

committee. Very extended consideration was given to this issue, which of course, comports with its importance. This is a major step we all need to recognize and the fact that it will happen without controversy, at least of any consequence, ought not to make us lose sight of the fact of the historic nature of what is being accomplished here—tomorrow, presumably.

I thank the Senator for his skilled leadership on this issue.

Mr. LUGAR. I thank the distinguished Senator from Maryland for his leadership in our committee throughout the years and, likewise, specifically, on the issue of NATO that has been before the Senate.

MORNING BUSINESS

Mr. LUGAR. I ask unanimous consent the Senate now begin a period of morning business with Senators permitted to speak up to 10 minutes each.

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

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

FAIRNESS AND RESPONSIBILITY IN POLITICAL LIFE

Mr. CORZINE. Mr. President, I rise today to speak to an issue of fairness and responsibility in our political life that demands our attention.

Let me premise my remarks by saying it is an honor to be a Senator and serve the people of New Jersey. I love my job. I love politics and the debate of ideas it makes possible. But I must say that I am downright disgusted when that debate of ideas degenerates into the politics of personal destruction and moves toward character assassination, especially when it may run afoul of the laws passed by this body, and more especially when the target of a campaign of personal destruction is a good and decent man—TOM DASCHLE, who has spent his entire adult life in service to our Nation.

A little over 1 year ago, the Congress passed—and the President signed—the Bipartisan Campaign Reform Act of 2002.

Even as the courts ponder a challenge and an appeal to this landmark legislation, there are those involved in the political process that have demonstrated their intent to disregard it no matter what the court decides for the sole purpose of destroying a political opponent.

In that regard, there are very disturbing reports in the media this week about an amorphous front group being formed in South Dakota for the pur-

pose, in the words of its organizers, of ending TOM DASCHLE's public career in 2004.

I don't question anyone's right to free speech nor their right to mount a campaign against any candidate for Federal Office, but this effort would apparently violate both Federal tax and election laws.

According to press reports, associates of the presumptive Republican nominee for Senate in South Dakota have begun raising special interest money in Washington for an advertising campaign in South Dakota against Senator DASCHLE, a campaign only marginally distanced from Senator DASCHLE's potential competitor or the opposing political party.

The problem with this effort, leaving aside the elements of personal destruction, is that the organization leading it—the Rushmore Policy Council—is organized as a tax-exempt 501(c)(4) non-profit organization.

According to the IRS, 501(c)(4) organizations "must be operated exclusively for the promotion of social welfare." The IRS also stipulates that, "the promotion of social welfare does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office."

One might say a lot of things about TOM DASCHLE, but his election or defeat is hardly social welfare. It is clear from their own statements that the purpose of the Rushmore Policy Council is to defeat Senator DASCHLE. In short, this is likely a violation of the letter of the law and clearly a violation of its spirit.

The Congress attempted to address these types of advertisements in the campaign finance reform law passed last year. But one of the organizers of the effort against Senator DASCHLE stated simply that, "We're going to operate as if it's not" on the books.

In addition to the personal attacks and legal questions are the implications of a smear campaign that constructs front groups to infiltrate a Senator's home State with reckless disregard for the spirit of the campaign finance laws that this body passed just last year with bipartisan support.

At the very least, this is a mockery of Congress's efforts to clean up electoral politics.

Let me quote from the memo distributed around Washington by the organizers of the Rushmore Council's so-called Daschle Accountability Project: "We propose to destroy Daschle's credibility" and "ultimately end his political career . . ."

Unbelievably, the group funding this covert operation intends to employ South Dakotans who have almost nothing to do with the campaign, but who help to convey the false impression that the campaign is, and I quote, "putatively based in South Dakota—to avoid the dismissive 'outsider' label routinely attached to such efforts in the past."

In other words, the group exists to put a phony local veneer on the GOP's efforts to ruin its number one target—TOM DASCHLE. Or as this particular group puts it, ". . . maybe be rid of [Tom Daschle] once and for all."

This is the work of the Rushmore Policy Council, an organization so small it has no website or local telephone listing. Its offshoot "The Daschle Accountability Project" is a proudly self-described coalition of right wing organizations whose stated purpose, according to its own mission statement, is not to engage in policy debate, but rather to end Daschle's career by running an \$800,000 advertising campaign in South Dakota designed to "destroy DASCHLE's credibility within his home state through humor"—as if a laugh track makes them any less unseemly.

The Rapid City Journal recently cited leaders of campaign finance watchdog groups who have already pointed out that the Rushmore Policy Council is endangering its tax-exempt status by targeting DASCHLE for defeat in 2004. "It's not clear to me how they will remain a 501c4—an organization that must operate exclusively for the promotion of social welfare—as they are going to do what is being reported.

And, Fred Wertheimer, president of the campaign finance reform group Democracy 21 agrees with this assessment. He tells the Journal "The group's activities need to be carefully watched in the coming months to see if, in fact, they are breaking tax laws and campaign-finance laws. It is clear they want to defeat Senator DASCHLE . . . there doesn't seem to be any question they want to use this for this goal and that purpose . . . and that—is not what this group—is supposed to engage in."

Most disturbingly is that this type of attack is hardly new. About a year and a half ago, the White House asked its political allies to turn up the heat on Senator DASCHLE. Most of us know the routine—the orchestrated campaign to tar TOM with the label "obstructionist." Even while under his leadership the Senate approved 100 judicial appointments and rejected only two—some obstructionist.

Where I come from, 100 is hardly obstructionist.

After the White House's directive, the outrageous attacks began. Since then, political opponents have compared Senator DASCHLE to everyone from Saddam Hussein to the devil himself on talk radio.

The problem this "Burn Down Daschle" effort faces is two fold: No. 1, lack of credibility; and, No. 2, lack of legal authority.

On the former, the Sioux Falls Argus Leader accurately points out that the Daschle Accountability project and its efforts to destroy DASCHLE's character through an ad campaign with a ridiculing tone embedded in humor have the potential to backfire in a small State where retail politics holds great sway.

Senator DASCHLE, I realize, doesn't need me to defend himself to the people of South Dakota. They are smart enough to see through this despicable outsider campaign. They know he stands with South Dakota and her farmers. They know he stands with South Dakota and its small businesses. They know he stands with South Dakota on health care, education and responsible economic policy. He has given a lifetime of service to his community.

I only wish the Daschle-bashers would remember that the President promised to change the tone in Washington. Unfortunately, he has. It has gone from bad to worse.

It is worth noting that a number of the people involved in this campaign have their own problems with previous campaigns and finance reform, and by some of the people with whom they have associated. I think this latest effort is no less distasteful.

I thank the Chair for taking into consideration what I hope will be an attempt to turn to the real political debate on real issues and leave the character and some of the efforts we have seen to undermine the true nature of how people try to compete in the political arena.

I thank the Chair.

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

THE PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

Ms. STABENOW. Mr. President, I ask unanimous consent to speak as in morning business.

THE PRESIDING OFFICER. The Senate is in morning business. The Senator from Michigan may proceed.

MEDICARE

Ms. STABENOW. Mr. President, I rise today to talk about recent remarks made by the Director of the CMS, Mr. Tom Scully. Last month, speaking to an audience of health care providers in Lancaster, PA, Mr. Scully made the following comments on the Medicare Program.

Mr. Scully has the agency that oversees the Medicare Program, so this is particularly disconcerting given the way he described the Medicare Program. He used the phrase "an unbelievable disaster." The person who is the administrator of the Centers for Medicare and Medicaid Services said: Medicare is an unbelievable disaster. We think it is a dumb system.

I could not disagree more. While I disagree with his views, at least I admire his candor because when it comes to Medicare, a lot of people are pretending to strengthen it and improve it when in fact they agree with Mr. Scully.

Medicare, along with Social Security, is a great American success story. Medicare has been in place since 1965. It is the only part of our health care

system that is a universal system, meaning that once a person is age 65, they have access to health care. Regardless of who they are in this country or if they are disabled, they have access to health care. This is the only part of our system, the only group of people, who know that there is a guarantee of health care for them; that is, those who are under Medicare.

We have almost 40 million people now under Medicare, and because of Social Security and Medicare, we have brought millions of seniors and the disabled out of poverty into a better quality of life. I call that a great American success story. I do not call it a "dumb system."

It is important to talk about what is happening right now in the debate about Medicare and where we are. The day after the State of the Union Address this year, President Bush went to Grand Rapids, MI. We always welcome a President of the United States to my home State. He came to promote his Medicare reform plan. However, he barely mentioned it during his speech. When he did mention it, he indicated that only those who choose to go into private Medicare plans—not Medicare as we know it but private sector plans—would be allowed to get prescription drug coverage. Those who could not get into a private plan or who wanted to stay in traditional Medicare to see their own doctor, would be, unfortunately, out of luck under this plan.

So we have a system that has been in place and has worked for seniors and the disabled since 1965, providing health care. Now we are hearing about proposals which say that if someone wants to get help for prescription drugs, they have to go back to the system the way it was before, they have to go back to private insurance plans.

When the President said that, Republicans, Democrats, and health care providers roundly criticized this particular plan. Many pointed to the fact that private sector Medicare plans are currently not a viable option in most of the country. They are just not there, let alone in rural areas.

In fact, the President, ironically, went to Grand Rapids, MI, to talk about the virtue of private Medicare plans when even in the area where he was, in western Michigan, there are no private sector plans. So everyone listening to him would not have access to help pay for their prescription drugs under the proposal that was made because the proposal that was made was based on something called Medicare+Choice, which has been a failure in Michigan as well as across the country.

The overall experience of the private sector plan, in fact, is that it has not worked. I will share the numbers. Nationwide, 2.5 million seniors have been dropped from private sector HMOs under Medicare+Choice plans. In fact, I have to say my mother was one of them in an HMO. She was having a

good experience in a Medicare HMO, and they dropped Medicare. Out of the blue, she had to go look for another insurance plan and other doctors because they pulled out.

In Michigan, 35,000 seniors have been dropped from these private plans, including, as I said, my own mother. Currently, only four Medicare+Choice plans operate in my State. They are available to only 2 percent of the population of my State, and they are all in the eastern part of the State none in the central part of the State, in Lansing where I live, none in west Michigan, in Grand Rapids, none in upstate Michigan or the Upper Peninsula only in one geographic area.

Given this fact and the fact that Democrats, Republicans, and many other people stood up and said, wait a minute, this is a plan that does not make any sense, after a great deal of discussion the Bush administration did release a new set of principles for adding prescription drugs to Medicare. This time, their plan allows those who remain in traditional Medicare to get only a minimal catastrophic coverage and possibly a discount card.

We understand from analysis it would be an average of a little over \$3 that would come off a prescription based on a discount card. However, if the senior citizen wanted real prescription drug help, really wanted to be able to pick between food and their medicine, they would have to, again, abandon traditional Medicare and possibly give up seeing their own doctor in order to go into a private plan.

In all sincerity, I believe this drive to privatize Medicare is simply wrong. Since its inception in 1965, the Medicare system has worked well for seniors. In fact, back then 29 percent of the seniors of our country lived in poverty and now it is 11 percent. I call that a success, although we still need to be worried about the 11 percent.

I agree that Medicare should be updated. I agree it should be modernized to cover prescription drugs and also focus more on prevention. We heard Secretary Thompson who came before the Budget Committee to talk about prevention. I agree with him. We need to change the system to be more focused on prevention. We need to update Medicare to cover prescription drugs. But seniors should not be forced into private sector HMOs or other plans to obtain this kind of coverage.

Mr. Scully was honest about his beliefs. He spoke his mind. He expressed the belief of many that Medicare is dumb and is a disaster. These quotes are similar to those that were spoken by then-House Speaker Newt Gingrich when he said he wanted to let Medicare wither on the vine. These comments have been made before. It is very clear to me that Mr. Scully, Mr. Gingrich, and many others want to replace Medicare with a private sector system. I urge my colleagues to stand up against this assault.

I am particularly concerned about what is happening and how it relates to