

## COMPARISON OF BUSH, DEMOCRATIC, AND SENATE PASSED BUDGETS—Continued

(Fiscal year 2002 through 2011)

	Bush budget	Democratic alternative	Senate passed
• Health Coverage .....		80 B	36 B
• Enforcement .....	-48 B	18 B	-41 B
• Other .....	33 B	8 B	119 B
Strengthen Social Security:			
• Using Social Security Trust Fund Surplus .....	600 B		
• Using non-Social Security, Non-Medicare Surplus .....		750 B	
Interest .....	461 B	490 B	572 B
Unallocated .....	***845B		129 B

\*Because these trust funds are not needed in short term to pay benefits, these amounts are used to pay down publicly-held debt.

\*\*Senate passed GOP resolution raids Medicare Trust Fund in 2002, 2005, 2006, 2007.

\*\*\*Includes \$526 B from Medicare Trust Fund (OMB scoring).

Mr. GRASSLEY. Under that Democratic Alternative, “resources,” that’s the term Senator DASCHLE used, set aside for a Medicare prescription drug benefit were \$311 billion. Under the bipartisan budget resolution, guess what, it’s about the same number, \$300 billion. That’s right, both sides allocated basically the same resources, \$311 billion versus \$300 billion for Medicare improvements and a prescription drug benefit. So, the Democratic budget had prevailed, we’d basically be where we are today.

There’s another part of the record we have to examine. It’s last year’s Democratic Alternative tax relief package. The Democratic alternative was supported by all members of the Democratic Leadership and all but three members of the Democratic Caucus. Well, guess what. All of those Senators voted for a \$1.260 trillion tax cut. That’s 93 percent of the cost of the bipartisan tax relief. So, apparently 7 percent is a big difference. It’s a big enough difference for the Democratic Leadership to blame President Bush and the bipartisan group of Senators that supported the tax relief package.

I make this statement for one basic reason. The issues of budgeting, prescription drugs, and tax relief are important matters. Certainly everyone of us hears about these issues when we are back home. They are issues that our constituents expect us to resolve. Folks back home expect us to be intellectually honest in debating these important matters. When we debate these issues, we ought to be consistent in what we’re saying.

## TAKING OUR STAND AGAINST HIV/AIDS

Mr. FRIST. Mr. President, I spent the first 20 years of my career studying and working in medicine. I graduated from medical school in 1978. After that, I trained as a surgical resident for eight years. I then worked as a heart and lung transplant surgeon until I was elected to the United States Senate in 1994. During that time, HIV/AIDS went from a disease without a name to a global pandemic claiming nearly 20 million people infected.

It’s hard to imagine an organism that cannot survive outside the human body can take such an immense toll on human life. But HIV/AIDS has done just that—already killing thirteen million people. Today more than 40 mil-

lion people—including three million children—are infected with HIV/AIDS. HIV/AIDS is a plague of biblical proportions.

And it has only begun to wreak its destruction upon humanity. Though one person dies from AIDS every ten seconds, two people are infected with HIV in that same period of time. If we continue to fight HIV/AIDS in the future as we have in the past, it will kill 68 million people in the 45 most affected countries between 2000 and 2020. We are losing the battle against this disease.

There is neither a cure nor a vaccine for HIV/AIDS. But we do have reliable and inexpensive means to test for it. Also, because we know how the disease is spread, we know how to prevent it from being spread. We even have treatments that can suppress the virus to almost undetectable levels and significantly reduce the risk of mothers infected with HIV/AIDS from passing the disease to their children.

We have many tools at our disposal to fight the spread of HIV/AIDS. But are we using those tools as effectively as possible? The gloomy statistics prove overwhelming that we are not. What we must do is focus on what is truly needed and what is proven to work and marshal resources towards those solutions. We have beaten deadly diseases on a global scale before; we can win the battle against HIV/AIDS too.

More than 70 percent of people infected with HIV/AIDS worldwide live in Sub-Saharan Africa. But the devastation of the disease—and its potential to devastate in the future—is by no means limited to Africa. HIV/AIDS is global and lapping against the shores of even the most advanced and developed nations in the world.

Asia and the Pacific are home to 6.6 million people infected with HIV/AIDS—including 1 million of the five million people infected last year. Infections are rising sharply—especially among the young and injecting drug users—in Russia and other Eastern European countries. And the Americas are not immune. Six percent of adults in Haiti and four percent of adults in the Bahamas are infected with HIV/AIDS.

I believe the United States must lead the global community in the battle against HIV/AIDS. As Sir Elton John said in testimony before a committee on which I serve in the United States

Senate, “What America has done for its people has made America strong. What America has done for others has made America great.” Perhaps in no better way can the United States show its greatness in the 21st century—and show its true selflessness to other nations—than leading a victorious effort to halt the spread of HIV/AIDS.

But solving a global problem requires global leadership. International organizations, national governments, faith-based organizations and the private sector must coordinate with each other and work together toward common goals. And, most importantly, we must make communities the focus of our efforts. Though global leadership must come from places like Washington, New York and Brussels, resources must be directed to where they are needed the most—to the men and women in the villages and clinics and schools fighting HIV/AIDS on the front lines.

Adequate funding is and will remain crucial to winning the battle against HIV/AIDS. But just as crucial as the amount of funding is how it is spent. Should we spend on programs that prevent or lower the rate of infection? Should we spend on treatments that may prolong the life of those who are already infected? Should we spend on the research and development of a vaccine? The answer is yes . . . to all three questions.

We can only win the battle against HIV/AIDS with a balanced approach of prevention, care and treatment, and the research and development of an effective vaccine. HIV/AIDS has already infected tens of millions of people and will infect tens of millions more. We need to support proven strategies that will slow the spread of the virus and offer those already infected with the opportunity to live as normal lives as possible. And if our goal is to eradicate HIV/AIDS—and I believe that is an eminently achievable goal—then we must develop a highly effective vaccine.

But even with proven education programs or free access to anti-retroviral drugs or a vaccine that is 80 to 90 percent effective, our ability to slow the spread of HIV/AIDS and treat those already infected would be hampered. The infrastructure to battle HIV/AIDS in the most affected areas is limited at best. We need to train healthcare workers, help build adequate health facilities, and distribute basic lab and computer equipment to make significant

and sustainable progress over the long-term.

To win the battle against HIV/AIDS, we must not only fight the disease itself, but also underlying conditions that contribute to its spread—poverty, starvation, civil unrest, limited access to healthcare, meager education systems and reemerging infectious diseases. Stronger societies, stronger economies and stronger democracies will facilitate a stronger response to HIV/AIDS and ensure a higher quality of life in the nations most affected by and most vulnerable to the disease and its continued spread.

And we can make significant progress without vast sums of money and burgeoning new programs. Take, for example, providing something as basic and essential as access to clean water. 300 million or 45 percent of people in Sub-Saharan Africa don't have access to clean water. And those who are fortunate enough to have access sometimes spend hours walking to and from a well or spring.

It costs only \$1,000 to build a "spring box" that provides access to natural springs and protects against animal waste run-off and other elements that may cause or spread disease. 85 percent of the 10 million people who live in Uganda don't have access to a nearby supply of clean water. It would cost only \$25 million to build enough "spring boxes" to provide most of the people living in rural Uganda with nearby access to clean water.

Providing access to clean water is just one of the many ways in which the global community can empower the people most affected by and most vulnerable to HIV/AIDS. In some cases, such efforts—like supporting democracy and encouraging free markets—may cost little or take a long time, but they will make a significant difference in the battle against HIV/AIDS and the quality of life of billions of people throughout the world.

We have defeated infectious diseases before—sometimes on an even larger scale. Smallpox, for example, killed 300 million people in the 20th century. And as late as the 1950's, it afflicted up to 50 million people per year. But by 1979

smallpox was officially eradicated thanks to an aggressive and concerted global effort.

What if we had not launched that effort in 1967? What if we had waited another 35 years? Smallpox likely would have infected 350 million and killed 40 million more people. That is a hefty price for inaction—a price that we should be grateful we did not pay then, and we should not want to pay now.

Right now we are losing the battle against HIV/AIDS. But that doesn't mean we can't win it in the end. Indeed, I believe we will ultimately eradicate HIV/AIDS. We have the tools to slow the spread of the disease and provide treatment to those already infected. And we have the scientific knowledge to develop an effective vaccine. But we need to focus our resources on what is truly needed and what is proven to work. And we need global leadership to meet a global challenge.

In 2020, when it is estimated that more than 85 million people will have died from HIV/AIDS, how will we look back upon this day? Will we have proven the experts right with inaction? Or will we have proven them wrong with initiative? I hope that we will be able to say that in the year 2002 we took our stand against HIV/AIDS and began to turn back what could have been, but never became the most deadly disease in the history of the world.

#### CBO ESTIMATE OF THE TAX SHELTER TRANSPARENCY ACT

Mr. BAUCUS. Mr. President, the Committee on Finance filed a legislative report on S. 2498, the Tax Shelter Transparency Act of June 28, 2002. At the time the report was filed, the Congressional Budget Office cost estimate was not available. The cost estimate has been finalized by the CBO and is attached for public review.

I ask unanimous consent that the enclosed cost estimate for S. 2498 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of the bill is shown in the following table.

	By Fiscal Year, in Millions of Dollars					
	2002	2003	2004	2005	2006	2007
Changes in Revenues						
Estimated Revenues .....	17	59	102	134	140	147

#### BASIS OF ESTIMATE

All estimates were provided by JCT. The provisions relating to reportable transactions and tax shelters would compose a significant portion of the effect on revenues if enacted. These provisions would increase revenues by \$17 million in 2002, \$547 million over the 2002–2007 period, and about \$1.3 billion over the 2002–2012 period.

#### PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. For the purposes of enforcing pay-as-you-go procedures, only the effects through 2006 are counted.

CONGRESSIONAL BUDGET OFFICE,  
U.S. CONGRESS,  
Washington, DC, July 15, 2002.

Hon. MAX BAUCUS,  
Chairman, Committee on Finance, U.S. Senate,  
Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2498, the Tax Shelter Transparency Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Erin Whitaker and Annie Bartsch, who may be reached at 226–2720.

Sincerely,

BARRY B. ANDERSON  
(FOR DAN L. CRIPPEN.)

#### CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—S. 2498

##### SUMMARY

S. 2498 would create new penalties and expand existing penalties that may be applied to taxpayers who fail to disclose certain types of information on their tax returns. In particular, the bill would allow the Department of the Treasury to impose penalties, on taxpayers who failed to report certain information for reportable transactions, modify the penalties for inaccurate returns if the inaccuracies had a significant tax avoidance purpose, and modify the definition of "substantial understatement" of tax for corporate taxpayers for purposes of imposing a penalty. It also would repeal the current rules regarding registration of tax shelters and instead require persons who assist with transactions in such shelters ("material advisors") to report certain information to the Secretary of the Treasury. The bill would impose a penalty on those material advisors who fail to file the information completely and accurately.

The Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT) estimate that enacting the bill would increase governmental receipts by \$17 million in 2002, by \$601 million over the 2002–2007 period, and by about \$1.5 billion over the 2002–2012 period. Since S. 2498 would affect receipts, pay-as-you-go procedures would apply.

JCT has determined that the bill contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments. JCT has determined that the provision of the bill relating to reportable transactions and tax shelters contain private-sector mandates, and that the cost of complying with these mandates would exceed the threshold established by UNRA (\$115 million in 2002 adjusted annually for inflation) in 2005 and 2006.