

age 62 the minimum Survivor Benefit Plan, SBP, annuity from 35 percent to 40 percent of the SBP covered retired pay. The bill would provide a further increase to 45 percent of covered retired pay as of October 1, 2006.

As I outlined in my many statements in support of this important legislation, the Survivor Benefit Plan advertises that if the service member elects to join the plan, his survivor will receive 55 percent of the member's retirement pay. Unfortunately, that is not so. The reason that they do not receive the 55 percent of retired pay is that current law mandates that at age 62 this amount be reduced either by the amount of the Survivors Social Security benefit or to 35 percent of the SBP. This law is especially irksome to those retirees who joined the plan when it was first offered in 1972. These service members were never informed of the age-62 reduction until they had made an irrevocable decision to participate. Many retirees and their spouses, as our constituent mail attests, believed their premium payments would guarantee 55 percent of retired pay for the life of the survivor. It is not hard to imagine the shock and financial disadvantage these men and women who so loyally served the Nation for many years experience when they learn of the annuity reduction.

Uniformed services retirees pay too much for the available SBP benefit both, compared to what we promised and what we offer other Federal retirees. When the Survivor Benefit Plan was enacted in 1972, the Congress intended that the Government would pay 40 percent of the cost to parallel the Government subsidy of the Federal civilian survivor benefit plan. That was short-lived. Over time, the Government's cost sharing has declined to about 26 percent. In other words, the retiree's premiums now cover 74 percent of expected long-term program costs versus the intended 60 percent. Contrast this with the Federal civilian SBP, which has a 42 percent subsidy for those personnel under the Federal Employees Retirement System and a 50 percent subsidy for those under the Civil Service Retirement System. Further, Federal civilian survivors receive 50 percent of retired pay with no offset at age 62. Although Federal civilian premiums are 10 percent retired pay compared to 6.5 percent for military retirees, the difference in the percent of contribution is offset by the fact that our service personnel retire at a much younger age than the civil servant and, therefore pay premiums much longer than the federal civilian retiree.

Although the House conferees thwarted my previous efforts to enact this legislation into law, I am ever optimistic that this year we will prevail. I base my optimism on the fact that the National Defense Authorization Act for fiscal year 2001 included a Sense of the Congress on increasing Survivor Benefit Plan annuities for surviving spouses age 62 or older. The

Sense of the Congress reflects the concern addressed by the legislation I am introducing again today.

Since I introduced S.145, 37 of my colleagues joined as cosponsors to the bill. I hope they will join me in speaking in support of this important legislation and the Senate will adopt this amendment.

MORNING BUSINESS

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

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

THE MIDDLE EAST

Mr. WELLSTONE. Regarding the Middle East, I make two points, although in a few minutes it is hard to give justice to what is happening.

First, yesterday was a horrible day not just for Israel and Israelis but for Israel's neighbors, as well: The murder of 19 innocent people, and God knows how many were injured. Some of those people, young men and women, were teenagers. Murder is never legitimate. That is what this is. This is terroristic murder of innocent people.

It is not for me, as a Senator, to come to the floor and say the people of Israel or supporters in the United States are not to have indignation. We should condemn it. I condemn it on the floor of the Senate. I condemn it.

Second, Prime Minister Rabin said when confronted with terrorist attacks, something like: We will go after the terrorists; we will defend ourselves, and we will go forward with the peace process—in other words, we are not going to let the extremists, Hamas terrorists and others, completely destroy the peace process or completely prevent us from getting back on a political track. It is extremely important.

I support what has been courageous work of Secretary of State Powell. I believe the Secretary is right in what I think he is proposing; that is that our Government has to play a positive and proactive role. We cannot zig and zag. It cannot be a contradictory policy. We should be strong in our condemnation of the terrorism, of the murder of innocent people, and we also should be a part of the denunciation and the enunciation of a political goal that goes in the direction of two states, side by side, people living side by side with one another, in secure borders.

Ultimately, that is what is going to happen. The question is, How wide and how deep a river of blood has to be spilled beforehand? I know the dynamics are swirling around in terms of domestic politics, but I believe it is extremely important the President, the administration, step forward with our support and be clear in our condemnation and be clear in the call for demands of reform within the Palestinian

Authority and the rest. But at the same time we should not come away from the role we can play in laying out a political goal, laying out the goal of two states side by side and trying to bring the parties together.

With the status quo, the present course, more Israeli children and Palestinian children will die. There have been innocent Palestinians who have died, innocent Palestinians who also have, unfortunately, been killed, though never deliberately. I ask unanimous consent for 1 more minute.

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

Mr. WELLSTONE. It is extremely important that this administration lay out this goal. It is extremely important the President be strong. It is extremely important we condemn the violence but we also be part of the political process.

I believe the vast majority of people, Israelis and their neighbors, do not want to see this continuing killing of innocent people. Enough.

I yield the floor.

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 September 30, 2001 in San Diego County, CA. A 51 year-old Sikh woman was attacked by two men who stabbed her twice in the head and threatened to kill her. As she was sitting in her car, the two assailants pulled up next to her on a motorcycle, opened her door, and one of them yelled, "This is what you get for what your people have done to us. I'm going to slash your throat." The attackers fled when another car approached the scene.

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 and changing current law, we can change hearts and minds as well.

CIVIL SERVICE REFORM AND THE RIGHTS OF FEDERAL EMPLOYEES

Mr. AKAKA. Mr. President, as we consider proposals for creating a Department of Homeland Security to protect our Nation's borders and critical infrastructure, we must not forget the 170,000 federal employees who will staff this new agency.

This new department should not be used as a vehicle to advance broad changes to existing laws that would

erode the rights and benefits now accorded to these federal workers. Nor should personnel decisions related to the agency be done in secret. Congress, along with employee unions and management associations, must be a part of the creation of the new department and any changes to title 5.

The President's proposal for the homeland security department calls for enhanced management flexibilities in hiring, compensation, and workforce management. The challenges that such flexibilities would address are not new, and despite the belief that drastic personnel changes are needed, we should not forget that today's federal government faces many of the same workforce challenges as in the past. Real solutions for civil service reform require strong leadership from the top down and a commitment to the federal merit system and the employees it protects.

Some 25 years ago, the Civil Service Reform Act (CSRA) of 1978 responded to the same issues confronting our government today. Much like today, there were serious concerns that government red tape hindered managers from effectively recruiting, developing, retaining, and managing federal employees. Similar to current proposals, the CSRA focused on enhancing the accountability of the federal workforce, while it increased management flexibilities and streamlined hiring and firing procedures. The act made it easier for managers to address employee performance.

The act also established the principles of openness and procedural justice that define the civil service today. It created the Merit System Protection Board and the Office of Special Counsel to protect the rights of federal employees. The Federal Labor Relations Authority was created to oversee labor-management practices.

The act provided a statutory basis for the collective bargaining rights of federal workers. It prohibited reprisals against employees who expose government fraud, waste and abuse.

The Federal Government was strengthened as an employer as a result of the CSRA. Today, the federal civil service merit principles serve as a model for equal employment practices to both the private sector and foreign governments. With nearly half of the current Federal workforce eligible for retirement in the next 5 years, we must take care that we do not create an atmosphere where the Federal Government becomes the "employer of last resort."

Those in the Federal workforce demonstrate strong accountability and loyalty every day—not just to their employer—but to their country. On September 11, the Federal workforce responded with courage, dedication, and sacrifice, reminding us that we are all soldiers in the war against terrorism.

As chairman of the International Security, Proliferation, and Federal Services Subcommittee, I will work to ensure that the rights of federal employ-

ees are preserved and accountability is maintained. These rights do not pose a threat to our national security and should never be used as a litmus-test for the patriotism of the Federal workforce.

VOTE EXPLANATION

Mr. LIEBERMAN. Mr. President, during the debate on the Andean Trade Promotion Act, H.R. 3009, I missed the vote on Senator WELLSTONE's amendment, amendment No. 129, on May 23. The vote was on a motion by Senator BAUCUS to table the amendment and the motion failed. The amendment inserted a new paragraph in the legislation stating that the principal negotiation objective regarding human rights and democracy is to obtain provisions in trade agreements that require parties to those agreements to strive to protect internationally recognized civil, political, and human rights. I would have voted against the motion to table. My vote was not necessary to defeat that motion.

TERRORISM RISK INSURANCE ACT OF 2002

Mrs. BOXER. Mr. President, I voted for S. 2600, the Terrorism Risk Insurance Act of 2002. But I did so with reservations.

I recognize the need for a Federal backstop for terrorism insurance, and although I believe the way this bill is designed is flawed, it is better than the status quo. Insurers are not making enough terrorism insurance available in key areas and rates are rising astronomically because insurers cannot count on a Federal backstop to possible losses in the event of another terrorist attack.

I would have preferred that we create a risk-sharing pool that would not have placed so heavily a burden on the taxpayer. In a risk-sharing pool, insurance companies would pay a percentage of their premiums into a pool. In the event of an attack, affected companies could pay claims out of the pool after each meets its individual responsibility for covering losses. If the pool were ever depleted, then the government would lend the pool the money to cover remaining claims. In that way, the taxpayer would eventually be made whole. The structure we are approving today will put the taxpayer on the line for losses as soon as a company's individual retention level is met. And the taxpayer will never be paid back.

In addition, I am also concerned about the lack of consumer protections in the bill. Not only does the bill fail to provide Federal protection from price gouging, it preempts States from protecting consumers through the prior approval process. The Foundation for Taxpayer and Consumer Rights in California and the Consumer Federation of America have raised concerns that long-standing State systems for protecting consumers will be thrown out the window.

I worked on an amendment to replace the State preemption language in the bill with language stating that terrorism insurance rates shall not be subject to a waiting period greater than 60 days under any State law. This would have allowed California and 21 other States to retain oversight for prior approval over increases in terrorism insurance rates while also making sure that the insurance is made available quickly.

In a colloquy on the issue, Senator DODD has committed to working with me as this bill goes to conference. As a result, I did not offer my amendment. But given the number of Americans involved, the taxpayer exposure to risk, and the leverage that insurers will have over consumers, I believe we must allow States to protect consumers.

Though I voted in favor of moving this process forward, I will remain vigilant throughout the rest of the process and hope to see improvements in the legislation made in the conference committee.

BROADBAND FOR RURAL AMERICA

Mr. JOHNSON. Mr. President, I wanted to take a few moments today to talk about a topic that is critical to the future of my home State of South Dakota and indeed, many other rural areas around the country. The topic is access to advanced telecommunications and information services or what is commonly referred to as "broadband."

Those who have been following the broadband debate the last few years have probably heard more than they want to hear about the subject. As is often the case in Washington, policy debates get caught up in the extreme rhetoric of various interests vying for some legislative or regulatory advantage. And, unfortunately, the Washington debate, and broadband is no exception, seems to drift far from the real issue that needs to be addressed.

For example, the debate over broadband services, at least the debate one sees in the radio and newspaper ads in this town, would lead one to believe that the broadband problem is a question as to whether or not cable companies or phone companies will dominate in their competitive struggle for urban customers. I think it is great that in some parts of the country, such as major cities like Washington, DC, many businesses and residential consumers have cable companies and phone companies vying for their business. This is good for those who live in areas where a choice for broadband service is available.

Where I come from, however, the luxury of a choice or any choice does not exist when it comes to access to broadband services. Access to broadband services in many rural areas, including parts of South Dakota, is a real challenge. From my perspective, the broadband debate so far has