. That is fine. Let them have a choice.

I just can't imagine why that is not labeled. Almost everything we buy has the country of origin on the label.

I hope we also deal with this question of concentration of packaging. As I understand it, we have about three packers that control 80 percent of the kill.

Under the marketing system, the producer goes to the auction market and gets what the livestock is worth that day. We also have an amendment on ownership of livestock. It has already been on the floor. I think that is very important.

In this bill, there are provisions on conservation of land. I think that is excellent.

As we talked about this bill last year, I traveled all over our State talking to people about what they wanted and what they believed the need was for their counties, their cities, and their families. One of the things they want is open space. We want to continue to have open space and some planning for those lands. CPP has been one thing, but now we are talking about something a little different—whether it is timber or grasslands—some protection for open space for family farmers and ranchers who can't really afford to set aside.

Technical assistance to farmers and ranchers on waterfowl is important, so they are able to continue to use water, and to protect water quality is important. That is in the bill as well, and it is increased substantially. I think that is a very good thing.

There are some things in the bill about which we will differ on the floor. It will be difficult to come together on

them. But I think we have an obligation to do that.

One of the difficult issues is the drought issue. In the West, we are faced with many places in the third year of drought. In the West, again, where there is relatively low rainfall, one of the important issues is to have snow pack in the mountains so when it thaws out in the spring it runs into reservoirs and then it is used for irrigation. The reservoirs have been at unusually low levels—not only because of the drought this year but because of droughts in previous years.

Those are some of the things with which we need to grapple. I look forward to the opportunity to do that.

Another bill that will be coming up soon is the energy bill. We have heard a great deal about that. It is interesting that 6 months ago or so we had \$2.50-a-gallon gasoline. We had problems. Now gas prices are down. California has apparently managed to overcome its difficulties to some extent. There has been some polling that shows many people understand that an energy policy over time is very important.

I hear the accusations that all the administration wants to do is drill and produce. That is true. We worked with the bill. We have seen the drafts of policy that we put together with the administration. It has in it a number of items—production being one of them, of course, and another is alternative fuels. Another is research for alternative fuels, and another is transportation, such as electricity and transmission lines. There have to be generators to move it.

I think there are some real opportunities for us to evaluate where we need to be. Clearly, the upheaval in the Middle East has something to do with our imports. We find ourselves being 60-percent dependent on imports of energy, which is more than we are comfortable with.

We have some real challenges, and some real opportunities. I am hopeful. Certainly the reason we are here is because we have different views on some things. We have different views on needs, depending on where we are from and what our philosophies are. That is part of being here. There is nothing wrong with that. But we need to put those differences out there and come to some conclusions supported by the majority.

I think it is going to be an exciting time. Hopefully, we can look back at the end of this year and say: Yes, we have been able to deal with the crisis of terrorism. We need to look back and be very proud of what this Congress has done in that regard.

I think we need to be very proud of the American people. I have never seen such a reaction of commitment to do something about terrorism in my State, and I am sure in other places. I am very proud of America for that dedication. I certainly hope we can continue it because it is not going to

be a short-term proposition. Also, because of that requirement, I think we will have to be more careful with how we spend money in the domestic area where there is additional emergency spending such as this. You can't necessarily keep spending without some consideration for emergencies.

I suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

HOPE FOR CHILDREN ACT

The PRESIDING OFFICER. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now resume consideration of H.R. 622, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

Daschle/Baucus amendment No. 2698, in the nature of a substitute.

The PRESIDING OFFICER. The majority leader.

AMENDMENT NO. 2698

Mr. DASCHLE. Mr. President, I appreciate the opportunity that we now have to revisit the question of economic stimulus. This was a contentious debate before we ended the First Session of the 107th Congress last December. Over the course of the last several weeks, of course, we have made an effort to try to find what I call "common ground" in an effort to expedite the consideration of economic stimulus and to move this process forward.

I don't have a calendar in the Chamber at this point, but I remind my colleagues that we have very little time between now and the Founders' Day recess to do all of the work that Republicans and Democrats have indicated is important to both our agendas. Both caucuses have indicated a strong desire to deal with economic stimulus, a strong desire to deal with election reform, a strong desire to finish the farm bill, and, certainly, a strong desire to deal with energy. My hope is we could deal with all of those pieces of legislation prior to the Founders' Day recess. In order to do that, we have to maximize the use of every day.

We have 2 days this week. We have only 2 days next week because of the Republican retreat. Then we have 2 weeks following that to complete our work on all of the bills I have just mentioned.

In an effort to move the process along, I will propound a unanimous consent request within the hour to see if we might find an agreement on procedure on the economic stimulus bill. I would propose, as I suggested to Senator LOTT yesterday, four amendments on a side. I am not wedded to that. If people have a desire to offer more amendments than that, we could do that. But we have to get this ball started.

I am concerned, frankly, about reports I have received overnight that there are some on the Republican side who want to slow walk this bill, who don't want to bring it to closure, who, for whatever reason, have decided now that we are on this bill that they don't want to have a vote on final passage until perhaps 2 weeks from now. Keep in mind, we are not in session next Wednesday. Some have suggested that we should not have a vote on this bill until after the State of the Union Message—that is Tuesday night—which means we then wouldn't be able to complete our work until the following week.

I know of all the cries and anger and the anguish expressed by some for the fact that we were not able to complete our work on the economic stimulus bill last December. How ironic it would be that some of those who have criticized the inability to come to some conclusion would now be responsible for delaying it even further.

I hope that is not the case. I hope we can get an agreement that will allow us to reach some procedural conclusion so we can complete the substantive work on this bill prior to the end of the week.

Let me briefly lay out exactly what it is we are suggesting. Two circles on this chart depict virtually all of the proposals that have been made by either Republican or Democratic Senators, and oftentimes Members of the House, with regard to economic stimulus. Democrats have proposed increasing unemployment benefits, adding unemployment compensation coverage for part-time workers and recent hires, and providing affordable group health coverage for the unemployed. The job creation tax credit for businesses was also something that we felt would go a long way to addressing the need to stimulate the economy from the business side.

We also supported extending the unemployment benefits for 13 weeks, tax rebates for those who didn't get them the last time, the bonus depreciation that would accelerate the depreciation on investments in business, and then the fiscal relief for States.

States are very concerned that bonus depreciation, in particular, is going to cost them about \$5 billion. They are also concerned that the Medicaid costs are going up dramatically. So the fiscal relief for States is something that has been the subject of a number of very urgent letters to us from Republican and Democratic Governors alike.

Our Republican colleagues suggested accelerating rate reductions, the repeal of the corporate AMT—the alternative, and health coverage for unemployed workers through individual insurance markets. They also suggested extending unemployment benefits. They suggested the tax rebates. They proposed bonus depreciation and fiscal relief for States.

Several weeks ago we began considering, well, how can we move this bill forward? The suggestion was, let's just take the common elements in the two circles, the overlap you see here on this chart, and consider that as sort of the base proposal that might be used as a way to move the bill forward, while not denying Senators the right, of course, to offer other ideas, other suggestions, if the requisite 60 votes on points of order can be acquired.

So that is really what is before the Senate right now. We have taken a House vehicle, the adoption tax credit, and we are amending the adoption tax credit procedurally with this proposal as a way in which to allow Senators to begin the debate on economic recovery.

The CBO has provided a real service to us over the last couple of weeks, and I don't know if all of our colleagues had the opportunity to see it. If they have not, I urge them to take a look at it. But the CBO made an evaluation of the stimulative impact of all of the proposals I have just listed here in these circles. The stimulative impact, obviously, is a very significant factor, I believe, on what it is we decide we want to offer for economic stimulus. The payroll tax holiday offered by Senator DOMENICI is one of the provisions that had the biggest bang for the buck, according to the CBO. Of course, we suggested that that might be a component, but because there isn't agreement on it, unfortunately, it certainly doesn't fit into this common ground proposal at this point. I would have supported it. I still do. But that has a large bang for the buck. Additional tax rebates have a medium bang for the buck according to the CBO.

We are proposing in this common ground proposal the tax rebate for those who didn't get any help the first time. Temporary investment incentives, such as the bonus depreciation—again, that is a medium bang for the buck—better than some, not as good as others. That is also in the common ground proposal. So you have two of the items in the common ground proposal, according to the CBO, that have a medium bang for the buck, medium stimulative value.

Look at what the CBO said about accelerated rate cuts. They said it had a small bang for the buck, and a corporate AMT repeal falls into the small category, very little stimulative value.

Now, this isn't a Democrat position, this isn't an analysis made by one of my staff; this is the Congressional Budget Office which has provided the analysis. So, again, if we want to do what we say we are doing here—provide