

for whom no one is clogging the hallways of Congress lobbying on their behalf. If this were a big economic interest, you can bet this Capitol would be full of people, well paid, with dark suits, ready to make the case for their economic interest.

There are a lot of folks out there today who are going to gather around their supper table and talk about their lot in life during an economic downturn and talk about where they looked for a job today, talk about the job they used to have, and talk about the hopes they had that we would help them during this tough period. They today will be mighty disappointed.

My hope is in a week or in a month, perhaps we can persuade our colleagues that today's decision was the wrong choice for our country and certainly the wrong choice for a lot of American families relying on the Congress to make the right decision today.

Mr. President, I yield the floor.

**THE PRESIDING OFFICER.** The Senator from New York.

**Mrs. CLINTON.** Mr. President, I associate myself with the remarks of the Senator from North Dakota who has, once again, eloquently put this issue into a much larger context, a context that concerns the economic and tax policies of our country.

Today I have introduced a bill to help those who have exhausted their unemployment benefits, the nearly 1 million Americans we have heard spoken about from so many of my colleagues from Washington to North Dakota to Rhode Island, who have just run out of time and run out of money. They were eligible for the programs that each State administers, as it should be, because in many of our States we have had an increase in unemployment over the last year.

We now have a 6 to 6.5-percent unemployment rate in many parts of the country. In New York City, which is still dealing with the aftermath of the terrorist attacks of September 11, 2001, we have an 8-percent unemployment rate. Many of these people who lost their jobs have been working all their lives. When something happened—a layoff, a bankruptcy, a terrorist attack—and many of them have spent month after month looking for work and not finding it. In an economy such as we have now, which is not producing jobs, many people for the first time ever, especially given what we enjoyed during the 1990s, are finding it impossible, not just to find a job that paid what they were used to receiving through their job, but paying anything.

I recently had a number of such New Yorkers to my office in New York City shortly before the December 28 cutoff of unemployment benefits. I wish they could be here in the Chamber.

I wish that all of my colleagues could speak with the man who had worked on the Windows of the World restaurant at the top of the World Trade Center for more than 20 years, a manual laborer but a good hearted, decent American

who, year after year, showed up, did what he was supposed to do, and luckily for him and his family was not at work on the morning of September 11, but unluckily for him and his four children, he no longer has any work. He has gone from place to place.

I wish my colleagues could meet the woman from Queens who was widowed when her husband died 3 years ago, had worked in the same business for many years, and now has lost her job and no longer has unemployment benefits. What are we supposed to tell these people?

We ended welfare as we knew it because we did not want anyone to be dependent, to produce generational dependency, and I supported that. There is not any better social program than a job. But when we do not produce jobs in the economy for decent, hard-working Americans, what do we expect to happen?

Some of the things that are happening: In many States, after being in decline for years, welfare rolls are climbing. In many States, homelessness is increasing, and it is homelessness of families with children. Bankruptcies are growing. Individuals who are chronically unemployed are going on Social Security disability in order to have some kind of income, one of the fastest growing programs in our country.

When we first started talking about extending unemployment benefits—I introduced a bill last July—we did not get to first base. We did not even get out of the dugout. We would raise it time and again. My wonderful friend, our late colleague, Senator Wellstone from Minnesota, used to be at that desk. He would never be in the chair but would be pacing about. Before his tragic accident, every day he came to the floor asking that we extend unemployment benefits.

We often harkened back to the situation during the recession of the early 1990s when unemployment benefits were extended five times and signed into law by the first President Bush, as well as President Clinton. Finally, the Senate passed a measure.

I appreciated greatly working with my colleague, Senator NICKLES from Oklahoma, to get that done last year. We could not get it through the House. We did not have the support of the administration. But today, we have done the right thing, at least half the right thing. I am very grateful for that. I thank the President for his support. I thank the Republican leadership in the House for their support, but I mostly thank my colleagues and our new majority leader, Senator FRIST, for making sure this was the first order of business for this 108th Congress.

What we did today to help the nearly 800,000 Americans who watched their unemployment benefits disappear at the stroke of midnight on Saturday, December 28, to make sure the program will be there for those who are unfortunately coming on to the unemployment

rolls was important, but it was not enough. We have to do more. We have to recognize the people who have exhausted their benefits, who are working as hard as they can to get work, who are found throughout our country, in every walk of life, doing every kind of job with every sort of challenge one could imagine. But what are we going to say to them?

We have a big task ahead of us to try to get our economy growing again, create jobs, move our Nation in the right direction. This new problem in the 21st century—new in the wake of the economic boom of the 1990s, that we have tens of thousands of Americans who want to work but cannot find a job—will have to be addressed.

Mr. President, I would now like to discuss a bill I am introducing.

**THE PRESIDING OFFICER.** The Senator from New York is recognized.

**Mrs. CLINTON.** I thank the Chair.

(The remarks of Mrs. CLINTON pertaining to the introduction of S. 87 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

**THE PRESIDING OFFICER.** The Senator from Montana.

#### WESTERN DROUGHT

**Mr. BURNS.** Mr. President, in listening to my friend from New York talk about homeland security and the work we will be doing, she agreed to cochair the A 9/11 caucus. I invite other Members of this body to get interested. We found out cell phones worked pretty well during 9/11. Communications worked fairly good. There were some weak points, but those are being addressed. When we talk about 9/11 and wireless communications, there will be several of those issues that will come up in this Congress. We welcome the input of our colleagues as those issues move along.

Today we did take care of part of the unemployment compensation problem, extending it to workers involuntarily and who became involuntarily unemployed during 9/11 or as a result of 9/11. There is not one in this body who was not sympathetic to their cause. However, I have another segment of the American economy that is hurting just as badly. I will talk a little, by the way, today about the situation called drought. It is expanding throughout not only the upper Midwest but through the western part of Kansas, Nebraska, Dakotas, Montana, and Colorado, and extending down into New Mexico and the panhandle of Oklahoma.

There are always islands and spots that get enough moisture. In this morning's newspaper, the Billings Gazette in my hometown of Billings, MT, it was reported the water contents in the lower Yellowstone Basin snow pack rank the third lowest on record. It is only 63 percent of average. That one year at 63 percent average does not give cause for alarm. However, when

you look at the sixth year of these situations, you get alarmed.

Last Friday, I drove to Sheridan, MT. I have never seen in the Big Horns, in the range west and northwest of Sheridan, WY, a snow pack that is as small as it is for this time of the year. The same is true in the Bear Tooth, but further west it is better. In the area important to irrigators and water users in my State, those snow packs are very low.

Agriculture in those droughted areas is just hanging on. If not relief this year, then we do not have to worry about them next year. They will be unemployed, too, and for reasons beyond their control. It is beyond anyone's control. Yet they do not qualify for unemployment benefits that we have approved today. A disaster package is being worked on. There are some folks averse to that.

Many of my colleagues in the Senate and in the administration continue to cite the farm bill as a solution for drought-stricken American agriculture. This bill is not retroactive, folks. It does not account for the losses incurred in 2001 and 2002. I remember the debate on that farm bill. The amount of money going to the Department of Agriculture sounded huge, spending almost \$74.4 billion a year with the USDA. But they ignored that 27 percent of that figure was dedicated to farm programs and no money dedicated for disaster. Regarding the rest of the money, the American taxpayer should be overwhelmingly thanked for their generosity by those who perhaps cannot speak for themselves. That is, the working poor, women, infants and children, and food stamps. Mr. President, 63 percent of that humongous figure that people thought would go to production agriculture does not even go near production agriculture.

We thank the American taxpayer for making sure that, yes, there are food and nutrition programs dedicated to those seeing tough times in other sectors the Senior Farmers Market Nutrition Program, school lunches and breakfasts, food stamps, WIC, a program administered by the counties, to make sure young women, and usually young, single women, know something about nutrition, and of course the programs that feed them and their infants.

There are other programs under the umbrella of the USDA not directly to the producer, such as a nonagricultural loan and grant program to communities and individuals. How about this, folks? A historic barn preservation; or studies of animal welfare to see if mice should be used in scientific research. All this is from the huge pot of money that made every headline, in every newspaper across the Nation as excess spending for production agriculture.

So we thank the American taxpayer for funding those programs. We are trying to work on a bill, to be introduced before this week is out, for drought assistance. We cannot fight a natural hazard. If there were a way I could do

it, I would. But we need just plain old rain and we need it before the spring thaw sets in.

So we passed the unemployment benefits today. What I am saying is there are other wants and needs in this country, too, and they have to do with the security and the safety of a good, strong agricultural food program. Once the legislation is introduced, the debate will begin, and it will be an interesting debate.

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

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

### THE ECONOMY

Mr. NICKLES. Mr. President, I spoke earlier today on unemployment compensation, and I am not going to repeat those statements. I think it is really unfortunate that some people maybe want to play politics with this issue. I don't know. I am concerned. I am pleased we were able to pass a bill that will help a lot of Americans. I had resisted in the past and will continue to resist efforts to double the Federal program from 13 weeks to 26 weeks for every State. This is a Federally financed program—financed entirely by the Federal Government. In other words, people who participate in this program have already exhausted State benefits which are 26 weeks. Last year in March or April we passed a Federal program for 13 weeks of benefits. Some people are saying that 13 weeks should be 26 weeks. In other words, an unemployed person would be able to receive 1 full year of unemployment compensation benefits regardless of whether or not they are in the high unemployment State. I disagree with that. If you continue to expand unemployment benefits for a longer duration, in some cases you are going to expand unemployment. It will create disincentives for people to go to work.

I believe a fact of interest is that 70 percent of people receiving unemployed benefits are living in a household with an employed worker.

I just mention these facts not really to debate it but just to say there is a real concern trying to turn a Federal program which is to be temporary into a permanent program and to take a temporary program of 13 weeks for all States and make that 26 weeks. That is very expensive. I have strong reservations about it. I opposed that several times last year for months and will continue to do so if persons try to pass that proposal.

I might also mention there are several other expansions of unemployment compensation in the bill that was promoted last year. I brought that to indi-

viduals' attention who were sponsoring it because I think it had fatal flaws. I think, more importantly, rather than just trying to figure out ways in which we could expand unemployment, we should be figuring out ways to expand employment. How can we grow the economy? How can we expand jobs? How can we create more jobs, and not reward people for not working but reward them for working? Let's create greater incentives for work.

The President's speech today in Chicago outlined a growth package. I compliment him for it. It is different. In many cases, it is very good tax policy. I really hope when we work on tax issues that will work for things that are good tax policy. There are a lot of things under the present code that need to be changed and that need to be corrected that are wrong and that are real disincentives to grow, build or expand—one of which is double taxation of dividends.

I used to run a corporation. Why in the world would a corporation or somebody who runs a corporation want to pay dividends? The corporation has to pay a 35-percent tax on the earnings. And dividends come out after tax. So you have already paid a 35-percent rate. Then they are paid out to individuals. They also have to pay tax. The individual in all likelihood would be at a 27-percent rate, or a 30-percent rate, or a 38-percent rate. So you had the 37 percent plus the 35 percent. You are already at a 73-percent tax rate. If a corporation makes \$100, \$73 of the \$100 goes to taxation. That is not very good use of resources from a corporate manager's position. It is not very encouraging of investment. A lot of us would like to eliminate that unfair penalty of double taxation.

The President proposed that today. There are different ways of doing it. He proposed one. I compliment him for it. I also believe the President had a provision to allow greater use of what we call expensing—allowing individuals—I believe in this case small companies—to expense items, I believe up to \$75,000.

I used to run a small business. I have run a corporation. As I say, I have also run a small business. But if you allow small business to expense, they are going to be able to recoup the investment they make that year. They make the investment that year, they expense it, and they recoup that investment. That would greatly increase their incentives to make another investment. I think that is very positive for job creation, maybe the most positive as far as getting jobs for the dollars that we are talking about.

So I am pleased the President has that in his proposal. I hope this Congress will aggressively pursue expensing and/or accelerated depreciation or more realistic depreciation schedules over the life of these properties.

Far too many properties, under current tax laws and current regulations, require depreciation over a long period