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## Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Dr. Donald A. Harp, Jr., of the Peachtree Road United Methodist Church, Atlanta, GA.

### PRAYER

The guest chaplain offered the following prayer:

Let us pray.

O God, our help in ages past and our hope for years to come, we offer our words of thanksgiving for our Nation and the freedoms that are ours. Hear our words of thanksgiving for those men and women who gave their lives that this freedom is ours today.

Inspire this body to reach decisions based on truth, wisdom, compassion, and fairness for all. Bless each Senator with the ability to reach decisions reflecting our heritage as a "nation under God."

Bless our President and the decisions he reaches on behalf of our Nation. Watch over and care for those men and women in our military and bring them home safely. We offer this our prayer in God's Holy Name. Amen.

### PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore 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.

### RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

### SCHEDULE

Mr. FRIST. Mr. President, today the Senate will work toward completion of

our consideration of S. Con. Res. 95, the budget resolution. There are 14 hours remaining under the statutory time limit for debate. Under the Budget Act it is in order to yield back time, and that may occur at the managers' discretion over the course of this morning and early afternoon.

Once time is used or yielded back, we would expect to begin a series of rollcall votes which would include passage of the resolution. Again, the timing for that final vote will be determined by the number of amendments and how soon we get to the series of rollcall votes. I do want to encourage our colleagues that once we begin that series of rollcall votes, we do it in a very timely, orderly fashion.

We made very good progress on the resolution yesterday, conducting six rollcall votes and disposing of eight amendments. The chairman and ranking member are here today on the floor ready to work through the amendments to the resolution. Therefore, Senators should expect a very busy day, as we all know and have appropriately planned for a late evening to-night, with rollcall votes throughout.

### MEASURE PLACED ON THE CALENDAR—H.R. 1997

Mr. FRIST. Mr. President, I understand that there is a bill at the desk that is due for a second reading.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1997) to amend title 18, United States Code, and the Uniform Code of Military Justice to protect unborn children from assault and murder, and for other purposes.

Mr. FRIST. I object to further proceedings.

The PRESIDENT pro tempore. The bill will be set on the calendar.

Mr. FRIST. I yield the floor.

### RESERVATION OF LEADER TIME

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

### CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2005

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. Con Res. 95, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 95) setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009.

Pending:

Corzine amendment No. 2777, to eliminate tax breaks for those with incomes greater than \$1 million and reserve the savings to prevent future cuts in Social Security benefits.

The PRESIDENT pro tempore. The Senator from California.

Mrs. BOXER. Mr. President, I ask unanimous consent the pending amendment be laid aside.

The PRESIDENT pro tempore. Is there objection?

Mr. NICKLES. Mr. President, reserving the right to object, I have yet to have a chance to review the amendment of the Senator from California. I object at this point and I expect in the near future I will be happy to accommodate our friend. She can begin her debate and maybe that will help clarify the intention of her amendment.

Mrs. BOXER. Mr. President, I appreciate that. I am so sorry. I was sure Senator NICKLES had seen this amendment. I don't think there is anything surprising. It is essentially a jobs amendment, initiatives that have been introduced by other Senators. We packaged it in one package.

The PRESIDENT pro tempore. Does the Senator from California seek time from the manager on your side for proceeding?

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



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Mrs. BOXER. I ask Senator CONRAD if he wants me to take time by discussing Senator CORZINE's amendment and making other remarks or take time off the managers' time? Either way he wants it.

The PRESIDENT pro tempore. The Senator from North Dakota.

Mr. CONRAD. I thank the Chair. How much time would the Senator need?

Mrs. BOXER. I was hopeful, when I spoke last night, that I could have 20 to 30 minutes for the entire amendment. That would be fine for me.

Mr. CONRAD. Mr. Chairman, might we agree to a time on her amendment of 30 minutes equally divided?

Mrs. BOXER. No, no, 30 minutes on my side, or 20 minutes on my side.

Mr. CONRAD. Then 40 minutes equally divided? Is that what the Senator is seeking?

Mrs. BOXER. No, 20 minutes a side.

Mr. CONRAD. Yes, 40 minutes equally divided.

Mr. NICKLES. I still haven't reviewed the amendment. I will do this: I tell my colleague I am happy to enter into time agreements on a lot of amendments but I will state I want to see the amendments first. I know there is a whole package of amendments. I suggest we go under the assumption it will be that. I will grant you that in just a moment.

Mr. CONRAD. I yield 20 minutes to the Senator from California at this point, just for her side.

The PRESIDENT pro tempore. The Senator is recognized for 20 minutes.

Mrs. BOXER. I thank my colleague very much. I have been looking forward to offering this amendment. I hope at the appropriate moment in time I will be able to send it to the desk.

Mr. President, if you were to go out all over this country and ask most of our constituents from every State in the Union what is on their minds, they are going to say it is the economy; it is jobs; it is their security. In this particular budget we should do much more to ensure that jobs are created and that our families are protected. So what we do in this amendment, which we pay for, is a number of initiatives which will help us create and retain jobs in this great country.

First of all, I want to give my colleagues a sense of why this is so important. The amendment I am offering is cosponsored by Senators DASCHLE, SARBANES, CLINTON, SCHUMER, KENNEDY, KOHL, DURBIN, LEVIN and DODD. I see Senator KOHL is here. I am hopeful he will want to make a few comments as well.

Let me paint a picture of where we are. I think the best way to do it is just show a series of charts, that are very clear:

Private sector jobs decline: Three million jobs lost since January 2001.

We see the incredible graph that just shows, essentially, almost a straight line down. We did see in February we had a little increase of 21,000 jobs, as I understand it, in the public sector.

There is very little in the private sector.

Mr. NICKLES. Mr. President, will the Senator from California yield?

Mrs. BOXER. I will if I can reserve the remainder of my time.

Mr. NICKLES. Mr. President, we have entered into a time agreement where the total time consumed on the Boxer amendment will be 20 minutes equally divided.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2783

Mrs. BOXER. Mr. President, I ask unanimous consent to set aside the Corzine amendment and send my amendment to the desk.

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

The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. BOXER], for herself and Mr. DASCHLE, Mr. SARBANES, Mrs. CLINTON, Mr. SCHUMER, Mr. KENNEDY, Mr. KOHL, Mr. DURBIN, Mr. LEVIN, and Mr. DODD, proposes an amendment numbered 2783.

Mrs. BOXER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To create jobs, to discourage the shipping of jobs overseas, and provide adjustment assistance for dislocated workers, by changing the tax treatment of certain income from runaway plants and by reducing tax breaks for individuals with incomes in excess of one million dollars per year, without affecting middle-class taxpayers)

On page 3, line 9, increase the amount by \$8,000,000,000.

On page 3, line 10, increase the amount by \$8,000,000,000.

On page 3, line 11, increase the amount by \$8,000,000,000.

On page 3, line 17, increase the amount by \$8,000,000,000.

On page 3, line 18, increase the amount by \$8,000,000,000.

On page 3, line 19, increase the amount by \$8,000,000,000.

On page 4, line 20, increase the amount by \$8,000,000,000.

On page 4, line 21, increase the amount by \$8,000,000,000.

On page 4, line 22, increase the amount by \$8,000,000,000.

On page 5, line 3, decrease the amount by \$8,000,000,000.

On page 5, line 4, decrease the amount by \$16,000,000,000.

On page 5, line 5, decrease the amount by \$24,000,000,000.

On page 5, line 6, decrease the amount by \$24,000,000,000.

On page 5, line 7, decrease the amount by \$24,000,000,000.

On page 5, line 11, decrease the amount by \$8,000,000,000.

On page 5, line 12, decrease the amount by \$16,000,000,000.

On page 5, line 13, decrease the amount by \$24,000,000,000.

On page 5, line 14, decrease the amount by \$24,000,000,000.

On page 5, line 15, decrease the amount by \$24,000,000,000.

At the end of title II, insert the following:  
**SEC. . RESERVE FUND FOR JOB CREATION.**

The Chairman of the Committee on the Budget of the Senate shall revise the agree-

gates, functional totals, allocations, discretionary spending limits, and other appropriate levels and limits in this resolution by up to \$24,000,000,000 over the total of fiscal years 2005 through 2009 for a bill, joint resolution, motion, amendment, or conference report that would provide resources for job creation, discourage outsourcing of jobs, provide a tax credit for the creation of new manufacturing jobs in the United States, provide small businesses with a tax credit for health care coverage, restore funding to the Manufacturing Extension Program and to the Advanced Technology Partnership, increase spending on federal science research activities, prohibit the use of tax dollars to outsource non-defense and non-homeland security government contracts abroad, require employers to provide workers advance notice of any intention to move their jobs offshore, and expand Trade Adjustment Assistance to include service workers and improve access to affordable health care.

Mrs. BOXER. Mr. President, let me continue with the story that is not a very happy story about job loss. We have seen 3 million jobs lost in the last 3½ years. We see unemployment for 27 weeks or longer. We see that 1.9 million workers are unemployed for more than 6 months. We have statistics that say although the unemployment rate looks to be 5.6 percent, in reality it is over 9 percent if you factor in the people who have given up their search for jobs. We see the smallest share of the population at work since 1994, with 62.2 percent of the population unemployed. These are startling statistics.

Manufacturing jobs in America: From 1993 to 2000, 385,000 manufacturing jobs created; and from 2001 to 2003, 2,785 thousand jobs lost. That is 75,270 jobs lost per month. For my people in California, we have seen an enormous drop in manufacturing jobs.

I want to show my colleagues the context of this job loss if we look back to other administrations. This is the average number of jobs created or lost per month. Under Ronald Reagan, we had 165,000 jobs per month; under George H. Bush, we had 47,604 jobs created every month; under Bill Clinton, we had 236,625 jobs created per month; and under George W. Bush, 58,815 jobs per month on average lost.

By any standard, this is a unique time. We have a chance to do something about it with this budget resolution.

California jobs: From 1993 to 2000, under the Clinton administration, 25,644 jobs were created per month in my State of 35 million people. Under George W. Bush, 284,900 jobs lost. That is 7,913 jobs lost per month. Nearly 8,000 jobs are lost per month in my State. That is about 8,000 family members coming home to tell their families they are in big trouble. We ought to do something about it. The good news is we can do something about it with this amendment I offered.

I want to show one more chart.

President Bush promised a whole different story—promises, promises, wishful thinking on jobs. The Bush administration has consistently over-predicted job growth for 2002, 2003, and 2004.

Today, I read in the paper that the President is going to appoint a manufacturing jobs czar. He came to a decision about the individual he wants to appoint. We have learned that this particular individual built a plant in China. Whether he will continue with that nomination, I do not know, but clearly that sends a very mixed signal, to be polite about it.

Let me talk for a moment about the amendment I am offering to protect America's jobs.

How much time do I have remaining?

The PRESIDENT pro tempore. The Senator has 15 minutes 42 seconds.

Mrs. BOXER. Thank you.

Our amendment creates a \$24 billion job reserve fund for the following purposes:

The Manufacturing Extension Partnership Program, \$110 million cost; Advanced Technology Program, \$125 million cost; Federal science at \$1 billion cost; new manufacturing jobs tax credit at \$7 billion cost; small business health insurance tax credit at \$14 billion cost; stop jobs from moving overseas and end the runaway plant tax break, which saves \$2 billion; the Dodd amendment with no Federal funds for outsourcing, no cost; worker notification, which is Senator DASCHLE's amendment in relation to jobs moving overseas, no cost; and worker assistance and trade adjustment expansion for service workers and expanded health insurance, \$2 billion.

The way we pay for this amendment is the following: We end the runaway plant tax break, which brings in \$2 billion, and we reduce tax breaks for millionaires, which brings in another \$1 billion.

I want to spend just a moment explaining why I think that is fair. If you earn over \$1 million, under the Bush tax cut you are going to get a refund of about \$140,000 every single year.

Let me rephrase that. You are going to get a tax cut of \$127,000 every single year. We reduce that refund to \$85,000 for a very noble purpose. That purpose is to get America back to work and to help our middle-class families.

I think if you ask the average person in your State, just from what I can tell by looking at polls and talking to people, they will say even if they were in that millionaire category, we will have a stronger economy and more people working by not giving millionaires \$127,000 a year from their taxes.

We reduce it to \$85,000. Let us talk about that. They will now get back \$85,000. How much is that? That is 7.5 times the annual income of a minimum-wage worker, just in the millionaire tax cut. We are, in fact, cutting it to \$85,000, but that is 7.5 times the annual income of a minimum-wage worker. It is also two times the median household income. If you are a millionaire and get back \$85,000 a year instead of \$127,000, you are still getting back every year twice the median household income and 7.5 times the annual income of a minimum-wage worker.

I want to briefly tell you about each of these job creation plans.

Be providing a tax credit for creating new manufacturing jobs—this is a tax credit that goes to businesses that create jobs in manufacturing, originally sponsored by Senator JOHN KERRY—the manufacturing jobs tax credit gives the tax cut to companies that create a new factory job in 2004, 2005 and 2006. This is a good thing for business. It is a great thing for workers. It is a good way to deal with this issue.

We increase the funding for the Manufacturing Extension Partnership. It sets aside \$110 million of the reserve fund for the Manufacturing Extension Partnership Program. In 2003, this program helped create or retain 35,000 jobs.

The administration only asks for \$13 million in 2004, and it is requesting only \$39 million for 2005. They say they care about jobs, but they ought to do more, and \$110 million will create a lot more jobs.

For the Advanced Technology Program, this amendment sets aside \$140 million in the reserve fund. The administration proposes zeroing out this ATP program. The ATP helps companies get to market and grow, and that means jobs. Of the first 33 small companies to complete ATP programs, 60 percent doubled in size, and 4 grew more than 1,000 percent. The ATP program bridges the gap between the research lab and the marketplace. We need to see that go up to this \$140 million level. I might say, even with that, it is still less than we have spent in the past on the program. George Bush, in 2005, requests zero for this important program.

Then we have Federal research and development, which is so key, at the National Science Foundation. It falls \$1 billion short of what is called for in the bill we passed 5 years ago. It is very important. When President Bush says he increases Federal research by 5 percent, the problem for our Nation's researchers and research institutions is that increase is largely targeted for weapons development. However, we have other things we need to do which will create jobs, as well. That is the purpose of this amendment.

The health insurance tax credit for small business is clear. If business pays health insurance for its people, we think they ought to get a tax break. That is the kind of tax break we believe in on this side of the aisle because it is to encourage businesses to help employees with their health care.

We end tax subsidies to U.S. companies that send plants overseas. This is a Dorgan-Mikulski idea. This amendment includes language bringing to an end tax subsidies for employers that ship production of goods abroad. This part brings \$2 billion.

We prohibit Federal funds from being used for offshore jobs. This is Senator DODD's amendment that passed the Senate 70 to 26. When we give State and local governments Federal funds and when we decide to issue contracts, the jobs ought to stay here.

In my own State, the Defense Department wanted to buy rice for Iraq. Instead of buying it from California, which has the best rice in the world, they bought it from a foreign country. That is my farmers, taxpayer dollars, and all my people's dollars going into the war effort. We give a contract on rice to a foreign country when the sons and daughters of our farmers and our people are going to war. I don't get it.

This is an important amendment. We are improving the Trade Adjustment Assistance Program and extending it to service workers. That means help for people who are pushed out of a job because of trade agreements.

I will save some time for colleagues. How much time remains?

The PRESIDENT pro tempore. The Senator has 7 minutes 24 seconds.

Mrs. BOXER. I yield 4 minutes to Senator KOHL.

The PRESIDENT pro tempore. Senator KOHL is recognized for 4 minutes.

Mr. KOHL. I come to the Senate today as a cosponsor to the Boxer-Dodd amendment.

I thank my colleague from California for pulling together this package—and for including a provision I authored to restore the funding for the Manufacturing Extension Program, MEP. I hope my colleagues will join us in resounding, bipartisan vote for the amendment. It remedies a serious failing of the budget before us.

A budget worthy of the Senate's support should have vision. It should point the way to a better world for our workers, our families, and our communities. Senator BOXER's amendment has a vision for bringing good jobs back to our shores—and training a workforce able to fill and create such jobs. Without the Boxer amendment, the budget will remain a document whose only answer to the deterioration of the manufacturing job base is upper income tax cuts cloaked in discredited trickle-down economic theory.

I am particularly pleased that Senator BOXER's amendment provides the resources to increase funding for the Manufacturing Extension Program from the \$39.6 million suggested in the President's budget to \$100 million, fully funding the program for fiscal year 2005. I intended to offer this as a free-standing amendment, but in the interest of time, I will defer to my colleague from California. I commend her for allowing the Senate to go on record on this vital program.

Manufacturing makes up 25 percent of Wisconsin's economy—making Wisconsin the fourth largest manufacturing State in the Nation, tied with Michigan. While that statistic may conjure up images of huge businesses, in Wisconsin, 89 percent of our manufacturers have fewer than 100 employees. These small- and medium-sized firms are consistent forces for manufacturing job creation and are less likely than larger firms to outsource jobs. Smaller manufacturers pay good wages and contribute to the overall vitality of the local economy.

In Wisconsin, the unemployment rate dropped to 5 percent, but these figures hide the disappearance of the solid manufacturing jobs on which Wisconsin's prosperity once rested. In January, the number of factory jobs in Wisconsin fell to the lowest level in more than a decade—even as unemployment fell. Since 2000, we have lost one out of every seven manufacturing jobs—79,000 in total.

In Wisconsin, and across our Nation, MEP is one Federal program actively and effectively combating this deterioration of the manufacturing base. By helping small- and medium-sized manufacturers streamline production, integrate new technologies, and improve competitiveness, MEP has created or saved more than 35,000 manufacturing jobs nationwide during the last fiscal year. In Wisconsin, the program is supported—and used—by scores of manufacturers and the largest business association in my State: Wisconsin Manufacturers and Commerce.

I ask unanimous consent that a letter of support for the MEP from Jim Haney, President of Wisconsin Manufacturers and Commerce be printed in the RECORD.

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

WISCONSIN MANUFACTURERS  
& COMMERCE,  
Madison, WI, February 27, 2004.

Hon. HERB KOHL,  
U.S. Senate, Hart Senate Office Building,  
Washington, DC.

DEAR SENATOR KOHL: It was a pleasure to tour Berntsen International with you last week in Madison. This company is just one example of many WMEP success stories that I have personally witnessed in Wisconsin. I completely agree with you that MEP is one of the best government investments around, and it should be fully supported at the state and federal level.

Wisconsin Manufacturers and Commerce is an association representing 4,300 members. As the largest business association in Wisconsin, we are first and foremost concerned about the business climate in the state. Our primary priorities are to reduce the tax and regulatory burden on our businesses. But we also recognize where smart and appropriate investment of public dollars can produce results for business in the state.

We need to prioritize our economic development initiatives and judiciously place taxpayer dollars in those investments that provide the best return for our state and our country. There are many programs that should not make the cut. However, MEP is one government investment that ranks at the top when evaluated against criteria of national need, effectiveness and results. We should not shortchange or undercut this excellent program.

I understand the Senate Commerce, Justice, and State Appropriations Committee will be reviewing manufacturing support priorities with Secretary Evans this week. Please urge Secretary Evans to do what he can to restore MEP funding support to the FY03 level of \$106 million.

Feel free to call me at 608-258-3400 to talk more about MEP and its impact in Wisconsin.

Sincerely,

JAMES HANEY,  
President.

Mr. KOHL. Let me quote from that letter:

We need to prioritize our economic development initiatives and judiciously place taxpayer dollars in those investments that provide the best return for our state and our country. There are many programs that should not make the cut. However, MEP is one government investment that ranks at the top when evaluated against criteria of national need, effectiveness and results. We should not shortchange or undercut this excellent program.

I ask my colleagues, isn't MEP exactly the sort of program a budget with vision would support, a program, as Mr. Haney says, that brings real returns—jobs, economic growth, hope—from our scarce taxpayer dollar, a program that has received strong bipartisan support at the State and national level, a program that faces our challenges head on—and taps the innovation and work ethic of American businesses to solve them?

The Boxer amendment in so many ways adds vision to a budget that is blind when it comes to the trials of the American manufacturing sector. It adds courage to a budget frightened to acknowledge the serious jeopardy our economy faces. And it adds common sense to a budget that calls for short sighted cuts in programs, like MEP, that offer a tenfold return on taxpayer dollars.

I urge my colleagues to support the Boxer amendment. I urge the Senate to continue to work to amend this Budget resolution to turn it into the plan that our Nation needs and deserves.

The PRESIDENT pro tempore. The Senator from Arkansas is recognized for 2 minutes.

Mr. PRYOR. Mr. President, I wish to ask the Senator from California a question. I have been reading in the business magazines and the newspapers about the jobless recovery we are having and I wonder, if the Senator from California feels so passionately about creating jobs in this country, if she could give me a historical perspective about what we are talking in job creation in the last 3 years.

Mrs. BOXER. I thank the Senator for asking this question. I have never known that we have offered such a comprehensive jobs amendment on a budget resolution. These are not ordinary times.

My friend is right when he asked this question. If we go back over time to Herbert Hoover in the Depression years in the 1930s, that is the only time we have actually lost jobs. We have created jobs under Roosevelt, Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter, Reagan, George H.W. Bush, Clinton, and now we are down to this and we have seen 3 million jobs lost. We need a jobs amendment.

Mr. PRYOR. If the Senator will yield for another question, I notice in all the statistics, small business is the sector of the economy that creates jobs and R&D is critical for creating jobs; also, the area we are struggling in in this country is manufacturing jobs.

Again, the Senator from California is so passionate on this issue. I would like to hear the Senator's perspective and how this amendment will help those sectors.

Mrs. BOXER. Clearly, we give tax breaks in this amendment to small businesses that pay or help pay for their employees' health benefits.

When we talk to people, they are scared about the cost of health insurance. They are frightened. They are frightened that the costs are going up, that they may lose it, not to mention their entanglements with HMOs that want to walk away.

We say to employers, employees, we will help if, in fact, you pay for your employees' health care, or at least part of it.

We also give a manufacturing jobs tax credit. And this is Senator KERRY's idea.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator's time has expired.

Mrs. BOXER. Madam President, do I have a remaining minute on my time?

The PRESIDING OFFICER. All the time has been used.

Mr. CONRAD. Madam President, I yield an additional 20 minutes off the resolution to the Senator from California.

Mrs. BOXER. I thank my friend.

The PRESIDING OFFICER. The Senator is recognized for 20 minutes.

Mrs. BOXER. So I say to my friend from Arkansas—because I would like to continue this give-and-take—what we are seeing is a devastating change in what has been known as economic progress in America—a devastating change—something we have not seen since Herbert Hoover. This is serious business.

For our small businesses that are creating whatever jobs are being created—although we still are not seeing a net increase in those jobs—we need them to get help. So in this amendment not only do we suggest a reserve fund to help our workers, but we suggest tax credits and tax breaks to our businesses that create manufacturing jobs. For every job they create, they get a tax credit, and also for those businesses that pay for health care for workers.

So I think the question was right on the mark.

I would be glad if my friend has any other questions.

Mr. PRYOR. Madam President, will the Senator would yield for another question?

Mrs. BOXER. I am happy to yield.

Mr. PRYOR. So it seems you are providing tax relief for companies that are trying to, in effect, stimulate the economy and trying to create jobs in this country. Again, as I understand economic principles and the reality of this economy, it is small businesses that create jobs in this country. With all due respect to the top 500 or 1,000 companies—we love to have them, and I am proud of what they do—it is the small

businesses, when you are talking about the bread-and-butter job creation, that do that.

I know the Senator's amendment would help small businesses considerably, not just in the manufacturing sector but in other areas.

I would just like you to comment on that.

Mrs. BOXER. Absolutely.

This health care tax credit is very important as well.

In my State, my small businesses that do the right thing by their employees are being hurt. We ought to recognize if you do the right thing, you ought to get rewarded for it. So that is why we do this.

I say to my friend, he is right; this jobs amendment helps workers and helps businesses. It is a balanced approach.

Here is how we encourage the creation of American jobs: We provide tax credits to companies that create new jobs. We provide tax credits to help small businesses pay for health insurance. We expand funding to the Manufacturing Extension Partnership and the Advanced Technology Program, which really helps small businesses in an enormous way. What we do with these programs is we help them go from the research part of things to the marketing part of things. It has been a huge success.

Unfortunately, the President has zeroed out the ATP. I cannot understand it. This is something our businesspeople really want.

Also, as to basic scientific research, we see it in the budget, but it is mostly for defense weapons programs. We do not have it on the civilian side.

Again, coming from a State—I am sure your State has them, as well—with very entrepreneurial people, who really can take off from scientific research, it is very important.

I say to my friend, we pay for this. We pay for this by ending—this is Senator DORGAN's idea—we end the tax break for companies that move offshore. Oh, yes, they are creating jobs, but they are creating jobs offshore. And we pay for it by saying to the millionaires—people who make over \$1 million a year—we are saying to those folks: Instead of getting \$127,000 a year back, can you take \$85,000 a year back? That is still 7.5 times more than a worker at the minimum wage.

So this is a golden moment for this Senate to come together across party lines on behalf of our small businesses, on behalf of our workers, and create jobs.

I have already shown my colleague the historic proportions of this moment in history in which we find ourselves: the worst record since Herbert Hoover, the only Presidency since Herbert Hoover not to create jobs. This is an extraordinary moment. We need to take a moment to realize if a millionaire gets back \$85,000 instead of \$127,000, that is not a great sacrifice to make for putting people to work, for giving a lift to small business.

Mr. PRYOR. Madam President, I just have one more observation to make, and I will be glad to yield the floor. It seems to me our economy is changing. As a Congress, we need to recognize that, we need to understand that, and try to harness that change in a positive way for our economy.

One area our economy has changed quite a bit in the last several years is we have gone more and more to a service-oriented economy rather than just purely a manufacturing economy. Back in the 1960s, the Congress passed something called Trade Adjustment Assistance. What it did is it provided sort of a package of various programs for workers who had been dislocated—who had been downsized, in today's vernacular.

What I think we ought to do, and what this amendment does—and I think it is very smart to do this and move in that direction—is it gives workers in the service industries those same TAA benefits.

The reason I think that is important is because a much larger percentage of our economy is now based on the service industries, and what we are seeing is the trend that those service jobs are moving offshore. We have heard about call centers and other things going offshore. That is exactly what we are seeing.

So, here again, the Boxer amendment acknowledges the economic reality today and tries to help people who need help most.

Mrs. BOXER. Madam President, I thank my friend because he is exactly right. This outsourcing is a very tough issue. I say to my friend, before he goes to his committee hearing, I met a young man in California who had an excellent job as a computer program manager. He is a newlywed and very excited about his life. He finds out he is being fired, not because he is not a good employee—he is a great employee, terrific—but because his job is being outsourced to another country. And the person over there is going to get a quarter of what he makes. Now, here is the real kicker. He is told he has to train his replacement.

I have to say, this is what is happening all over America. If we cannot take a stand in this budget which reflects all of our priorities as a nation, if we cannot take a stand for America's workers and America's small businesses, I do not know why we are here. What are we here for?

I ask my friend again to look at this chart which shows that the smallest share of the population is at work since 1994. This is not a good chart when you translate it into real lives of real people—and we know the stories in our States: a mother wakes up worried because her company says it no longer will pay health care—that is why we give a health care tax credit in this amendment—a gentleman, as I described, is told by his boss: You are losing your job. It is being outsourced, and you have to train your replace-

ment. This is what is happening in America.

I know some colleagues are here who would like to be heard on this amendment, which I am very pleased about.

Madam President, I ask unanimous consent to have printed in the RECORD this Washington Post article from today: "Bush Choice for Manufacturing Post in Question."

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

[From the Washington Post, Mar. 11, 2004]

BUSH CHOICE FOR MANUFACTURING POST IN QUESTION

(By Mike Allen and Jonathan Weissman)

Six months after promising to create an office to help the nation's struggling manufacturers, President Bush settled on someone to head it, but the nomination was being reconsidered last night after Democrats revealed that his candidate had opened a factory in China.

Several officials said the nomination may be scrapped because of the political risk but said that had not been decided. Bush's opponent, Sen. John F. Kerry (D-Mass.), has made job losses his chief point of attack, and some administration officials feared the nomination could hand him fresh ammunition.

In late afternoon, the administration announced that the new assistant secretary of commerce for manufacturing and services would be named at a ceremony this morning. Industry officials were told that the job would go to Anthony F. Raimondo, chairman and chief executive of a Nebraska company that makes metal buildings and grain silos.

But Kerry's campaign, tipped off about the impending nomination several hours earlier, hastened to distribute news reports that Raimondo's firm, Behlen Manufacturing Co. of Columbus, Neb., had laid off 75 U.S. workers in 2002, four months after announcing plans for a \$3 million factory in northwest Beijing.

Bush aides said Behlen, founded in 1936, has four U.S. plants employing 1,000 people and a 150,000-square-foot plant in China employing 180.

A senior administration official, who refused to be named because Raimondo has not been nominated, said Behlen has exported products to China since 1984 but was losing market share to other U.S. firms. The official said that half the equipment used to build the factory was made in the United States.

"This is not a case of making goods more cheaply in China to sell back in the U.S.," the official said.

Democrats contended, however, that Raimondo's record helps illustrate why the nation has lost 2.2 million jobs, most of them in factories, during the Bush presidency. The layoffs have been concentrated in such swing states as Pennsylvania, Michigan and Ohio.

Seventy-five minutes after the administration announced a news conference with Commerce Secretary Donald L. Evans to name the official, an advisory went out saying the event had been "postponed due to scheduling conflicts."

By last night, three senior administration officials said Raimondo's nomination might be scuttled but said they did not know for sure. Bush announced the new office with fanfare on Labor Day, and Democrats had been saying for weeks that the long delay in naming the new assistant secretary reflected the low priority that Bush puts on preserving jobs.

An aide close to Bush said last night the uncertainty about the nomination had

"nothing to do with Senator Kerry or his baseless charges." This aide, who thought the nomination would go forward, said the delay "more has to do with congressional notification issues and things like that than it does anything else."

The congressional issues concerned one of the senators from Raimondo's home state, Sen. Chuck Hagel (R). An aide said last night that Hagel had no comment.

Bush's White House prides itself on orderliness but has been on the defensive on economic issues. Last month, the White House had to disavow its own estimate that 2.6 million jobs would be created this year. The same economic report, issued under Bush's signature, touted the economic efficiencies of sending certain types of U.S. work overseas.

Business groups praised plans for the new position, which quickly became known among industry officials as a "manufacturing czar."

Raimondo, who is chairman of the Omaha Branch Board of the Kansas City Federal Reserve Board, contributed the maximum of \$2,000 toward Bush's reelection in June, a month after the campaign opened for business.

Raimondo is a longtime board member of the National Association of Manufacturers. Michael E. Baroody, the group's executive vice president, called Raimondo "a class act who understands manufacturing and understands public policy."

When Bush announced the new position Sept. 1, he noted that the nation had "lost thousands of jobs in manufacturing . . . some of it because production moved overseas." He made the announcement in Ohio, which last year suffered the second-worst job losses of any state, mostly in manufacturing.

Mrs. BOXER. Madam President, I will only read the first paragraph, and then I would like to yield 5 minutes to my friend from New Jersey, Senator CORZINE.

Here is what it says:

Six months after promising to create an office to help the nation's struggling manufacturers, President Bush settled on someone to head it, but the nomination was being reconsidered last night after Democrats revealed that this candidate had opened a factory in China.

Now, I ask you, what signal are we sending to the workers of America, to the businesses of America, when the President's No. 1 choice for manufacturing czar has opened a business in China?

So if you put together this fact with this fact, with the chart I showed you that illustrates the worst problem in job creation since Herbert Hoover, we have an explosive situation on our hands. The vote on this amendment should not be about parties; it should be about our people, whether they are in Alaska, Wyoming, New Jersey, Michigan, or California.

I yield 5 minutes to the Senator from New Jersey and ask, after yielding that time, how much time would be remaining on my side?

The PRESIDING OFFICER. The Senator would have 4½ minutes on her side.

Mrs. BOXER. I yield Senator CORZINE 3 minutes and Senator STABENOW 4 minutes.

Mr. CONRAD. Madam President, I say to the Senator from California, I

would be happy to yield time off the resolution to the Senator from Michigan so it would not come out of her time.

Mrs. BOXER. Excellent. So how much time will the Senator yield off the resolution?

Mr. CONRAD. I could yield 10 minutes off the resolution to the Senator from Michigan. How much time does the Senator from New Jersey seek?

Mr. CORZINE. I would use 3 to 5 minutes.

Mr. CONRAD. I am happy to yield 5 minutes off the resolution to the Senator from New Jersey.

Mrs. BOXER. I thank the Senator.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CORZINE. Madam President, I thank the Senator from California for both raising the issue and addressing it with resources through this budget resolution. There is hardly an issue in America that is more important than that which has been very ably demonstrated by the series of charts the Senator from California has provided.

We have before us the worst record of job creation in the last 70 years. It is one that is not getting better anytime. The only observation I will add to the presentation of the Senator from California is that not only are we losing jobs, but when we lose those jobs it makes the competitive market for wages and real income for Americans go down.

The reality is for those people who lose their jobs—and there have been roughly 3 million in the private sector—their likelihood of retaining another job that pays the same as the one they have lost or the benefits they had in the job they have lost is virtually nil. You see about 75 or 80 percent of the equivalency of the compensation for individuals who lose their jobs.

The problem is, we are putting more people on the job market. The normal economics of supply and demand are undermining the real wages of the people who remain in the workforce. So not only are we getting more unemployed and fewer people working in the overall workforce, but we are seeing a reduction in real wages in the economy.

This is an extraordinarily negative cycle that is being set up. It is absolutely important that we reverse it. That is why this amendment is so important. It will encourage the creation of American jobs in a way that begins creating greater demand which is going to raise the wage of what we pay for the jobs we have.

Certainly, we need to stop this mad rush of sending jobs overseas which is undermining also not only the number of jobs in America but, as I say, is lowering the real cost of real wages, which is undermining the quality of life for everyone, not only the people who are unemployed but those who are working.

This is a dangerous phenomenon. The Senator from California has absolutely

focused on the right thing, making sure we are using our tax system to generate jobs. It is one of those issues that is going to resonate most strongly with the American people in 2004 because it matters in people's lives more than anything else.

We have the worst job creation record in 75 years. Contrast that with what went on in the previous 8 years up through 2000, where we created 22.5 million jobs with an entirely different tax structure. We were focused on making sure we were increasing the real wages, increasing the earning power of Americans. We did it by increasing the demand.

The Senator from California has focused on just the right issue. Frankly, as the chart now before us illustrates, in job creation not only for the 1990s but all the way back through President Bush 1 and President Reagan as well, there was a serious effort to try to create jobs. We have a series of economic policies right now that are undermining not only job creation but the real wages of American workers. It is time we all take steps to try to correct that.

Mrs. BOXER. Will the Senator yield for a question before his time expires?

Mr. CORZINE. Certainly.

Mrs. BOXER. When my friend goes home to New Jersey and talks to people, does he find what I find; that people are anxious, they are insecure, they are concerned about retaining their job, retaining a good job, retaining health benefits? What I find is, even if people have good jobs, they are fearful of the cost of health insurance.

As the Senator knows, in our Democratic jobs alternative, we give a tax credit to businesses that pay for all or part of health insurance. I wondered if my friend has that same sense when he goes to talk to his people at home?

The PRESIDING OFFICER. The Senator from New Jersey has used 5 minutes.

Mrs. BOXER. I ask my friend if he will yield an additional minute to the Senator.

Mr. CONRAD. I yield an additional 3 minutes to the Senator from New Jersey off the resolution.

Mr. CORZINE. I appreciate the opportunity to respond.

First, a week ago Friday in New Jersey, we closed our next to last oil production facility. At the end of 2005, an industry that used to have several hundred thousand workers in New Jersey, as recently as 10 years ago, will have zero autoworkers now. We closed a Ford plant a week ago Friday. At the end of 2005, our final auto production facility for GM will close.

We have seen the shrinkage of workers in the telecommunications industry, Lucent, and AT&T, which have been truly remarkable. Over 100,000 telecommunications jobs have been lost over the last 4 years. It is incredible the tension and the anxiety that people feel about both their ability to work and to care for their families. But

then to think about the responsibility of health care and their retirement security is overwhelmingly a part of the concerns that middle-class Americans have. The kind of proposal the Senator from California is putting forth addresses those real concerns. I reemphasize, it is not only the people who lose their jobs; it is the people who live next door to those folks who see their real wages being depleted to low levels. We are undermining the economic health and well-being of the Nation.

Mrs. BOXER. If the Senator will yield, he is so right. Consumer confidence is almost everything in our economy, which is a consumer-based economy.

I took economics, so I have an economics background from my college years. But my friend practiced economics and did very well at it. What he says is so important. If your next-door neighbor is suffering because of a loss of jobs or downward pressure on job income, it has a contagious impact. A lot of this lack of consumer confidence is what we are seeing today.

I wish to ask my friend another question that has to do with the fact we paid for this amendment. We paid for this in two ways. First, we eliminate the tax loophole for companies that send their jobs overseas. That brings in \$2 billion to pay for this reserve fund for jobs. We also say to millionaires, we know you are going to get back \$127,000—and people who earn more than that will get exponentially more—so instead of getting back \$127,000, you get \$85,000. That difference is more than a minimum-wage worker's salary for an entire year.

As my friend looks as his people in New Jersey and knows the median income level there, do you think this is a fair thing we do here, ask everybody to sacrifice?

To reiterate, we are saying to the millionaires of this country, we are proud of you, that you got the American dream; and you worked for it—most of them did, not all of them. Can't you make that sacrifice so we can put people to work and turn around these numbers?

Look at this chart. We talked about this before, going back to Ronald Reagan. We haven't seen this kind of deal since Herbert Hoover. Looking at New Jersey and the people making over \$1 million who would be impacted, does my friend not believe we pay for this in a fair way?

Mr. CORZINE. I think the Senator from California is talking straight common sense. I think even those who are doing very well in our society can understand it.

First, the millionaires you are talking about are two-tenths of 1 percent of the total amount of the taxpayers who would be impacted—two-tenths of 1 percent. What the Senator is talking about is moving marginal tax rates back to the level where they were during the nineties, at a time when 22.5 million jobs were created.

Think about it. Moving it back on two-tenths of 1 percent of the population, to a point in time when economic growth was the highest and the most sustained we had in the 20th century, the most expansionary period we had in the 20th century.

What we are trying to do is turn around the economic performance of the Nation so all will benefit as the performance of our economy spreads out. I think it is fair. It is smart because it actually has been exhibited by history that these kinds of rate structures are not inhibiting to the economy; they were a part of the economy at the most successful period in the 20th century.

Mrs. BOXER. I have one more question and that is it. First, I ask unanimous consent that Senators MIKULSKI and DORGAN be added as cosponsors of the amendment.

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

Mr. CORZINE. Will the Senator make the Senator from New Jersey a cosponsor?

Mrs. BOXER. I ask for that as well. When we look at the promises made and the reality, I would like my friend—

The PRESIDING OFFICER. The initial time has expired.

Mrs. BOXER. I will wait on that. I thank my friend from New Jersey.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Ms. STABENOW. Madam President, I rise to speak in strong support of this amendment. I am pleased to be a cosponsor. I, first, thank my friend from California for her ongoing leadership, her eloquence, her understanding of these issues, and also my friend from New Jersey, who speaks with such common sense about what this is all about.

There are several pieces to this amendment that are critical for my State. Frankly, there is nothing more important right now in Michigan than creating a level playing field for our businesses and our workers, helping them to lower the cost of their health care, helping and supporting those efforts to invest in innovation and education, and the ability to move forward with increased skills and productivity and compete in the world economy.

I am very pleased that in this amendment is the type of manufacturing tax credit I first introduced last fall and have been working with the Finance Committee on to make sure we are rewarding those who are creating manufacturing jobs in the United States of America. We need to make sure they have a lower tax rate, and we need to make sure our tax system does not encourage those who wish to take our jobs and export them. We want to export products, not our jobs. That is what this amendment does. It allows us to focus on those things that create jobs in America, good-paying jobs, that focus on work, not wealth, in our country.

It is very common sense to say, rather than another tax cut for the privileged few, we want to invest in jobs and strong businesses in America for everyone. That is what this amendment is all about.

In speaking about this, I want to, once again, raise concern that after 6 months of the President talking about putting someone in the Department of Commerce to focus specifically on manufacturing, we have yet to see that person appointed.

My deep concern is that I read in the paper today the person now being considered, after we have been encouraging this month after month, is someone who actually has—I don't know this gentleman and this is certainly not a personal attack. I certainly don't know him, but I do know of my concern that his company, Behlen Manufacturing, of Columbus, NE, laid off 75 workers in 2002, 4 months after announcing plans for a \$3 million factory in northwest Beijing. As Yogi Berra said: It's *deja vu* all over again.

This is the kind of headline we get every day now in my State. I don't want somebody heading up the manufacturing effort who is doing that. I want to see someone who has made a commitment to America and American jobs and to help American businesses stay here and be productive. That means fighting for a level playing field on trade policy, currency manipulation, and tackling health care issues. It also means focusing on those issues that help our companies be more competitive, more efficient.

Two of those programs, which I have been deeply involved in now for over 7 years, in the House and now in the Senate, are the Manufacturing Extension Partnership and the Advanced Technology Program.

Mrs. BOXER. Will my friend yield for a moment?

Ms. STABENOW. Yes.

Mrs. BOXER. She was right on target about this manufacturing czar, this potential nominee, who may be a very lovely gentleman; nonetheless, what a poor choice. We should be rewarding people and companies that create jobs for the American people.

You know, I wish the world well. I want Iraq to have democracy and the Haitians to have democracy. I want the people of Afghanistan to thrive. Lord knows, we spend enough money there to help them. What about people at home? Isn't that our first responsibility?

I am telling you, when I have to hear stories from constituents who say, Not only was I laid off and my job is going to be outsourced to a foreign country but I have to train my replacement—I say somebody may call that outsourcing; I call it painful. I call it wrong.

Mr. ENSIGN. Madam President, regular order.

Mrs. BOXER. My friend from Nevada wants me to get to the question and I will.

When this gentleman moves his jobs to China, does he not get a tax advantage? And are we not closing that loophole—it is the Dorgan idea—and does my friend support that, as well as the other items on this list?

Ms. STABENOW. Absolutely. This is an issue we have to address. We have to make sure our tax policy rewards those who create jobs here.

As the Senator from California was speaking about individuals, I would like to share for the record two of literally hundreds of letters I have received from people in Michigan speaking about their personal situation. This is not economic theory. These are real-life experiences of businesses and individuals in Michigan who are desperately impacted right now by our unwillingness to have policies that are good for American businesses and jobs at home.

One example: A Michigan resident from Union City, MI, writes:

My wife and I own a small machine shop in Union City, MI. At one time, we had seven employees. Now my wife, my son, and myself are all that's left. Most of the time we don't even have enough work for ourselves. I watched as many of my friends and competitors have gone out of business and just closed their doors or filed for bankruptcy. While we fight the war on terrorism, if we are not careful, we will lose a much bigger war to the rest of the world without firing a shot.

This economic war, this need to fight for a level playing field for our businesses and workers, is every bit as serious to our quality of life as what is happening abroad.

One other part of a letter I will share, and this is from a resident in Clyde, MI:

My husband, a 25-year mechanical engineer, designer of automotive special machines, has been laid off seven months. The company he worked for was bought by Fiat and within two years, began outsourcing the engineering to countries such as Bosnia where engineers will work for \$6 hourly. Our workers can't compete with that obviously. The engineering department is now closed completely, everything outsourced. He is 55, laid off 2½ weeks short of his retirement vesting at 100 percent, can't draw social security and has been unable to find work. The market is flooded with engineers because outsourcing is happening all over . . . .

If we want to maintain the quality of our environment and keep our families fed, we need legislation to address the inequities in manufacturing standards globally, balancing tariffs, something. Our workers can't compete with the salaries outsourcing provides from other countries . . . .

And maintain our standard of living. I hear this story every single day in my State.

Before my time is up, I wish to address a couple of very important provisions from which Michigan has greatly benefited, in addition to the issues on tax policy and health care, and the other provisions.

The Advanced Technology Program is exactly the kind of program we ought to be doing in this country and we have been doing, although we have been fighting to keep it going. Now the

President this year has zero in his budget for this program, even though we hear from the administration rather than tackling issues such as smart trade policies and currency manipulation, they say we should focus on education and innovation. Great. But when we have the innovative programs, such as ATP, they have zero in the budget to fund them.

What does this do? It allows industries, such as the automotive industry, to come together and partner with our universities on programs and research projects that allow them to be more competitive. It allows them to do activities such that got a headline yesterday in the Detroit Free Press:

Detroit-based automakers can take pride in a report on the latest issue of influential and assiduously objective Consumer Reports magazine that they have surpassed the Europeans in vehicle reliability.

I know some of the ways they do that have been to come together in projects funded by the ATP to allow them to create greater reliability, greater efficiencies, to compete in the world economy.

The Boxer amendment makes sure we continue this important partnership. It is partly funded by the Federal Government and partly funded by the businesses. It is critical.

Madam President, I ask for an additional 5 minutes from my esteemed colleague on the Budget Committee.

Mr. CONRAD. Madam President, I am happy to yield an additional 5 minutes to the Senator from Michigan off the resolution.

Ms. STABENOW. I thank the Senator from North Dakota.

In Michigan, 154 different businesses have been involved with 68 completed and ongoing partnerships. They are joint ventures as well as single business applicants. These are exactly what we hear from the administration we ought to be doing: partnerships, public-private sector, working with the universities, small investment, big results.

The other important part of this amendment that relates to moving forward and being positive is the manufacturing extension partnership. It is interesting; some of us have been involved with agriculture and cooperative extension. This program is based on that model of bringing together the best management practices, cutting-edge information, and working with manufacturers to increase productivity and efficiency to compete in a global economy. A very small amount of dollars is involved in this particular program, and it yields tremendous results.

In Michigan, the Manufacturing Extension Partnership funding is credited with more than \$80 million in sales impact, more than \$32 million in cost reductions, and through the regional offices they have assisted over 250 companies in my State alone in achieving certification to industry quality standards. This is important. It helps our small and medium-size manufacturers.

It has had, in the past, strong bipartisan support. I was deeply dis-

appointed in the Budget Committee when I offered an amendment to restore funding for MEP and ATP, and we did not have bipartisan support. It was a party-line vote. We certainly can correct that today because I know in the past there has been good bipartisan support for this amendment.

I simply say to my colleagues this amendment gives us an opportunity in a very broad sense to focus on what is the most critical issue facing our families and our businesses today, and that is the ability to compete in a global economy in a way that keeps jobs and our standard of living in the United States.

There is not a business I talk with that does not say: Give us a level playing field and we will do the rest. We know if, in fact, we have the right kind of policies and the right kind of investments, we can do that.

This budget is all about choices. It always is. We are asking for a small change rather than investing, once again, in the success of those privileged few who have been getting tax cuts and are set to get the most tax cuts right on down the line; that we take a portion of that and invest it back in the health of our U.S. economy and the strength of the economy for the future and in the quality of life of every American, and in those policies that will allow us to have the strongest possible businesses, the best workers, and the most successful workers in the world, because the Boxer amendment gives us the ability to do what we need to do to put us on the right track for the future and to continue the quality of life we all want for our families.

I strongly support the Boxer amendment. I thank my colleague from North Dakota for yielding me time. I am very hopeful we will see a strong bipartisan vote.

Mr. BAUCUS. Madam President, I am going to have to oppose this amendment offered by the Senator from California, Mrs. BOXER, and I would like to take a moment to explain why.

The spending proposed by the amendment is for a good purpose. We can and should find ways to fund this important goal.

But I do not believe that we need to roll back tax relief that Congress enacted in 2001 to fund this amendment. I supported those 2001 tax cuts. Congress enacted them in a time of massive surpluses. Returning some of those surpluses to the taxpayer was the right thing to do.

We can find other offsets to pay for the spending in this amendment. Offsets such as the closing of corporate tax shelters currently pending in the JOBS bill come readily to mind. Before we start rolling back the tax relief that we enacted in 2001, we should ensure that we have taken all reasonable steps to obtain revenues through closing down abusive tax shelters.

And so, I shall reluctantly oppose this amendment, as I did the amendment offered by the Democratic leader,



Mr. DASCHLE, the day before yesterday increasing veterans' funding—and for the same reason.

I shall look forward to working with my colleagues to find other offsets for their amendments—offsets that as much as possible avoid rolling back the tax relief that we enacted in 2001.

Mr. ROCKEFELLER. Mr. President, I rise in support of the amendment offered by my colleague from California. I urge all Senators to side with working Americans and vote for this amendment.

There has been considerable media attention recently to the dire employment situation in America, but this problem is so acute that I think it bears repeating. Eight million Americans are currently looking for work. Of these, nearly 2 million workers have already been unemployed for more than 6 months.

The Labor Department told us last week that almost 400,000 Americans are not even counted by the unemployment statistics because they have simply given up and left the workforce. In the last 3 years, the Nation has lost 2.5 million jobs—2.5 million.

This situation demands a response from the Nation's leaders that will actually help create jobs. Unfortunately, the Bush administration is failing this test. Instead of appreciating the crisis facing those who have lost their jobs, this administration presses ahead with failed economic policies.

The President continues to call for additional tax cuts tilted toward the wealthiest Americans. He opposes extending unemployment benefits to help families weather the difficult economy. And recently, his administration actually endorsed the shipment of jobs overseas. The budget resolution before us today makes the mistake of affirming the President's failed policies.

The amendment offered by Senator BOXER offers a starkly different direction. Her amendment includes a series of provisions that will respond to the employment crisis facing America by helping American companies stay here and add jobs.

First, this amendment creates a temporary tax break for businesses that create jobs. In order to help employers feel more confident in adding new workers to their payroll, this amendment would reduce the cost of hiring during this uncertain time.

In addition, the amendment would require the Federal Government, whenever possible, to hire American workers when spending taxpayers dollars. This is the least that we owe workers who are struggling to pay their taxes as they worry that their jobs will be shipped overseas.

The amendment also ensures that our Tax Code does not provide incentives for companies to move their factories to other countries. American businesses should not be allowed to avoid taxation on income from production that it moves overseas only to ship the goods back to the U.S. The

amendment before us would eliminate this perverse incentive in our Tax Code.

In cases where corporate executives have determined that it is in the best interests of their companies to ship jobs overseas, this amendment requires that the companies show some respect for their workers and communities by providing sufficient notice before pulling up their stakes.

The amendment also calls for increased investment in programs that we know help our small- and medium-sized manufacturing companies benefit from new science and technological developments. Both the Manufacturing Extension Partnership and the Advanced Technology Program help our manufacturing companies globally. This amendment calls for adequate funding for these important programs.

These are just a few of the important provisions of this amendment. The message that this amendment sends is very simple: Congress understands that Americans need good jobs and we are prepared to support policies that will help create and maintain these jobs.

In my own State of West Virginia, hard-working people expect Congress to understand how devastating it is when factories close their doors and ship the jobs overseas. Since President Bush came to office, West Virginia has lost nearly 10,000 good manufacturing jobs.

Manufacturing jobs have traditionally provided a path to the middle class. They offer good wages, health care benefits, and pension plans. Having worked for years to bring new jobs to my State, I know how important it is to have public policies that will support job creation and protect American workers. That is what this amendment would do, and I urge my colleagues to support it.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, I yield myself such time as I may consume off the resolution.

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

Mr. CONRAD. Madam President, I thank the Senator from California for this very important amendment. It is becoming increasingly clear jobs are very much an endangered species in this economy. It is the No. 1 subject. When I go home and go from town to town, the No. 1 subject is economic opportunities, jobs, economic growth, and a deepening concern that we are not seeing the kind of economic growth and job opportunities all of us would like.

We saw yesterday in the very steep selloff in the stock market an increasing concern that economic growth is already stalling out.

We have seen in the jobs reports that job growth is badly lagging behind what all of us would like to see, and badly lagging behind what we have seen in other recessions.

On March 9 in the New York Times, Paul Krugman, the noted economist,

had this headlined article: "Promises, Promises." The subheadline was "Wishful Thinking on Jobs." He went back and looked at the job history from 1999 to 2004 and then looked at the forecasts of the administration. He pointed out that back in 2002, the administration said by this time, or January of 2005, we would have 138 million jobs. Obviously we do not have 138 million jobs. We are at 130 million jobs now.

Then in 2003 they refined that estimate and lowered it substantially and said, Well, no, we will not have 138 million jobs; we will have 135 million jobs. Now this year they revised the estimate again and said, Whoops, we were wrong again. We are not going to have 135 million jobs; we are going to have 132.7 million jobs. As of the end of February, we are nowhere close to that. We are at 130.2 million jobs.

I will go to this chart that shows what has happened in every recession since World War II. In every one of these recessions, we have seen on average, 17 months after the business cycle peaked, the job recovery really took off. That has been the pattern of the nine recessions since World War II.

Let's compare it to what is happening this time. That is the black line. Here we are 36 months since the business cycle peaked and we still see almost no jobs recovery. Something is wrong and it is seriously wrong. We are now 5.4 million jobs short of the typical recovery going all the way back to World War II. Look at nine previous recessions. In those other recessions, the job market was soaring by this time. Not now. Something is wrong.

Even when the administration dramatically altered and lowered their projection of jobs by January of next year, they still said there would be 2.6 million more jobs by the end of 2004 than 2003. If that forecast is to come true, they will have to generate 520,000 jobs a month between now and the end of the year. The most recent month was not 520,000 jobs; it was not 420,000 jobs; it was not 120,000 jobs; it was 21,000 jobs and every one of them was a Government job. There was no growth in the private sector. Something is wrong.

Mr. SARBANES. Will the Senator yield for a question?

Mr. CONRAD. I would be happy to yield.

Mr. SARBANES. The quote stating that they expected 2.6 million more jobs, was that by the Chairman of the Council of Economic Advisers?

Mr. CONRAD. That was Mr. Mankiw, the Chairman of the Council of Economic Advisers.

Mr. SARBANES. Is that the same administration official, high economic official, who told us in the annual report, the one President Bush signed off on, that outsourcing jobs was a good thing for America?

Mr. CONRAD. He did say that. It is a rather remarkable statement. He thought it was good for the country that jobs were outsourced overseas.

Mr. SARBANES. Yes.

Mr. CONRAD. I think he has regretted that remark, but that is what he said. He is the Chairman of the Council of Economic Advisers to the President. He is the same person who said there were going to be 2.6 million more jobs in 2004 than the jobs we saw in 2003. We can see that to achieve that goal, they would have to be generating 520,000 jobs a month. In February, they had 21,000, and not a single one of them in the private sector.

If we think about it, the President says his tax policies are working. If his tax policies were working, the jobs that would be generated would not be in the Government. The Government jobs are not developed by his tax plan. One would expect he would be generating jobs in the private sector, and yet if we look at February there were no new jobs in the private sector. The only new jobs that were created were Government jobs, and it was only 21,000.

By the way, they would have to add 128,000 jobs a month just to keep pace with the new people coming into the job market, just to stay even. In February there were only 21,000 new jobs, and none of them in the private sector—all of them in Government. As I say, that is 500,000 jobs short of the necessary number of new jobs that would have to be generated to meet the President's chief economic adviser's forecast.

Mrs. BOXER. Will my friend yield for a quick question before my colleague continues? I find this give-and-take very helpful.

I read an economic report that said although the jobless rate is officially at 5.6 percent, if one factors in the people who have given up, it is well over 9 percent. I wonder if my friend could comment on that, because he talked about how important it is to just keep up with the people who are coming in. What about the people who have given up?

Mr. CONRAD. If we just think in our own lives who do we know who is out of work, and I started thinking about my extended family and my close friends, and you start adding up the number of people who are out of work, in my own family there are people who are highly educated, have had really excellent careers who now are approaching 60 years of age, are out of work and finding it extraordinarily difficult to find new work. These are people with advanced degrees who have had very successful careers, and yet, because of outsourcing, because of this job weakness, they are out of work and cannot find new jobs. Not only do we see it in these statistics, but there is another statistic that also tells us something is wrong, and that is the wage growth of production workers is now starting to fall behind inflation. I think that is why people feel under so much pressure.

The Senator from California mentioned the number of people who have

given up looking for work. Once one gets past a certain point, they are no longer counted as unemployed because they have been unemployed so long they are no longer included in the statistics. Being out of work is not just a statistic; it is not just a number on a page; it is a real person living a real life with a real family who has lost hope, who has lost an opportunity, who has lost a chance. That is why I think there is such growing concern about what is happening.

I had a gentleman who is an executive in the machine tool industry who told me, Senator, at this stage of a recovery our order books ought to be full. They are not. Something is happening that is structurally different than previous recoveries. He said he believes the jobs are being created, but the jobs are being created in China, in India, in Mexico. They are not being created in America.

That is why I have to say I believe the amendment of the Senator from California is important. We need to be much more aggressive and proactive at creating job opportunity in this country.

The Senator from California is offering amendments to provide incentives for businesses to create jobs in America. She is also paying for it, which is the responsible thing to do, instead of just sticking it onto the debt. I might remind my colleagues that the budget resolution before us runs up the debt by almost \$3 trillion over the next 5 years, and at the worst possible time, right before the baby boomers retire.

Mr. SARBANES. Will the Senator yield on that point?

Mr. CONRAD. I will be happy to yield.

Mr. SARBANES. I say to the very able Senator from California, who earlier showed a chart about how the rate of people participating in the workforce has dropped, what has happened is you have 4.4 million workers today who are working part time for economic reasons. In other words, they want to work full time but they are only working part time.

When you compute the unemployment rate, they are counted as employed, not as unemployed, but really they are only partially employed.

Then you have another 4.6 million people who are discouraged and not currently looking for work who want to work. So they have been knocked out of the labor force as well.

Actually, there are 13.3 million Americans unemployed, and if you use the broadest measure that the BLS prepares, they report an unemployment rate of 10.3 percent. That is factoring in everybody. That is your broadest measure and that is not usually the figure that is focused on. Ordinarily, when the unemployment rate figure comes down, those other figures shrink as well. But it is not all moving in the right direction.

One of the reasons the unemployment rate figure has dropped just a lit-

tle bit is because people are dropping out of the workforce and they are not looking for a job or they are being shifted from full-time to part-time work. I think that is one of the reasons why, as the able Senator from North Dakota points out, as he moves around his State, he is encountering more and more people who are concerned about the unemployment problem.

What the administration says is this particular rate is the unemployment rate, but that only tells part of the story. That is only part of the story. You have to, in effect, complete the story by looking at those who are working part time but want a full-time job. Of course, if they have been cut from full time to part time, that makes it more difficult to support their family.

Then there are the people who want a job but they are so discouraged and pessimistic that they have dropped out of the effort to find a job. They don't get counted in that unemployment rate.

Mr. CONRAD. I would say in response to the inquiry of the Senator, in terms of what I found at home, North Dakota has one of the lowest unemployment rates in the Nation. We have a very low rate of unemployment in our State. Yet job anxiety is growing there. Why? It is not because the unemployment rate is high; it is because good jobs are not available. It is because people who are more highly educated, more highly trained, are not able to get jobs commensurate with their training and education, and this is creating a whole level of people who are what we would call underemployed—underemployed based on their previous job experiences, underemployed in terms of their education and training.

I say to my colleagues, there was a cartoon in the *New Yorker* magazine that my wife drew to my attention the other day. The cartoon was two guys who kind of looked like deadbeat guys.

One guy says to the other: You know, you are out of work, aren't you?

He said to the gentleman: I have quit looking. I understand that's good for the economy.

No, it is not good for the economy. That I think is what is increasingly of concern to people. These are middle-class people, people with good education, with good training, who had good jobs.

I have a relative who was very advanced in a major corporation and his entire division was laid off. These are very highly skilled people, very highly trained, very highly paid. They found all of their jobs were being shipped to India. To add insult to injury, they were asked to go to India to train the people to take their jobs.

Mr. SARBANES. Will the Senator yield on that point? The President was in Ohio a day or two ago. Of course, Ohio has been badly hit. They have lost manufacturing jobs and they are being hard hit by, in effect, the flow of jobs overseas.

This morning's paper says we ran a record trade deficit last month of \$43 billion. That monthly rate translates into well over a \$500 billion annual trade deficit—a  $\frac{1}{2}$  trillion trade deficit. Of course, people say we are exporting goods and that is true. But we are importing far more than we are exporting, so much so, that we have set a record monthly trade deficit figure. That only again reflects the flow of jobs out of this country, overseas, exactly the point the Senator is making. In particular, it is the flow of some very good-paying jobs.

The manufacturing sector has been very hard hit. The Administration set up this post of an Assistant Secretary for Manufacturing. They waited 6 months, they didn't nominate anyone, and now it looks as if the person they are nominating they are not going to go through with because it turns out he was establishing a factory over in China and cutting back on jobs in this country. Can you imagine that?

I thank the Senator from California for her amendment. She is right on target. This is an extremely important amendment. The package she has put together is a very sensible package to try to address this problem.

Mr. CONRAD. I want to pick up on a point the Senator was asking about; that is, what are the implications of these massive deficits, both budget and trade?

The Senator mentioned yesterday we just got the latest month's trade deficit, \$43 billion. Over a year, obviously, that would be a trade deficit of over \$500 billion. At the same time we are running a budget deficit of nearly \$500 billion.

This article from the Washington Post of January 26 caught my eye about the long-term effects of these massive deficits, both budget and trade. I think these are warning signals to us all. We are on a dangerous course with these massive deficits. This is what the article said: Currency Traders Fretting Over That Dependency.

The dependency they are talking about is these massive deficits, the trade deficit the Senator from Maryland referenced and the budget deficit.

The currency traders, those who trade currency for their living, are concerned over that dependency, the dependency on borrowing—

They have been selling dollars fast and buying euros [that's the European currency] furiously. The fear is that foreigners will tire of financing America's appetites. Foreign investors will dump U.S. assets, especially stocks and bonds, sending financial markets plummeting. Interest rates will shoot up to entice them back. Heavily invested Americans will not be able to keep up with rising interest payments. Inflation, bankruptcies, and economic malaise will follow.

If we look at what has happened to the value of the dollar against the euro in the last 2 years, it ought to sober us up about these deficits. The dollar has declined more than 30 percent in value against the European currency in just the last 2 years.

I note Warren Buffett, who, as I understand it, is the second wealthiest man in the world, second wealthiest American as well, worth tens of billions of dollars, has now placed a major bet against the value of the U.S. dollar.

He has made a \$12 billion bet against the value of the dollar in part because of the economic weakness of our country reflected in these massive budget and trade deficits.

I believe deeply we have to get serious about the budget deficit and the trade deficit. Why is it the Comptroller General of the United States is warning us these deficits are too large? Why is it the International Monetary Fund is warning us of the danger of these deficits, that they will put upward pressure on interest rates, which will choke off economic growth, which will choke off job creation, and leave us in an even weaker position?

Again, I say this is why I believe the amendment of the Senator from California is so important. It is an insurance policy to prepare for the economic weakness we are already seeing, the job losses we are already experiencing, and to help us prepare for what might yet come.

Mrs. BOXER. Madam President, will my friend yield for a question?

Mr. CONRAD. I am happy to yield.

Mrs. BOXER. I thank Senator SARBANES and Senator CONRAD for their enormous contribution in support of this amendment, which is really an amendment that is made up by the contribution of various members of the Democratic caucus, including Senator DODD, who has just come to the floor. An important amendment ensuring Federal contracts should not be outsourced passed this Chamber with flying colors. It is important. As a matter of fact, I met with my local elected officials and I asked, Do you have any idea whether any of your department jobs are outsourced? They looked at me, and said, I don't know. I will go back and make sure tax dollars aren't being used to create jobs overseas.

I thank my friend for his contribution to this amendment. I want to ask my friend a question. It has to do with this whole notion of the anxiety in this country. I think anyone watching this debate understands there are many reasons for people to feel anxious. They feel anxious when there are deficits as far as the eye can see. It is stunning to think back to  $3\frac{1}{2}$  years ago. There were surpluses as far as the eye could see. What mismanagement.

I say to my friend the shocking part is—and when I was an economics major a long time ago we thought when there were big deficits it would create a lot of jobs. Here we have a circumstance where you have runaway deficits, runaway debt, and no job creation whatsoever. In fact, there is a net job loss.

I want to say to my friend from North Dakota, when he talks about the budget deficit, the trade deficit, the twin deficits, there is also the job def-

icit. Now you have the tripling. I think my friend made a good point when he talked about people being laid off and then having to train their replacement workers. I met such a gentleman who was a newlywed. He had a job as a computer program manager and he had to train his replacement. I cannot tell you the look on this man's face. He is leaving my State. He thought for sure this could never happen in the Golden State. As we know, it is happening in California and all over this country.

This is a stunning moment in history. That is why this amendment is so important.

The budget document is in fact the priority of the country. If we turn our back on the people of this country who need to work for a living, we shouldn't be here, to be honest, because that has to be an essential part of what we do to protect the country, from the standpoint of defense, protect workers and make sure they have jobs.

I want to ask my colleague this point about the anxiety in the land. I think what is feeding it is when your next-door neighbor loses a job, or someone in your family loses a job, you begin to feel anxious. When your next-door neighbor loses his health insurance or pension, you begin to get anxious yourself. Then when you pick up the papers—I put a lot of this together last night, and you can read this: "Analysts Gloomy Over Job Creation"; "Growth In Jobs Is Still Sluggish"; "Job Growth Falls Short of Forecast"; "Jobs Slump"; "Fewer Small Businesses Plan To Hire".

I am saying to my friend I think all of this is creating an anxiety in the land.

I will ask this question: Given everything we said—it is not rhetoric; it is reality; we have shown the numbers. They are real. We have talked about real families. We have seen what is happening. I ask my friend, is not this the time, if there was ever a time, we should say to the American people whom we care about and their families, their ability to have a quality of life, their ability to educate their children and send them to college, and their ability to look at the future with hope and optimism—wouldn't it be the moment we should be united as Republicans and Democrats and Independents here today in passing the amendment we put forward which not only will stimulate jobs directly but will stimulate small businesses by giving them the tax credits they deserve, so they can pay for health care insurance or create jobs? I ask my friend, is this not the moment in time to make this a priority for this Senate across party lines?

Mr. CONRAD. Madam President, I think it is undeniably the case. Something is very wrong with the economic strategy we are pursuing as a Nation. We see the evidence in the job market as clearly as it can be seen. The fact is we are now 5 million jobs behind what we would normally see in a recovery.

Looking at the nine recessions since World War II—I will put that chart back up—this should tell us something is off the track. This is the average job recovery of the nine recessions since World War II that you can see 17 months after the peak of the business cycle peak. We see that, for the average for every one of the 9 major recessions since World War II, the job recovery started soaring 17 months after the business cycle peaked. In this case, we are 36 months past the business cycle peak, and we still do not see job recovery occurring.

At this point, we are now 5.4 million jobs short of the typical recovery for all of the recessions since World War II. If that doesn't tell us something is wrong—and the President's forecasts over and over have had to be revised on jobs. Again, this just appeared in the New York Times on Tuesday. In 2002, the President said by the end of this year there would be 138 million jobs in the country. He revised that in 2003 and said, Whoops, we were wrong in 2002. There will only be 135 million jobs by the end of 2004. At the beginning of this year, they revised their estimates again, and said, Whoops, we were wrong again. There are only going to be 132.7 million jobs by the end of the year, and even now we see we are nowhere close to that forecast. They have been wrong in 2002, wrong in 2003, and it looks like they are going to be wrong again. Their forecast, looking at this year, would have to add 500,000 jobs a month, and in February only 21,000 new jobs were created, a half million behind their forecast for that month, and not a single one of the new jobs is in the private sector. Every one of them was a Government job.

The strategy is not working. I don't know what could be more clear. I think it should tell us it is time for a new game plan.

I think what the Senator from California has offered is entirely constructive and it is the beginning of a plan. What this country needs is a plan. We need a program to go forward.

I thank my colleagues.

At this point, I will yield the floor. I have a colleague who has been very patiently waiting.

The PRESIDING OFFICER (Mr. ENGLISH). The Senator from Wyoming.

Mr. ENZI. Mr. President, I yield myself 15 minutes off the amendment. It should not take me longer than that to debunk the rhetoric I have heard on the budget for the last hour or the last hour and 45 minutes. It actually hasn't been on the budget. It has been an attempt to say they care more about jobs than the Republicans do. That is not true. There isn't anything that would bear that out. I have to get this in the RECORD because I am afraid the college students might read this stuff or may have been listening. If they use some of the information they heard, they could fail economics class. I don't want that to happen.

It has been very depressing listening this hour and 45 minutes. This is a 20-

minute amendment. That is a long time on a 20-minute amendment. But it is the way this process works. It was 50 hours of time, equally divided, and each side can spend it however they want. We will probably yield ours back, portions of it, to be able to get to some final votes and get this completed.

This has been depressing and wrong. The budget document is a few assumptions that we use. Granted, it is based on a pile of documents, probably 20 pounds worth of paper. There are all kinds of ways to work the assumptions, but when it comes down to it, we set up a few targets. The specific committees get to arrange the bull's eye in that target for the priorities. Then, finally, the Appropriations Committee, if we ever get to that point, will be able to shoot the real bullets at the target, spend the real money.

This is not spending the money. This is coming up with some assumptions or some real numbers based on assumptions. You can use any assumptions you want, obviously, if you have been listening to the discussion.

If you listen to the discussion and what I have said about assumptions, you might think what they are trying to do is rearrange the deck chairs on the Titanic. It is not the real operation of the ship. What we are doing is rearranging the deck chairs on the deck of the finest cruise ship in the world.

I want to be a lot more positive about what the possibility is for this country and the people of this country and what they can do.

First, I want to know how we pay for it. Then I will go into the jobs part. We need to know how most of these amendments work, where they tell us how to pay. The way they will pay is a tax increase. They can say this is going to be a tax increase just on the rich. From the discussions I have heard around here, the Democrat definition of "rich" is anyone who makes enough money to pay taxes. If you pay taxes, worry about it; you are part of the rich.

They will say it is those who make over \$1 million. It would not be the first time we did something against those who make more than \$1 million. Congress once passed a law—this fascinates me—that said a CEO could not make more than \$1 million in cash compensation. How could anybody possibly do that? If the American dream is to make money—I really hope that is not the American dream—but to make enough to provide for their family, to buy a home, and to contribute to their community, until we get this country going down that road, we have problems. Right now the emphasis is on how much you make. We try to limit that severely. We have done it with laws.

Now we are saying if you get rich, we will take part of your money, and we will put it into the economy where we think it will do the most good. It does not matter what you think. It does not matter that you have been investing

and creating jobs. That does not count. The Government will do it for you. By golly, we have some great programs. These programs will create jobs. Yes, they do create jobs because we hire a bunch of people to run the programs, who tell the successful businessmen how to do it better, and a lot of it goes into regulation. I will talk more about regulation in a bit.

In order to do a tax increase, the Finance Committee has to do it. The only thing we have allowed so far are things that deal with the family. What we would be directing them to do is take away any family benefits.

Who are these rich? Some of them are the small businessmen. Every dime of revenue that is net revenue for a small businessman becomes part of their bottom line taxes for that particular year. They have to pay taxes on that. When they pay taxes on it, they are pulling out a third. Some would like it to be a half; some would like it to be three-fourths. What do they do with what is left? It does not go in their pocket. If their business is growing, it goes right back into the business. If we did not tax them as much, they would put more back into the business. When they put more back into the business, that grows jobs.

Do not tell me you will increase the economy by ripping money away from people who are creating jobs already.

Who cares about jobs the most? Who wants outsourcing? None of us want outsourcing. Why does outsourcing happen? Part of it will be because of a lack of confidence we create in the Senate. We have been talking for 2 hours now about the rotten economy and how jobs are being outsourced. We are creating an impression among every businessman out there that if he is not outsourcing his jobs, he is cheating his investors. Did anyone hear a message different than that? That is not right. That is absolutely not right. We do not have to have the jobs go overseas.

When we keep talking about a bad economy, we help create a bad economy. I am reminded of the 1960s ad that used to run on television that I think was partly responsible for pulling us out of a recession. It was a story about a guy who had a hot dog stand. People loved his hot dogs. So he added on to his hot dog stand. Pretty quickly he had more hot dog stands.

Then his son came home from college and said: Dad, don't you realize we are in the middle of a depression? How can you be expanding? He quit expanding and he laid people off and pretty soon he was out of business.

If we keep telling people they should not hire because it is tenuous, save your money, put it in the mattress, we will have a little problem in this country. We expect to be paid the highest wages in the world, and we expect to buy everything for the lowest prices. Where do you think you are going to buy those things from? I hope everyone out there does a quick inventory on

what they are wearing and where it was made; what they are driving and where it was made; what they are listening to and where it was made.

You have a responsibility, as well. Government does not solve these problems. You solve these problems. You buy what is made in America, the jobs come back to America, and our people get paid more.

Make a law. Right, we can make a law that says you cannot send the jobs overseas.

Mr. SARBANES. Will the Senator yield?

Mr. ENZI. I listened for almost 2 hours to the other side ask a bunch of questions. I would like to get my statement completed in 15 minutes so we can move on to the vote. There should have been more fairness on give-and-take at the time. There was not. So I will reserve my time to finish my comments.

Another reason the jobs go overseas is regulation. What do we specialize in? Regulation. We pile on regulations that make it extremely difficult for businesses in the United States to do work in the United States.

Lastly, one of the reasons we lose jobs overseas is skills. There are jobs out there that are not being filled because American people do not have the skills to take those. The ones who do are already employed in that field.

I want to tell about a little company in Powell, WY. This is what I am hoping for the world. This little company in Powell, WY, makes tachometers, highly specialized ones for race cars, and very durable ones for heavy equipment that vibrates. The guy who designed these and originally made them had the parts manufactured in Taiwan and the construction of them, the manufacturing of them, in Taiwan.

He said: Now, wait a minute. Maybe I can reduce the error rate putting these things together and make more money if I use American labor and those great people in Powell, WY. He tried that, and he was right. Then what does he say? He said: Let's see, I am having to manufacture them over there, but they have an error rate. Maybe I could manufacture them here. And he is going to do that. Wyoming—the United States—is going to steal a job from Taiwan. That is the creative capability of the people in this country. That is what we can do if we give the people a chance.

On a more basic level, how can we give them the chance? We passed the Workforce Investment Act. We got it out of the Labor Committee, which is usually very contentious, unanimously. We passed it on the floor unanimously. Where is that now? Well, the House has already passed one, too, but we cannot do a conference committee on it. This would be training for 900,000 jobs a year, better jobs, more skilled jobs, the skilled jobs people overseas are getting because we cannot fill them.

What is happening to that bill? We are letting it languish because we will

not appoint a conference committee. So what are the reasons given for not appointing a conference committee? Well, we don't trust the Republicans to invite us to the conference committee.

I want to tell you, I worked with the Senator from Washington State and the Senator from Massachusetts in putting together a bill that passed the committee unanimously. I worked with them to get it through this floor unanimously. You do not do that without some degree of trust. I have to believe they would trust me to do a conference committee and include them in the conference committee, and anything else is bunk. You do not have to do every bill, but I cannot believe we will talk about who cares about jobs the most in this country and not get a conference committee on the Workforce Investment Act that will train 900,000 people a year for better jobs.

Mr. President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. Mr. President, how much time would the Senator from Connecticut like?

Mr. DODD. Three minutes.

Mr. CONRAD. Mr. President, I yield 5 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 minutes.

Mr. DODD. Mr. President, I thank my good friend and colleague. I know there are other Members who want to be heard on these matters. I will try to be brief.

Mr. President, I will show you a chart. I have great respect for my friend from Wyoming. He is a knowledgeable and good Member of this institution, and he cares deeply about these issues.

I cannot help but note, of course, out of all the States—if I am wrong maybe someone will correct me—one of the single lowest job loss of the 50 States has been the State of Wyoming, according to the analysis we have on job losses in manufacturing.

Mr. President, 1,200 jobs have been lost in Wyoming. I am sorry about those losses, but when you compare that to States of similar size—neighboring States—Utah has lost 15,000, Colorado has lost 38,000, Texas has lost 156,000, Maine has lost 15,000. I am not even mentioning large States. Iowa has lost 26,000, Missouri has lost 40,000, Arkansas has lost 29,000, Oklahoma has lost 26,000.

The point is, we are watching a hemorrhaging on jobs. No one likes to recite all the bad news, but reality says you have to know the facts if you are going to set policy.

Unfortunately, no matter what the conditions are in this country, the administration has one answer: cut taxes for the wealthy. When we had a surplus: cut taxes. When we are in a recession: we need to cut taxes. Job growth is weak: we need to cut taxes. It is a

Johnny-one-note, no matter what the economic circumstances are.

All of us who are involved in supporting Senator BOXER's amendment are pointing out that this is maybe the critical issue at this hour. People across the country are worried deeply about job creation. They are worried about jobs leaving the country. They are worried about companies making that decision, and doing so either through tax incentives, where we actually encourage, through the Tax Code, to outsource, or actually using Federal taxpayer money.

I express my appreciation to 75 of my colleagues in this Chamber who, last week—Democrats and Republicans—joined on the amendment I offered that would prohibit the use of Federal taxpayer money to subsidize the outsourcing of jobs.

If a private company, with their money, wants to outsource, I cannot do much about that. But I do not believe you ought to incentivize that decision by offering someone a tax break to do it or providing direct Federal subsidies to do it. We think we ought to be doing everything we can to encourage job growth at home. That does not make you an isolationist. That does not make you a protectionist. It just indicates to us how serious we think this potential problem is.

It is not just us who say this. I would take note that a few days ago, in the Washington Post, in a front-page article was the story of Clintwood, VA, and the loss of 270 jobs. Does anyone think a year or 2 or 5 years ago the loss of 270 jobs in Clintwood, VA, would have merited a front-page story in the leading newspaper in this city or area? I doubt it. Yet the Washington Post, obviously, has some sensibilities about what people care about in this area. And the loss of 270 jobs in one small town in Virginia, that got sent overseas by Travelocity, is yet one more piece of evidence that people are worried about what is going on in this country, particularly when it is occurring because we encourage it through our Tax Code or through direct subsidies.

I am glad the President finally decided to suggest we have a manufacturing czar. But to fail to check to find out if the person you are apparently going to nominate is involved in exporting jobs to a facility in China indicates a lack of sensitivity about this issue. In fact, the other day I read where the administration now is going to do everything it can to fight the efforts some of us are making to slow down the outsourcing of jobs in the country, particularly when outsourcing occurs through Federal subsidies and through tax incentives.

We do not think the Federal Government ought to be in the business of promoting job exportation to another country or suggesting that somehow it is all the same, that it does not make a difference if you have the loss of a product being produced here or a service being performed here and it is now

going overseas, watching someone's job go overseas.

You cannot stop it in every case. We are realists. We understand that. But Senator BOXER has put together a very good amendment which, in part, highlights the outsourcing issue. She goes into other areas as well.

The Manufacturing Extension Partnership Program is being cut by 63 percent. I listened to the President the other day say: I am against outsourcing. What we need to be doing is investing—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DODD. Mr. President, I ask for 1 additional minute.

Mr. CONRAD. Mr. President, I yield the Senator 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DODD. Mr. President, I just would note that the Manufacturing Extension Partnership Program is a significant program that helps U.S. manufacturers, small manufacturers with everything from plant modernization to employee training. This cut means that 11,000 small manufacturers are not going to receive services, and 28,000 employees will either be laid off or not hired.

So even if you agree with the President that we ought to not be talking about outsourcing, not be talking about manufacturing job loss, that we ought to be investing in small businesses, what is he doing when he cuts 63 percent of the budget for the Manufacturing Extension Partnership Program? That is a complete reversal of his rhetoric on these issues.

He also tries to eliminate entirely the Advanced Technology Program, which spurs cutting-edge research in solving manufacturing problems and increasing competitiveness. Here we are eliminating that program altogether and slashing by more than 50 percent the Manufacturing Extension Partnership Program.

That is what we do not understand. He is opposed to doing anything about outsourcing. He is opposed to doing anything to provide tax relief for small manufacturers who need help. And he is going to cut the budget in the two areas that can make a significant difference to our manufacturers.

I applaud the Senator from California for offering her amendment, and I urge my colleagues to support it.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I yield to the Senator from Texas such time as he desires on this amendment.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, I want to talk for a few minutes about the Boxer amendment, which would raise taxes by \$24 billion, and to say why I think this amendment is a miscalculation. Unless, of course, the intent of

this amendment is to try to convince the American people that the American economy is in the tank and offers no opportunity, no hope—something this economy has always provided to American workers, and I believe still does today.

If, in fact, our colleagues across the aisle believe the economy is doing so badly, I wonder why it is that homeownership is at an all-time high in this country. Interest rates are low. Productivity is booming. The gross domestic product is growing by leaps and bounds.

If the economy was really doing badly, which it is not, the last thing you would want to do with a slow economy would be to raise taxes to make it harder for the job creators in this society to create new jobs. I would just ask all of my colleagues to consider what is being proposed here. I believe it is simply the wrong answer to the challenges that confront us when it comes to encouraging further job creation and an economy which continues to be the envy of the free world.

The amendment we are discussing would do exactly the wrong thing. It conflicts with every free market principle this country stands for. We know that entrepreneurs, the risk takers, those who invest their money to try to create a profit for themselves and their families, are the ones who create jobs. When they have more money to invest in their businesses, they create those jobs.

Once again, this amendment is the best indicator that there are still those who believe government really does know best, who want to raise taxes on the American people by \$24 billion and throw it around at government's whim and then expect new jobs to somehow miraculously appear.

Let's just step back for a moment and see what the whole picture reveals. Sometimes it seems the world is moving faster every day. New technological advancements have given citizens of the 21st century access to instant information; on-demand services are available everywhere. We have an ability to communicate faster and more comprehensively than ever before in the history of the world. Yet with these technological advancements and enhanced abilities, many companies have come to the conclusion that when it comes to manufacturing and customer assistance and many other areas, location no longer matters. There is not a day that goes by that there isn't another article, another report about a company outsourcing some facet of what they do to another country, to another part of the globe.

Sometimes these changes are noticeable to every consumer, and sometimes not in a positive way. Indeed, what we see with this amendment, and the comments made in the Chamber, demonstrates the backlash that sometimes occurs when jobs leave our shores and go to other countries.

The fact is, there is a real and discernible benefit to consumers from the

lower prices that come from efficiencies in labor costs. The dollars American consumers spend on products and services buy them a lot more than ever before.

Yet sometimes these changes are hardly noticeable at all. If a small part of the newest computer is now made in India instead of Abilene, TX, what does it matter to the consumer? It may not matter to them, but it matters to Abilene and it matters to the people who live and work there.

Yet even as outsourcing continues to be a subject of discussion, even as some of my colleagues in this body throw it out as a trend that is bad for America, we all seem to have forgotten that it also runs the other way.

I am proud to say that Texas is one of the leading beneficiaries of insourcing, which is just a fancy way of saying "out-sourcing by foreign companies on American soil." According to the Texas Department of Economic Development, Texas benefits from more than \$110 billion in foreign direct investment in the state. There are 430,000 Texans on the payrolls of foreign corporations. There is approximately \$5,000 in foreign investment in our state economy per Texan. That is a good thing. That helps create jobs for hard-working citizens of my state.

But I believe we are missing something important in terms of the overall context of the debate. The economy is clearly on the right track back to recovery. The latest numbers bear that out no matter how much some would try to disparage the booming economy and what is reflected in those numbers. That recovery of the economy will take care of the joblessness concerns we all share, regardless of partisanship, regardless of any other issue. Yet we are facing another problem in this recovery, and this recovery is an opportunity for us to face the problem head on: The real motivation behind outsourcing, behind the desire of a manufacturer of a product or a service to find efficiencies in the way they operate so they can grow and continue to prosper and hire more people here in America has to do with the labor force.

Given our advanced technological capabilities, why would a business pay someone in America to do a job when they can go to another country where there is no minimum wage or labor laws or other restrictions on what they do? The conventional wisdom is that no business will choose America merely out of loyalty, that instead they will study the numbers and realize it makes more economic sense to run their telephone banks in Malaysia, for example, instead.

In response, some in this body and elsewhere have concluded that the answer is more job training and funding for education and advanced learning programs. Statistics suggest more and more people are taking advantage of these educational and work-related resources.

Federal Reserve Chairman Alan Greenspan recently commented:

Generic capabilities in mathematics, writing, and verbal skills are the key to the ability to learn and to apply new skills and thus to earn higher real wages over time.

The PRESIDING OFFICER. Time on the amendment has expired.

Mr. NICKLES. Mr. President, I yield to the Senator such time as he may consume from the resolution to complete his statement.

Mr. CORNYN: I thank the Senator from Oklahoma.

Alan Greenspan said:

Generic capabilities in mathematics, writing, and verbal skills are key to the ability to learn and to apply new skills and thus to earn higher real wages overtime. The avenues to acquiring those skills are many, and one effective tool we have developed to facilitate the transition to a new job or profession has been our community colleges. These two-year institutions have been in the forefront of teaching the types of skills that build on workers' previous experiences to create new job skills. Currently almost one in three of their enrollees are age thirty or older, a statistic that suggests that these individuals have previous job experience.

I support the job training and community college initiatives the President has endorsed in his State of the Union Message and which Alan Greenspan just referred to. They are a good and positive thing. They provide much of the answer to the global competitiveness we now find with globalization. I believe much of the instruction they provide ought to have been given at the lower levels, but we can't go back and change that. As it is, these programs give many Americans the opportunity to change their job track midstream and to pursue greater dreams and more fulfilling careers.

But that is not enough. If we in Government fail to acknowledge what the outsourcing crisis truly means, if we think more job training alone is a sufficient answer to the problem, we are just fooling ourselves, and we haven't addressed the real problem.

As Ronald Reagan once said:

We've gone astray from first principles. We've lost sight of the rule that individual freedom and ingenuity are at the very core of everything we've accomplished. Government's first duty is to protect the people, not run their lives.

In America today, we are seeing that all too clearly.

All too many of our states have reached the point where they are simply no longer friendly toward the free market. Why should a business choose to stay in America where they will have to deal with ever expanding red tape and regulation, where they face exponential legal risks in states without real commonsense tort reform and class action reform, where they are virtually guaranteed to pay higher and higher taxes every year?

No, raising taxes won't solve this problem. Job training and educational programs alone won't solve the problem either. The knee-jerk response of many in government, to take more money from the taxpayers so we can throw it around, doesn't work.

The only way we will solve the problem is when we in the Federal Govern-

ment work in concert with those in the states to effect fundamental change in our government's attitude toward business and the free market—not just for the benefit of business or indeed for an abstract free market, but for the benefit of everybody in this country who wants to work and wants to find a job. We must once again value the principles of free trade and competition. We must encourage success and innovation, and not punish it. We must renew that old American conviction that protecting freedom, not restricting it, is the highest goal of government.

The vision of America as a free market paradise is a very real one, not just the stuff of the so-called overexuberant economists. I strongly believe we have the best workforce in the world, the most dedicated people you can find. We have in this country innovators and thinkers, we have doctors and scientists, and we have all the resources they need. We have people who started businesses in their garage and now create things that change the very way we live and communicate. We have young people who are ready to follow in their footsteps. That is, simply stated, the foundation for a thriving free market economy. It is all right here.

We still hear the voices of those who say the bureaucrats really know best, and government will take care of you if you will give us more and more of your tax dollars. But the truth is the people across this land know that government doesn't know best, and they know government cannot create prosperity; that instead prosperity is created by the entrepreneurs and risk takers, and the people who work hard every day to provide for their families.

The truth is, instead of raising taxes, we ought to reduce the tax burden on the American people by eliminating the tax increases that come with the expiration of the tax cuts this Congress previously passed. There are people, some of whom are in this very body, who still honestly believe we can sue, tax, and regulate our way to economic growth and prosperity.

Finally, I want to say I realize we are in an election season, and there are some who have pinned their political prospects on America doing badly, on unemployment remaining high. When they see that the facts are against the trend they want, that the economy is actually doing better, their only hope for their political prospects is to talk about a "jobless recovery." Well, the economy is recovering; it is creating jobs. But it will not continue to do so if we reverse the policies that have brought us to where we are today. We must ensure that the taxpayers keep more of the money they earn, so they can save it or invest it in a small business—which is a great job-creating engine in this country—the small businesses that proliferate in this Nation, which provide jobs by huge numbers to the American people.

I simply believe we should not let ourselves lose confidence in what has

brought us here today. There are those who think they will benefit politically from trash-talking the American economy, from causing a loss of confidence by the American people, from saying that we are no longer the land of opportunity and freedom. But the truth is there are people who are dying to come into this country because they see this nation as their only hope and only opportunity. There are not people knocking down the doors to try to leave this country, because the truth is people are voting with their feet. They understand America remains the last, best hope of freedom-loving people everywhere.

For those who want an opportunity to achieve part of the American dream in the free market system we have in this country—not a government command-and-control system, but a free market system is one that best allows them to achieve those hopes and dreams—they recognize that system is what we need to preserve, not defeat. The effect of passing this amendment and others that would raise taxes on the American people would defeat that system.

I hope we don't listen to the nay-sayers, that we don't believe those who would have us lose confidence in our economic system, because I think that provides the best opportunity for a bright future for all the American people.

With that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, I love everybody in this Senate, but I want to finish this bill this week. My guess is we have a few amendments in the pipeline and we have considered one amendment today and we are not quite finished with it. That is not the kind of discipline we need to finish it. I ask, how much time remains on the resolution on both sides?

The PRESIDING OFFICER. Six hours 50 minutes for the Senator from Oklahoma, and 5 hours 39 minutes for the Senator from North Dakota.

Mr. NICKLES. I plan on yielding back some time, as I have said. Unfortunately, we started this amendment at 9:30 and we have been on it now for a couple of hours. It is an interesting amendment, but it is not that interesting. I am troubled. I have 6 hours and 50 minutes. Mr. President, I yield back 4 hours off of our time on the resolution.

The PRESIDING OFFICER. The Senator has that right. That time is yielded back.

Mr. NICKLES. I plan on yielding back additional time. I came in today thinking we should have 10 minutes on each side on every amendment today. I don't want to cut people off from being able to debate their amendments. My colleague from North Dakota is correctly wanting to have time agreements on a multitude of amendments. I am willing to enter into those, but I am insisting on being able to see the

amendment. I know my colleague from North Dakota is trying to get them. A lot of people say I want a time agreement, but they are rewriting the amendment as we speak. That is not fair. We need to have both sides be able to analyze the amendments so we will know what we are debating, especially if we are going to be in a very truncated timeframe. If I am debating an amendment and I say it increases taxes by \$24 billion, I want to be accurate. I actually insist on accuracy. It bothers me if we are not accurate.

Mr. President, I am going to speak on the Boxer amendment for a moment. We had a time limit of 20 minutes on each side on the Boxer amendment. It was breached very significantly primarily on the Democrat side, and maybe a little bit on our side. This is an amendment that says we want to do some things to create jobs domestically, but in effect it says we want to sock it to the people creating jobs by increasing their taxes.

Then it says we will give tax credits if you do such and such. It is a tax-spend amendment, \$24 billion of increased taxes. Incidentally, the taxes we are assuming for next year—and this has an \$8 billion tax increase for 2005. What we are assuming in the budget for 2005 is \$2.6 billion for child credit and \$5.4 billion on marriage penalty. So this could eliminate the child credit and the marriage penalty. I find it to be a very flawed concept.

Also, I can't help but think the repercussions they would have if we actually did some of what is contemplated in this amendment. We are going to sock it to companies that have runaway plants. I wonder if "runaway plants" is defined by Microsoft or by Intel or General Electric or some of our great multinationals we have in this country. If we are going to tax them at rates that are greatly to the disadvantage to their competitors, this amendment is more or less saying we would like your headquarters, Intel, to be in China, or maybe we should have Microsoft's headquarters in Japan. Our Tax Code actually encouraged the location of Chrysler to be in Germany, and this amendment would make it worse: Let's export jobs and headquarters overseas. This may be well intended, it may be a political amendment, but its economic consequence would be a disaster.

The Finance Committee is working on a FSC/ETI bill that has broad bipartisan support. The essence of it is to be WTO compliant and also to assist manufacturers. I do not happen to agree with preferential corporate rates for manufacturers vis-a-vis other corporations, but it has a lot of positive provisions to help make us competitive with particularly our European allies. That bill has bipartisan support. We ought to pass it.

I think the proposal that has been discussed for the last 3 hours would be very detrimental. It is a big tax increase, and since the only tax change

we are contemplating is keeping the tax laws as they are for American families, I am afraid this will be a big hit on American families.

At the appropriate time, I will urge my colleagues to vote no on the amendment.

Mr. President, the next order of business is the Senator from Maryland, Mr. SARBANES, to offer an amendment. I ask unanimous consent that we set the Boxer amendment aside and consider the amendment of Senator SARBANES.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES. Will the Senator yield?

Mr. NICKLES. Not on my time.

Mr. SARBANES. I was going to try to get a time limitation because the Senator seemed anxious to do that. I am happy to try to cooperate in that effort. Would 30 minutes equally divided be acceptable, 15 minutes on a side?

Mr. NICKLES. That will be more than acceptable. I ask unanimous consent that there be 30 minutes equally divided on the Sarbanes amendment.

Mr. CONRAD. Reserving the right to object.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Might we also lock in the Dorgan amendment? We have a copy of that amendment, and we have gotten an agreement on our side to have 20 minutes equally divided on that amendment.

Mr. NICKLES. I will agree with that, Mr. President. I amend my request to include the Dorgan amendment to be 20 minutes equally divided.

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

The pending amendment is set aside, and the Senator from Maryland is recognized.

AMENDMENT NO. 2789

Mr. SARBANES. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maryland [Mr. SARBANES], for himself, Mr. DODD, Mr. JOHNSON, Mr. BIDEN, Mr. LEVIN, Ms. MIKULSKI, Mr. CORZINE, Mr. KERRY, Ms. STABENOW, and Mr. ROCKEFELLER, proposes an amendment numbered 2789.

Mr. SARBANES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To fully fund the FIRE and SAFER Acts and reduce the debt by reducing the tax breaks for the top one percent of income earners)

On page 3, line 9, increase the amount by \$429,000,000.

On page 3, line 10, increase the amount by \$1,430,000,000.

On page 3, line 11, increase the amount by \$858,000,000.

On page 3, line 12, increase the amount by \$143,000,000.

On page 3, line 17, increase the amount by \$429,000,000.

On page 3, line 18, increase the amount by \$1,430,000,000.

On page 3, line 19, increase the amount by \$858,000,000.

On page 3, line 20, increase the amount by \$143,000,000.

On page 4, line 20, increase the amount by \$429,000,000.

On page 4, line 21, increase the amount by \$1,430,000,000.

On page 4, line 22, increase the amount by \$858,000,000.

On page 4, line 23, increase the amount by \$143,000,000.

On page 5, line 3, decrease the amount by \$429,000,000.

On page 5, line 4, decrease the amount by \$1,859,000,000.

On page 5, line 5, decrease the amount by \$2,717,000,000.

On page 5, line 6, decrease the amount by \$2,860,000,000.

On page 5, line 7, decrease the amount by \$2,860,000,000.

On page 5, line 11, decrease the amount by \$429,000,000.

On page 5, line 12, decrease the amount by \$1,859,000,000.

On page 5, line 13, decrease the amount by \$2,717,000,000.

On page 5, line 14, decrease the amount by \$2,860,000,000.

On page 5, line 15, decrease the amount by \$2,860,000,000.

**SEC. . RESERVE FUND FOR FIRE ACT AND SAFER ACT PROGRAMS.**

The Chairman of the committee on the Budget of the Senate shall revise the aggregates, functional totals, allocations to the Committee on Appropriations of the Senate, discretionary spending limits, and other appropriate levels and limits in this resolution by up to \$1,430,000,000 in budget authority for fiscal year 2005, and by the amount of outlays flowing therefrom in 2005 and subsequent years, for a bill, amendment, motion, or conference report that provides additional fiscal year 2005 discretionary appropriations, in excess of the levels provided in this resolution for firefighter assistance grant programs such as those authorized by Title XVII of the FY 2001 National Defense Authorization Act (P.L. 106-398) and by Section 1057 of the FY 2004 National Defense Authorization Act (P.L. 108-136) and are administered by the Department of Homeland Security.

Mr. SARBANES. Mr. President, as I understand it, I have 15 minutes.

The PRESIDING OFFICER. That is correct.

Mr. SARBANES. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SARBANES. Mr. President, I offer an amendment today to fully fund the Assistance to Firefighters grant program, and to fully fund the Staffing for Adequate Fire and Emergency Response (SAFER) Act, which, of course, provides for additional staffing.

As a Co-Chairman of the Congressional Fire Services Caucus, I am pleased to offer this amendment. I certainly underscore and recognize the significant role which my colleague, Senator DODD of Connecticut, has played on both the firefighter grant program and the SAFER Act.

In his budget for 2005, the President requested only \$500 million for the FIRE grant program. This is a cut of close to \$250 million, a third of the



funding for this program from the levels established by the Congress over the past two fiscal years. The fully authorized amount for the current fiscal year is \$900 million, and this amendment would seek to take the program to that level.

The FIRE grant program is a competitive grant process that funds firefighting equipment, firefighting vehicles, fire prevention, and safety programs. Unlike many other programs directed toward first responders, these funds go directly to local communities and fire departments and do not pass through the States.

The Staffing for Adequate Fire and Emergency Response Act, the SAFER Act, would provide 4-year grants to career and volunteer fire departments for firefighter hiring. The Congress authorized this program in the fiscal year 2004 Defense Authorization Act at a level of \$1.03 billion, and this amendment seeks to fund that program at the authorized level.

Regrettably, the budget the President sent to the Congress, despite the fact he signed the legislation contending the authorization of the SAFER Act, contained no money; indeed, no mention of it, as I indicated before, while the budget he sent to the Congress with respect to the firefighter grant program reduces that program from the previously appropriated amounts in two successive fiscal years of approximately \$750 million to \$500 million.

The need for both of these programs is very strong; indeed, I would say overwhelming. In December of 2002, FEMA and the National Fire Protection Association jointly released the congressionally authorized Needs Assessment of the U.S. Fire Service. The results of this report were startling. Among its findings, the report noted that an estimated 57,000 firefighters lacked protective clothing; half of all fire engines are at least 15 years old; and approximately one-third of firefighters are not equipped with essential self-contained breathing apparatus, one of the most important and basic safety devices for any firefighter.

The need for the SAFER program is equally evident. OSHA has set a standard that dictates that four firefighters are needed to respond to any structural fire, two inside the structure and two outside. The FEMA-National Fire Protection Association Needs Assessment estimates that, on average, close to half of all fire departments in communities of less than 1 million people are forced to respond to emergencies with fewer than the four firefighters mandated by these standards.

The SAFER Act would go a long way in ameliorating this severe staffing shortage and would provide funding for 75,000 new firefighters over the next 7 years.

This amendment, which provides the full funding for both the Assistance to Firefighters grant program and the SAFER Act, will go a long way in pre-

paring our Nation's firefighters for the hazards that face them.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SARBANES. I yield myself 1 additional minute.

Mr. President, I say to my colleagues, it is all well and good to run ads on the television that show our firefighters meeting their duty, carrying out their heroic responsibilities. But if we really want to honor our firefighters we need to fund these programs, both to give them the staffing and to provide them the equipment they so desperately need.

I urge my colleagues to support the amendment.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator from Mississippi.

Mr. COCHRAN. Mr. President, in response to the suggestion of the Senator from Maryland, I point out that this amendment not only increases spending but it raises taxes. It is a specific assumption that tax levels will be increased and spending will be directed with those funds to a homeland security function involving first responders, firefighters.

The budget resolution submitted by the President to the Congress asks for \$3.6 billion for fiscal year 2005 for first responders. During the appropriations process, the Congress is going to determine the exact level of funding for each program within that general broad category in the budget resolution, but this resolution before the Senate approves and suggests the President's requested level is appropriate and that ought to be the level the Senate approves.

Since the events of 9/11, Congress has responded with significant and generous support for our Nation's firefighters and other first responders. Over \$1 billion has been specifically appropriated for direct assistance to firefighters since fiscal year 2002. In addition to specific Federal assistance, States and local communities can use the funds available through the Office of Domestic Preparedness to support the needs of firefighters at the local level. Over \$5.7 billion has been appropriated to the State and local grant program through the Office of Domestic Preparedness since fiscal year 2002.

For our most threatened communities, the funds available through the high-threat, high-density urban grant program can also be used to assist firefighters. Over \$1.4 billion has been appropriated to this account since fiscal year 2003.

I do not think Congress has ignored the interests of the first responders, nor has this administration. I know of numerous announcements that have been made in my State, as there have been in many other States, of specific grant allocations throughout the States to the local communities that have applied for funds, that have tried to upgrade equipment, and improve training opportunities. This is all for

the purpose of making sure our homeland will be protected in the best possible way by those who are on the front lines; that they will have what they need to do their jobs, and that they will have the training to do it safely.

This is a very important matter, and I think not only has the Appropriations Committee responded through the new Appropriations Subcommittee on Homeland Security, but so have the authorizing committees that have made available these new programs, specifically authorizing them for the benefit of those at the local level who are firefighters and who are called upon to be the first person on the scene in the case of a disaster, whether it is a natural disaster or whether it is a disaster that is occasioned by the attack of terrorists.

Like all programs, we are going to continue to listen to those who have the obligation of meeting these responsibilities to be sure they have what they need to do their jobs and to carry out their mission successfully. We are working hard to assist them to the best of our ability.

Any Senator has the opportunity to offer an amendment to a budget resolution to increase spending for any popular program, but at some point we have to recognize that the committee of jurisdiction has a responsibility, too. That is the responsibility to make the tough decision that it is going to be \$1 billion for this program, or \$2 billion for that program.

These are not easy decisions. But this committee has gone through the process of reviewing the request from the administration, listening to all of the suggestions made in the committee, weighing our responsibilities to provide the moneys we would like to provide and then providing the moneys available to us through the tax process that we can expect to be available for allocation.

This is a tough job. It is not a fun job. I respect the work that has been done by the Budget Committee. As chairman of the subcommittee that has jurisdiction over the funding of the activities of the Department of Homeland Security, we try to bring to the process the same kind of diligence and sensitivity to the needs of those who will receive the funds but also to the budget process and to the integrity of the process so we do not undermine our capacity to get our economy moving again and to continue to grow.

Working within the current fiscal constraints and trying to exercise good judgment, we must set priorities. I urge the Senate to reject this amendment and make the choice to support the Budget Committee.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8½ minutes.

Mr. SARBANES. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. SARBANES. Mr. President, the budget submitted by the President reduces funding for grants to local police, fire and emergency medical agencies from \$4.2 billion in the current fiscal year to \$3.5 billion in fiscal year 2005, a very substantial cut.

This cut comes despite a June 2003 report entitled "Emergency Responders Drastically Underfunded, Dangerously Unprepared," issued by a commission headed by our former colleague, Senator Warren Rudman of New Hampshire. The title of that report, again, is "Emergency Responders Drastically Underfunded, Dangerously Unprepared."

The President's budget for the firefighter grant program, which provides this badly needed equipment, asks for \$500 million. We appropriated \$750 million in this year's budget and in the previous year's budget. Yet the President is cutting that figure by one-third. The President's budget provides no funding for the SAFER Act, which this Congress passed last fall, and which provides State, local, and regional agencies with funds to hire firefighters, paramedics, emergency medical technicians, rescue workers, ambulance personnel, and hazardous material workers for local fire departments.

These fire departments desperately need these funds. The question is then, as the Senator pointed out, how will they be paid for? Well, the tax cuts that have been received by the top 1 percent are \$45 billion annually. A small percentage of that in the single numbers shifted from that purpose to this purpose would enable us to fund these firefighter programs at the fully authorized level.

These are questions of choice, and the choice very directly put by this amendment is whether a portion of these outsized tax reductions for the top 1 percent of the population ought not to be shifted to enable our first responders to get the equipment and staffing, and get the training which they need in order to handle the situations that face them. It is not a sufficient tribute to firefighters, in my judgment, to show them on TV ads carrying out their heroic responsibilities and then to fail to provide them with the resources they so clearly need in order to be able to do the job.

I urge my colleagues to support this amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. Mr. President, how much time remains on the amendment?

The PRESIDING OFFICER. There remain 9 minutes on the majority side and 4 minutes 18 seconds on the minority side.

Mr. COCHRAN. One other point I should have made when I was responding to the remarks of my good friend from Maryland was he suggested the administration has somehow failed to

fund the so-called SAFER Act. This is legislation that was adopted and signed into law last year, at the end of the year, almost, November 25, 2003, by the President. The budget process for fiscal year 2005 had already begun. The budget submissions were on their way, in fact, through the pipeline. Given there will be an opportunity to review the new authorization that was contained in the SAFER Act, which was actually a part of the Defense authorization bill, it will be reviewed as we go through the next budget cycle and it may be reflected as a specific request for funding next year. I don't want to make the presumption as to what the administration's decision will be regarding specific amounts for this purpose. It was simply premature, I think, to suggest the administration has failed to fund the SAFER Act. That is the point.

I mentioned all the other authorizations the Congress has approved and the requests for funding the administration has made for additional programs. I don't think anyone who has been reading the papers or following the progress of the financial commitments that have been made by the Federal Government to State and local communities for first responders can ignore the fact that there has been a gigantic infusion of funding for these purposes. Local volunteer fire departments, communities that have training facilities and those who do not, have been able to get money to send people for specialized training. Some communities have been able to obtain equipment they had never had an opportunity to purchase, and wouldn't, under the tax structures of these towns and cities, have a chance to obtain. The response has been enormous.

You can say: Well, more needs to be done.

My answer is: More will be done. We are continuing to look for ways to support the activities that are important at the local level to equip our first responders. Firefighters are certainly included. I am proud of the aggressive way the administration has moved to respond and to act in a generous way, and to provide the requests and the support for these training and equipment activities. We have special funds allocated to high-threat urban areas. I mentioned that over \$1.4 billion that has been appropriated to that grant program since fiscal year 2003.

I am hopeful we can continue to see the Government respond in a thoughtful way to make sure we continue to set the priorities that need to be set and support those who are responding to save lives and protect the citizens of this country. I am proud of the work we are doing, too, here in the Congress to support these efforts. There is not enough money to satisfy some people, and there never will be. But working together with local communities and State governments to identify the highest priorities, to make sure we allocate the funds in a fair and reason-

able way is our obligation. I think the Budget Committee has done a good job sorting through all the requests and the suggestions that have been made by the Senate for this resolution. I think we should applaud them.

I support the committee and hope the Senate will reject this amendment.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I again underscore the tremendous need for these resources in order for our firefighters to be able to carry out their responsibilities. In June of last year, not even a year ago, the Rudman Commission, headed by our former colleague Warren Rudman, issued a report entitled "Emergency Responders Drastically Underfunded, Dangerously Unprepared," that found budget shortfalls in the tens of billions of dollars. We need to address this issue.

The history of the administration on this matter is regrettably a sorry tale. When we created the Fire Grant Program in 2000, the Bush Administration, when it came in, moved to eliminate the program in its preliminary budgetary vision for fiscal 2002. We had to fight the administration to put the program back in its budget request for that year. In the end, it proposed flat funding the program.

After the attacks of 9/11—and as I noted earlier, we are now seeing television spots showing our firefighters carrying out their heroic responsibilities—Congress appropriated an additional \$210 million in emergency spending for the program, recognizing its significance. The administration refused to spend the money initially, and eventually and reluctantly did so after an outcry from the Congress.

In the fiscal year 2003 budget they proposed rolling this Fire Grant Program into the general first responder account. There was great concern in the Congress about dismantling the specific program. We appropriated almost \$750 million to the program in its own account.

Last year the President sought to cut it by a third. Last year the Congress—and I give credit to my colleagues for this—restored the funding to close to \$750 million.

This year the budget submitted to us again cuts it to \$500 million and there is no money for the SAFER Program, even though it had been authorized back in November.

We need these resources. The Rudman Commission has told us in their report, emergency responders are drastically underfunded and dangerously unprepared. We need to change that equation and we can begin the process of doing so by providing the resources to fund these two programs at their authorized level, paying the firefighters the tribute they deserve by giving them the protective tools and the staffing with which to do their job.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. NICKLES. How much time remains on the amendment?

The PRESIDING OFFICER. There remain 4 minutes 20 seconds for the majority, 34 seconds for the minority.

Mr. NICKLES. Does the Senator from Mississippi mind if I make a couple of additional comments and I will be happy to yield him additional time if he wishes.

I know some people think we never do enough anywhere. Basically they will want to increase spending everywhere. In this particular area we are increasing spending a lot.

The Department of Homeland Security has a 15-percent increase, according to the Congressional Budget Office. That is counting bioshield. That is kind of hard to compute. Take bioshield out. It is a 10-percent increase—a 10-percent increase. Secretary Ridge wants to reallocate some of it into higher threat areas. I know some people want to use homeland security as basically revenue sharing and give more money to every city in the area, or every county in the area, maybe every police department or fire department and say this is for homeland security. Secretary Ridge said we should reallocate some of these moneys. It is still a big increase. Actually, it is the largest percentage increase of any of our major departments, and we should direct this toward the high critical threat area. I compliment him for that.

I also say this is money wasted. A lot of money is being wasted. Maybe a little tightening might be in order.

The District of Columbia used this to outfit leather jackets on the police side; in Maryland, money is used to buy the Prince George's County prosecutor's office a security system.

This is homeland security, but this is all in one pot. We can try to pretend this is going to this or that, but, frankly, we are giving so much money to the appropriators. But we are expecting at least a 10-percent increase going to homeland security.

In Virginia, a small volunteer fire department spent \$350,000 on a custom-made fire boat. The Metropolitan Washington Council of Governments used some of the money for janitorial services. The District of Columbia Hospital Association shows a formula that guaranteed every city hospital a share of an \$8 million grant. Prince George's homeland security funds, instead of buying protective gear for police officers, they chose to purchase a half-million-dollar digital camera system used for mug shots. The District of Columbia, Leslie Hotaling, director of the District's Department of Public Works said, "If we can tie it to 9/11 and build capacity into our core functioning, let's do it." Her agency spent more than \$55,000 on basic training courses such as map reading and handling problem employees.

My point is that Secretary Ridge requested—and he has a very difficult and challenging job—10 percent more money for the Department of Home-

land Security, and we have provided it for them. He wants to reallocate some of it to higher priority areas. I think we are trying to give that to him to fulfill that function. Senator COCHRAN manages this appropriations bill, and he does it very well.

I urge our colleagues to vote no on the Sarbanes amendment.

Also, I failed to add this amendment raises taxes by \$2.9 billion. It is another big tax increase.

The only taxes we are really assuming in the next couple of years are family-friendly tax cuts. Maybe that means the 20-percent tax credit won't continue to be as broad as it is. Maybe it means the child credit won't be extended.

I urge our colleagues not to support this amendment.

Mr. DODD. Mr. President. I rise in support of this amendment to help the Nation's firefighters safely do their jobs.

Specifically, this amendment does three things. First, it restores funding to the Assistance to Firefighters Grant Program, which I authored in 2000 with Senators DEWINE, LEVIN, and WARNER. This law stands as the first federal grant program explicitly designed to help firefighters throughout America obtain better equipment, improved training, and needed personnel.

Second, this amendment provides funding for the implementation of the SAFER Act. This law, which I authored with Senator WARNER and was enacted last November, authorizes a federal grant program to hire an expected 75,000 new firefighters over the next seven years.

Finally, this amendment allocates much-needed funding for deficit reduction. The Senate budget resolution, which largely reflects President Bush's irresponsible fiscal policies, adds a staggering \$2.86 trillion to the national debt over the next 5 years.

Mr. President, \$2.86 trillion dollars! These numbers are totally mind-boggling. The Republicans have always claimed that they are the party of fiscal responsibility. Under their Senate Budget resolution, however, \$612 billion will be added to the gross debt from 2004 to 2005; the next year \$569 billion will be added; the next year \$553 billion; the next year \$563 billion; and the next year \$564 billion will be added to the debt. Despite the claims of President Bush and the Budget Committee majority, I see no significant progress being made at reducing the increases to the debt. In fact, we've gone from record surpluses to record deficits in only 3 years!

The offset we are proposing to pay for this amendment is a reduction in the tax cuts benefiting individuals with annual incomes over \$1 million. According to the Center on Budget and Policy Priorities, the Senate budget resolution calls for tax cuts which are extremely beneficial to the wealthiest Americans such as accelerating the re-

peal of the estate tax by 1 year, and making permanent the capital gains and dividend tax cuts. With the deficit exploding, the country still vulnerable to terrorist attack, and our Nation's firefighters in need of the resources necessary to respond to emergencies and to save lives, it is only right that the top one-tenth of one percent of the wealthiest Americans pay their fair share for homeland security.

In fact, Mr. President, homeland security is exactly what this amendment is all about. The defenders on our home front are not dressed in combat fatigues. They do not drive tanks on the streets of the Nation's cities. They wear firefighter uniforms, and they drive fire engines. They risk their lives to keep us safe just like our troops overseas, and I for one appreciate their efforts greatly.

I know that the fire service has men and women who are willing to do whatever it takes to get their jobs done. We have first-rate firefighters throughout the Nation, but they are underfunded, understaffed, undertrained, and underequipped to deal with many emergencies that may arise.

The responsibilities of America's firefighters have changed. They have certainly come a long way from the "bucket brigades" in colonial America, where two rows of people would stretch from the town well to the fire, passing buckets of water back and forth until the fire was extinguished.

Today, firefighters must do more. They still have their traditional responsibilities of extinguishing fires, delivering emergency medical services, and ensuring that fire codes are inspected. Now the fire service has new homeland security responsibilities, such as responding to biological and radiological agents.

The reality, however, is that cash-strapped States and cities simply do not have the resources—financial as well as personnel—needed to single-handedly safeguard their populations. Nor do they have the fiscal reserves necessary to deal with heightened warning levels for any extended period of time.

According to a national Needs Assessment study of the U.S. Fire Service published in December 2002, most fire departments lack the necessary resources and training to properly handle terrorist attacks and large-scale emergencies. The study found that:

Using local personnel, only 11 percent of fire departments can handle a rescue with emergency medical services at a structural collapse of a building with 50 occupants. Nearly half of all fire departments consider such an incident beyond their scope.

Using local personnel, only 13 percent of fire departments can handle a hazardous material incident involving chemical and/or biological agents with 10 injuries. Only 21 percent have a written agreement to direct the use of non-local resources to handle the situation.

An estimated 40 percent of fire department personnel involved in hazardous material response lack formal training in those duties, most of them serving smaller communities.

Finally, an estimated 60 to 75 percent of fire departments do not have enough fire stations to achieve widely used response time guidelines. Many fire departments often fail to respond to fires with sufficient personnel to safely initiate an interior attack on a structural fire.

These statistics are startling. The risks that firefighters are expected to respond to have far outgrown the ability of city governments to equip firefighters to do what we are asking them to do. This situation demands immediate action by the Senate to address these concerns.

Unfortunately, the Bush administration is talking out of both sides of its mouth when it comes to helping firefighters. Secretary Ridge of the Department of Homeland Security talks about training and equipping first responders yet the President's Budget and the Senate budget resolution cuts the FIRE Act grant program by \$250 million. This amendment will restore these funds to their authorized level of \$900 million for fiscal year 2005.

Mr. President, the FIRE Act grant program has been one of the most successful initiatives in recent years. I am currently working closely with Senator DEWINE to reauthorize this program for the future. The need is certainly out there in all regions of the country urban and rural, large cities and small communities, North and South, East and West—for these competitive, merit-based grants that assist fire departments with their heaviest burdens. For Fiscal Year 2003, the program received approximately 19,950 applications from fire departments across the nation, totaling \$2.5 billion in grant requests, while only \$750 million in federal funding was available for such grants.

A January 31, 2003 report by the U.S. Department of Agriculture found that 99 percent of program participants were satisfied with the program's ability to meet the needs of their department. In addition, 97 percent of the participants reported that the program had "a positive impact on their ability to handle fire and fire-related incidents." The report concluded that "overall, the results of our survey and our analysis reflect that the Assistance to Firefighters Grant program was highly effective in improving the readiness and capabilities of firefighters across the nation." The FIRE Act grant program is truly a success story, and it deserves the Senate's full support.

It is surprising to me then that President Bush and the Senate budget resolution would slash \$250 million from this very successful program. It is also surprising to me that President Bush would show images of firefighters in a campaign advertisement when his

budget, as well as the Senate budget resolution, provides not one cent for the SAFER Act, which would fund 75,000 new firefighters over the next seven years. It makes no sense.

The need for additional firefighters on our Nation's streets is great. According to National Fire Protection Association standards, a minimum of four firefighters is required to initiate an interior attack on a house fire. And 73 percent of departments serving populations between 10,000 and 25,000 lack such personnel.

For fire departments serving populations between 25,000 and 50,000, the number climbs to 82 percent.

For fire departments serving populations between 50,000 and 100,000, 76 percent lack the minimum of four firefighters.

And 56 percent of fire departments protecting 100,000 and 250,000 people also do not have the necessary four firefighters.

Then it is 41 percent for departments serving 250,000 and 500,000 people, 40 percent for departments protecting populations between 500,000 and one million people, and 0 percent for departments protecting at least one million people.

Just as the FIRE Act provides the equipment and training resources for firefighters to do their job, the SAFER Act complements it by also providing the human resources to meet the challenge of an extended war against terrorism. Since 1970, the number of firefighters as a percentage of the nation's workforce has steadily declined. Today in the United States there is one firefighter for every 280 citizens. We have fewer firefighters per capita than nurses and police officers.

We need to turn the trend around now more than ever. Understaffing is dangerous for the public and for firefighters. Chronic understaffing means that many firefighters do not have the backup and on-the-ground support they need to do their jobs safely. The sad consequence is that about every three days we lose a firefighter in the line of duty. On some days, the losses are unimaginably high. Firefighters need reinforcements, and the Congress should be prepared to give them all the help they need. This amendment therefore provides funding for the SAFER Act at its FY2005 authorized level of \$1.03 billion.

In closing, it is important to recall the important role that firefighters have played in American history since its earliest days. In fact, firefighting can be linked to some of our Nation's most illustrious personages. Benjamin Franklin established the first volunteer fire department in Philadelphia in 1735. George Washington himself was a volunteer firefighter across the Potomac River in Alexandria, Virginia, and he imported the first fire engine from England in 1765.

Of course, on September 11, 2001, 343 members of the New York Fire Department made the ultimate sacrifice in

their efforts to save thousands of lives trapped in the World Trade Center. The role played by those firefighters who lived and died in the line of duty on that tragic day made the Nation proud.

On that day and on every other day, they are the first ones in and the last ones out. They risk their own lives to save the lives of others. They stare danger in the face because they know that they have a duty to fulfill.

The Congress has a duty to the fire service as well. We must ensure that there is full funding for the FIRE Act and the SAFER Act, so I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I want to point out that the examples the chairman of the committee used for the supposed waste of money, other than one, did not involve firefighters. You can drag all these cats and dogs in from anywhere you want. The only firefighter example that was used was a purchase of a firefighting boat. On the face of it, that may well have been a good expenditure.

In any event, these are competitive grants and the judgment on who gets the grants and for what purpose is made by the administration. To the extent you can site something, the ultimate responsibility for it comes back on the administration.

Furthermore—will the Senator give me 2 minutes?

Mr. CONRAD. I yield 2 minutes to the Senator from Maryland off the resolution.

Mr. SARBANES. Furthermore, the Senator says if we are going to get this money, \$2.8 billion, you would have to—then he mentions all kinds of possibilities on the tax side. Obviously, we can't direct specific instructions to the tax committee, but we can point out what the opportunities are. The top 1 percent is getting that billion-dollar tax credit. The cost of the Bush tax cut for those making over \$337,000 in 2005—the top 1 percent, over a \$337,000 income—\$45 billion.

We are suggesting very simply that a small portion of that be shifted in order to help address the challenges that confront our firefighters.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I will speak on time off the resolution.

My colleague keeps coming back saying we want to sock it to the wealthy. You don't do that in a budget resolution. You tell the committee to raise more taxes. I will tell you that all we are assuming the committee is going to do is extend present law. This would make it so you can't do that. That means low-income people are going to see a tax increase, if we don't extend present law. That is what we are assuming we are going to do.

I know my colleagues would like to raise the 35-percent rate. That is what corporations pay. A lot of us really do not think individuals will pay more

than Exxon. How about a little fairness?

I tell my colleagues that this idea of tax and spend, we are always going to tax that person behind the tree, it is going to be that multimillionaire, that is not the way the Budget Committee works and that is not the way the Finance Committee works.

We have defeated these amendments. I hope we will continue to defeat the amendments that sock it to them by raising taxes and increasing spending.

I hope our colleagues will realize it is not going anywhere, and then maybe we can eliminate a lot of these amendments so we can get some business done.

I am trying to cooperate with my colleague from North Dakota. But we are making very little progress. I know there are a lot of amendments. I am trying to be fair to all colleagues if they wish to debate their amendments. But this idea of spending 3 hours on 2 amendments is not very productive. I hope we will be more successful in moving a little more quickly through amendments, especially ones that are so close to being repetitive.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I yield myself such time as I might use off the resolution.

I urge my colleagues to support the amendment of the Senator from Maryland. The amendment of the Senator from Maryland does two things: It restores the cuts to firefighters that have been made in this budget, and it reduces the deficit. It reduces the deficit. We have record deficits. The amendment of the Senator from Maryland is a twofer. He restores the cuts to firefighters, the first responders. We know from the disaster of September 11 that one of the biggest failings was our first responders, including our firefighters, who could not communicate with each other. They had units from different jurisdictions and they couldn't communicate. That has to be fixed. That costs money.

The Senator from Maryland has offered an amendment to restore the cuts to firefighters. That makes sense.

Second, he reduces the deficit. To pay for it, he takes a tiny fraction of the tax cut going to the wealthiest 1 percent in this country, those earning over \$337,000 a year. The total cost of the tax cuts for that group in 2005 is \$45 billion. The Senator from Maryland reduces the deficit and restores the cuts to firefighters by using 1.6 percent of that money over four years.

This amendment is a serious amendment and it deserves support.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized to offer an amendment.

AMENDMENT NO. 2793

Mr. DORGAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 2793.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To increase funding for COPS, Byrne grants, and Local Law Enforcement Block Grants, and reduce the debt by reducing the President's tax breaks for taxpayers with incomes in excess of \$1 million a year)

On page 3, line 9, increase the amount by \$344,000,000.

On page 3, line 10, increase the amount by \$632,000,000.

On page 3, line 11, increase the amount by \$510,000,000.

On page 3, line 12, increase the amount by \$610,000,000.

On page 3, line 13, increase the amount by \$104,000,000.

On page 3, line 17, increase the amount by \$344,000,000.

On page 3, line 18, increase the amount by \$632,000,000.

On page 3, line 19, increase the amount by \$510,000,000.

On page 3, line 20, increase the amount by \$610,000,000.

On page 3, line 21, increase the amount by \$104,000,000.

On page 4, line 20, increase the amount by \$344,000,000.

On page 4, line 21, increase the amount by \$632,000,000.

On page 4, line 22, increase the amount by \$510,000,000.

On page 4, line 23, increase the amount by \$610,000,000.

On page 4, line 24, increase the amount by \$104,000,000.

On page 5, line 3, decrease the amount by \$344,000,000.

On page 5, line 4, decrease the amount by \$976,000,000.

On page 5, line 5, decrease the amount by \$1,486,000,000.

On page 5, line 6, decrease the amount by \$2,096,000,000.

On page 5, line 7, decrease the amount by \$2,200,000,000.

On page 5, line 11, decrease the amount by \$344,000,000.

On page 5, line 12, decrease the amount by \$976,000,000.

On page 5, line 13, decrease the amount by \$1,486,000,000.

On page 5, line 14, decrease the amount by \$2,096,000,000.

On page 5, line 15, decrease the amount by \$2,200,000,000.

**SEC. . RESERVE FUND FOR COPS AND OTHER LAW ENFORCEMENT GRANT PROGRAMS.**

The Chairman of the Committee on the Budget of the Senate shall revise the aggregates, functional totals, allocations to the Committee on Appropriations of the Senate, discretionary spending limits, and other appropriate levels and limits in this resolution by up to \$1,100,000,000 in budget authority for fiscal year 2005, and by the amount of outlays flowing therefrom in 2005 and subsequent years, for a bill, amendment, motion, or conference report that provides additional fiscal year 2005 discretionary appropriations, in excess of the levels provided in this resolution for the Community Oriented Policing Services (COPS) program, the Edward Byrne formula grant program, and the Local Law Enforcement Block Grant program at the Department of Justice.

Mr. DORGAN. Mr. President, I have agreed to a rather short time limit for a debate on my amendment. I know we are facing a lot of votes in the later hours of today and perhaps even tomorrow. So I have agreed to 10 minutes on each side.

This budget that is brought to the Senate deals with choices. We make choices. I have great respect for people who have a differing view than mine on the choices of where to spend money and where to save money. They have every right to share views. I respect their views. There are times with respect to this budget document where we disagree. This is one of them.

My amendment deals with law enforcement. The budget that is before the Senate, consistent with the Administration's wishes, proposes to cut \$1.6 billion of proven, critically important domestic law enforcement programs; then it would restore about \$500 million in funding, leaving the budget \$1.1 billion short for law enforcement programs. This includes the COPS Program. We know that works, but it would be eviscerated by this budget. The Byrne grant program, that is the most important program to help local law enforcement agencies around this country, would be eliminated. The local law enforcement block grant program would be eliminated. We will be \$1.1 billion short for these critical law enforcement needs.

My amendment restores that money, and, in addition, reduces the Federal budget deficit by \$1 billion. We simply restrict, just restrict, a very small amount of the tax cut that goes to the folks in this country earning more than \$1 million a year.

This is just a choice that we have to make, one that says a lot about our priorities.

Last month I held a meeting in North Dakota, as I have on previous occasions. I had county sheriffs, the highway patrol, local police officers there. We were talking about the scourge of methamphetamine. What a devastating scourge to this country. Methamphetamine is destroying lives. Anyone can buy the ingredients for methamphetamine at the local stores. Then you can cook it up in a trunk or abandoned farmhouse. It is literally like a prairie fire out in rural America. It is an enormous challenge to local law enforcement officers. The equipment, the communications opportunities, the manpower, needed to fight this new meth scourge is very substantial. This is the wrong time to be cutting the law enforcement assistance to the states that we have given previously. So I suggest we restore this money and provide the funding from the tax cut that has been given to those earning over \$1 million a year.

This choice that we have to make is also about terrorism. We talk a lot about the terrorist threat in this country. The first responders to the next terrorist attack will not come out of the Centers for Disease Control or the

FBI or the Secret Service. The first responders are going to be the local police officers on the scene, the firefighters on the scene. The question is, Do they have the training? Do they have the equipment? Do they have the capability, the manpower to deal with these issues? The Edward Byrne grants and the COPS Programs and the Local Law Enforcement Block Grants go a long way in making sure that our first responders are ready.

Now we discover the priority of the majority and also the administration is to cut that funding. That is, in my judgment, a very significant mistake.

You know, I was here months ago leading the fight to try to stop sending \$20 billion of the taxpayers' money to reconstruct Iraq. Why did I feel that way? Because Iraq has the money to reconstruct itself. The Iraqi people can pump Iraqi oil and reconstruct Iraq. The American taxpayer does not need to spend \$20 billion for that.

I lost that vote. This money is on its way to Iraq. And we have all these law enforcement programs now in Iraq. So the American taxpayer is going to pay for law enforcement programs for Iraq, which Iraqis could pay for themselves, and we will cut law enforcement programs in this country. What kind of priority is that?

There are some who take a look at those in politics and say: America first; that is pretty selfish.

It is not selfish, in my judgment, to ensure that we protect the American public, that we head off future terrorist threats, that we support local law enforcement and respond to the scourge of methamphetamine and other issues. If we do not have the funds for that but we have the funds to invest in local law enforcement in Iraq, which the Iraqis could have paid for themselves, there is something wrong with our priorities. Our priorities need to be changed.

I have talked about the three programs that the budget would cut. The proposal is to cut a substantial amount of money from the COPS Program, \$698 million, \$696 million from the Edward Byrne grant program, and \$224 million from the local law enforcement block grant. After cutting \$1.6 billion, they create a new program of \$500 million, roughly, so you are about \$1.1 billion short.

Maybe those who say, let's do this, maybe they really think that tax cuts for people who make over \$1 million are more important than the Byrne grant. But if you just held meetings with law enforcement officials in your State and understand what they face, the challenge they face every single day, you understand that is a bad choice to be cutting these programs.

I recall that days after the devastating attack on September 11, I went to Ground Zero with my colleagues. I recall looking into the eyes of the law enforcement officers and the firefighters who lost brothers and sisters, who were moving up those buildings as the buildings were coming

down. They were not punching a time-card. They were not asking whether they were being paid overtime. They were not talking about anything other than their job. They ran right into the face of danger. Many of them lost their lives trying to save people. That is what law enforcement does in this country. This country takes them for granted every day and every night. We go to bed at night feeling safe because law enforcement is on our streets. This country takes it for granted. We ought to say thank-you to the men and women who wear the badge and keep the peace and keep our streets safe.

It is the wrong way to cut the Byrne grant program, the COPS Program, and the things that are essential and are needed by local law enforcement, and to do that in order to preserve a tax cut for those who make over \$1 million a year. It is a bad choice for the country. And, in my judgment, it is a bad political choice for those who have done it, as well.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I will make a couple of comments and maybe Senator GREGG may want to speak. He is more knowledgeable about this program than I am.

What is very clear to me to see is that this amendment is another one of these amendments on which we had the pleasure of voting. This will increase spending, yes, and it will also increase taxes. We have had that debate several times. I guess we will have it several more times. I am happy to debate it.

Some think individuals should pay more than corporations. I don't. I think that is bad tax policy. I think the power to tax is the power to destroy. If you have to work more than half the time for the Government, then you lose your personal freedom.

Looking at the COPS Program, I remember the objective of the COPS Program was to have 100,000 new cops on the street. According to the figures I was just handed, we have 118,000 as a result of the COPS Program, a program that started with an enormous Federal subsidy, I believe. I have to refresh my memory, but I believe the Federal Government pays 75 percent of the costs of the first year and then something like 50 percent the next year and maybe 25 percent the third year. Then it is on the community.

In other words, local police are supposed to be paid by local communities. But we said we would give them an additional incentive to hire additional police officers basically by a big subsidy, but that subsidy would curtail and it would be the responsibility of the community, certainly entirely by the fourth year.

Some want to keep it forever. As Will Rogers once said: All Federal programs have something in common: a beginning, a middle, and no ending.

We accomplished the objective, I guess, but yet some people want to

continue it. I have no doubt there are lots of cities that would say, Hey, we would love for you to pay three-fourths of the cost of a new police officer, because they have people retiring, they have people leaving, and so on. So, yes, we would love to have the Federal Government come in and pay three-fourths of it.

I question, How long are we supposed to do that? I do not think that is really the Federal Government's responsibility. Maybe it was a little easier to do when we had enormous surpluses. We do not have those surpluses today. And this really is not the Federal Government's responsibility to be putting police officers in every city.

I know we had a city in Oklahoma—I am trying to remember the name of the city—that had no police officers. Yet when the COPS Program came in, they thought: We need to have a police officer. We are going to have the Federal Government pay three-fourths of the cost of our police officer for the first year. Oh, we have to get him a car—and on and on. It was almost comical because they never had a police officer in this town. It probably had a population of 65 or something.

But my point is, we have significant increases for the Department of Justice. We have significant increases to help the FBI, to help law enforcement. I do not think this is that high of a priority for us to try to be subsidizing police departments all across the country. Nor do I think it is good economics to say, oh, well, we are going to have the upper whatever percent. Everybody knows. I guess I will repeat this every time. All this amendment does is raise taxes. And all we have on the assumption in the budget resolution is that middle-income taxpayers are going to get to keep present law. Now, if that goes away because of a tax increase, the middle-income taxpayers better look out because their taxes are going up by this multitude of amendments.

Incidentally, if it makes any difference, we are counting how many tax-and-spend amendments are being offered. And we assume it is going to be the millionaires. That is not the way it works. You tell the Finance Committee: raise more money, and the Finance Committee is going to raise taxes. And you know with this President we are not going to be raising marginal rates. The marginal top rate is 35 percent. When Bill Clinton was elected, it was 31 percent. He took it up to 39.6 percent. It took us this long to get it at 35 percent.

Who benefits from that? Entrepreneurs, people who are growing, building, and expanding their businesses. When they expand, they create jobs. Let's not stifle economic growth by some of these ridiculous expansions to try to grow Government.

I think these amendments are getting a little redundant, maybe a little bit repetitive. If our colleagues want to finish, I do not know why we have to have so many of them.

But I urge our colleagues to vote no on the amendment.

Mr. CONRAD. Mr. President, I yield myself time off the resolution.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I heard my colleague, the chairman of the Budget Committee, say that this would increase taxes on those who earn over \$1 million a year. The cost of the tax cuts, in 2005, to those earning over \$1 million a year, is \$27 billion.

I point out to my colleague that when it is a question of job creation, it is an interesting fact. It is true that during the Clinton administration the top marginal rate was increased from 31 percent to 39.6 percent. And guess what happened to economic activity and job creation. We had 22 million jobs created in this country with the 39.6-percent rate. Now we are down to 35 percent, and under this President 3 million jobs have been lost.

If we go back to the Clinton years, the fact is, he put increased revenue into place, cut spending; and we went from 22.6 percent of GDP down to 19 percent of GDP on spending, and raised revenue, because President Clinton inherited from the previous President Bush the same mess this President Bush is creating: record budget deficits. The previous record, before this President, was in his father's administration.

When President Clinton came in, he faced a \$290 billion budget deficit. He put in place a 5-year plan that cut spending, raised revenue, balanced the budget, stopped the raid on Social Security. And guess what. We had 22 million jobs created, with the longest economic expansion in the Nation's history, the lowest unemployment in 30 years, and the lowest inflation in 30 years.

Now we have this alternative plan, which is to run the biggest deficits in history, run up the debt, and lose 3 million jobs. I would take the Clinton economic years over the economic years of this administration.

I want to say, my office was visited this week by State and local officials from back home. They told us the proposed levels in the Republican budget resolution for law enforcement and for the COPS Program is going to do serious damage to law enforcement in our State. That was the message they delivered.

The President's budget cuts the COPS Program 94 percent. It is the COPS Program that has put 100,000 police officers on the streets of America, including several hundred in my home State. Why we would cut the COPS Program when we face a terrorist threat eludes me.

I think the amendment of the Senator from North Dakota deserves our support.

Mr. PRYOR. Mr. President, last year right about this time I stood in the Senate chamber questioning why an administration that talks so much

about the importance of homeland security and first responders would submit a budget that so drastically short-changes their needs. I find myself 1 year later still asking the same questions but hearing no good answers.

Specifically as it pertains to community policing and other law enforcement programs, this budget short-changes smaller communities and grossly under funds programs that have put more police officers on the street, reduced crime in rural areas, curbed drug abuse and put at-risk youth back on the right track.

Instead of strengthening these programs—programs that we know work—we are pulling the rug right out from under our communities' feet. Under the budget proposal, the COPS program would see a reduction from \$756 million to \$44 million—a staggering 94 percent cut.

Let me be clear: Taking away COPS funding will mean less police officers on our streets; it will mean less resource officers in our schools preventing violence and drug abuse; It will also mean longer response times and higher crime rates. This is tradeoff we should never even consider, yet alone go through with.

Since 1994, my State received \$88.4 million in COPS grants, which has funded 1,289 additional police officers and sheriff deputies, 112 school resource officers and more than \$11 million in crime-fighting technologies. Arkansas is not alone; I ask if there is a Senator among us that would contest that their State has benefited from the COPS program.

We can't be serious about law enforcement by paring this successful program to \$44 million. Texas alone received nearly \$30 million from the COPS program last year. How are we going to fund the entire country's COPS needs using the budget of what just one State received last year?

When I was the Attorney General of my State, I worked closely with law enforcement to make Arkansas a safer place to live and raise a family. One thing I know for sure, these police officers operate under tight budgets with smaller staffs than most of their urban counterparts. Nevertheless, they put their lives on the line every day and we need to make sure they have adequate resources to do their jobs properly.

I recently talked with several Arkansas police chiefs about the proposed cuts to the COPS program. They told me how important this program was in their continuing battle to stop the production of methamphetamine throughout Arkansas.

Chief James Allen of the Bentonville Police department said the COPS program has been the biggest single factor in helping his region fight the environmental and social problems created by methamphetamine use.

Last year alone, Arkansas police shut down 1,208 meth labs, but more are popping up each day.

Methamphetamine spreads so easily because it is cheap and easy to

produce. It is also extremely addictive and it is tearing rural communities apart. Law enforcement officials have told me that if Congress reduces COPS funding by 94 percent, we would effectively decimate their ability to battle this deadly drug.

These law enforcement officers are making a huge difference in our communities and on top of that, they play the integral part in our homeland defense as first responders.

COPS grants have played a critical role in providing additional manpower, technology and training—all of which are necessary to enhance community security and contribute to the overall goal of national domestic preparedness. The Chief of Police in Pine Bluff, AR Daniel Moses characterized his Homeland Security Overtime grant as a god-send.

September 11 made us acutely aware of the need of genuine partnerships that involve all segments of our communities and all levels of government—we all have a role in keeping our community safe.

Our local law enforcement must be able to respond to whatever may confront them in the future, but how can they properly respond, when they are given a budget that cuts deep into their existence?

I would also like to note that in my State, a number of police officers on the front lines of crime prevention are also fighting on the front lines in Iraq and Afghanistan. They are pulling double duty for our country in the Reserves and National Guard. But at the same time, their absence has spread our police forces even thinner.

We need to build on what we know works. These law enforcement programs work. But don't take my word for it. Take the word of Attorney General John Ashcroft who said not two years ago:

Since law enforcement agencies began partnering with citizens through community policing we've seen significant drops in crime rates.

Mr. President, our communities, the people we represent have truly benefited from these programs and taking away its funding would be a major step backwards in our efforts to fight crime.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I forgot to mention at the start that Senator DASCHLE joins me as a cosponsor of this amendment.

Mr. President, it has been suggested that my amendment amounts to a tax increase. That is just nonsense. The question before us is this: next year, shall we give a \$26 billion tax cut to those who receive \$1 million or more in income and at the same time restore the funding for law enforcement officials around the country—funding we know works to fight crime? Or shall we instead cut funding for law enforcement officials so we can give a \$27 billion tax cut to those whose income is over \$1 million a year?

This is not about tax increases. I am sorry. My friend from Oklahoma, I am sure, is familiar with Will Rogers, because Will Rogers is from Oklahoma. What a wonderful man. Will Rogers once said: When there's no place left to spit, you either swallow your tobacco juice or you change with the times.

Well, there is no place left to spit with respect to these choices. Do you want to cut local law enforcement funding, the Byrne Grant that helps those folks out there today who are keeping this country safe, who are chasing those people who are producing methamphetamine and addicting our children? Do you want to invest in law enforcement? Do you want to chase the criminals? Do you want to apprehend them and get them? Or do you want to decide we cannot afford to do that? Let's cut back on law enforcement efforts so those who make \$1 million a year can get an extra \$1 billion—from \$26 billion to \$27 billion—next year in tax cuts.

One hundred years from now, we will all be dead—everybody in this Chamber is likely to be dead—and the only thing they will know about us is to look at this budget. And they will say: Here were their values. Here is what they held dear. Here is what they felt was important for this country.

Someone once asked: If you didn't know someone, never met someone, and had to write their obituary, and you only had their check register with which to write an obituary, what would you say about them? You would be able to tell something about their value system. The same is true with the Government. The same is true with choices made in this budget. What is our value system? What do we hold most dear? What do we think makes our country strong?

The question for us is, Will this Congress stand up for the men and women who wear the uniform on the street who keep this country safe?

We talk a lot about national security and the threat of terrorism. Once again, let me say, the first responder, in the event of a terrorist attack, is going to be a man or woman out there in the local sheriff's office, the local police force, the highway patrol. They benefit and their programs benefit from these grant programs that are being proposed to be cut now by \$1 billion. I propose to restore it because I think it is the right choice for this country.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Who seeks recognition?

Mr. CONRAD. Mr. President, could the Chair update us in terms of the time status on the Dorgan amendment.

The PRESIDING OFFICER. The time for Senator DORGAN has expired. Senator NICKLES has 5 minutes 9 seconds.

Mr. CONRAD. I don't know if the chairman seeks to use time now on that amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I will be very brief. I was looking at some additional information about the COPS Program. The grant programs administered through the COPS Program were 100 percent earmarked in 2004 appropriations bills. The administration feels the earmarking has gotten out of hand and seeks to eliminate funding in favor of a new grant program located in another account. This new account consolidates almost all State and local law enforcement grant programs and activities. Rather than have the programs spread out over a half dozen accounts, it assumes consolidation in one account called justice assistance. A lot of the old COPS Program is included in the new Justice Assistance Program. Maybe it won't be quite so directed by Congress. Maybe it will be more appropriate.

I don't know if it is the Federal Government's responsibility to hire hundreds more police officers in North Dakota or Oklahoma. I happen to be one who says: We all have to do our fair share. I just don't know that it is the Federal Government's responsibility to be putting police officers in every little town in America.

We have accomplished our objective in hiring and training 118,000 police officers. We should say a job well done and not continue this program forever.

Mr. DORGAN. Might I ask for one minute off the resolution?

Mr. CONRAD. I yield an additional minute off the resolution.

Mr. DORGAN. Let me say my colleague from Oklahoma talked about the COPS Program—which, incidentally, has been a remarkable program. It has worked very well to reduce crime. He did not mention, for example, the Byrne grant program which today is aiding law enforcement in tracking drug dealers, dealing with this methamphetamine scourge.

My colleague from Oklahoma described a new grant program that the Administration is proposing, but this new grant program my colleague described is going to cut funding for local law enforcement officials by \$1.1 billion. That is why I felt constrained to come and offer the amendment.

It is about choices. If one feels the assistance we have given local law enforcement through the Byrne grant program and other programs has not been effective, then one would want to oppose this amendment. But if you meet with our law enforcement officers at the state and local level, they will tell you to a person how incredibly effective these programs have been in bringing them up to speed with training and equipment and helping them pursue drug dealers and reduce crime on the streets. If one believes that is important, then one must vote for this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. NICKLES. Mr. President, I believe we have an agreement to next consider an amendment by our col-

league and friend from New Jersey, Senator LAUTENBERG. We are almost ready to enter into a time limitation, but I need to consult with the chairman of the committee, Senator INHOFE. At this point we will not, but I understand there has been a general agreement for 20 minutes equally divided or 20 minutes a side. Is the Senator from New Jersey willing to have a time agreement? I cannot enter into it at this moment, but is he looking for 20 minutes each or 20 minutes a side?

Mr. LAUTENBERG. I thank the Senator from Oklahoma. We would like to have 20 minutes on each side.

Mr. NICKLES. Mr. President, I won't make the request now. I am telling our colleagues, the Senator from North Dakota has about 5 hours, maybe a little less now.

I ask the Chair, how many hours remain?

The PRESIDING OFFICER. The hours remaining are 1 hour 50 minutes for the majority; 4 hours 46 minutes for the minority.

Mr. NICKLES. Mr. President, I am trying to be fair to everybody, but if colleagues keep coming down and taking 40 minutes or an hour on their amendments, that means a lot of people are going to get zero debate on their amendments. I don't want them to be mad at me, nor do I want them to be mad at my colleague from North Dakota. People will have to be restrained in their request or else people later in the queue will have very little debate time. I will leave it at that. I cannot enter into a time agreement. I will be happy to talk to Senator INHOFE. He may be more than happy to do that.

Mr. CONRAD. Mr. President, I think it is important to note at this time the situation we face. It is important for our colleagues to understand. Senator NICKLES could yield back all the rest of his time. I would then have 4 hours 46 minutes left. But he would have a right to half of that time. So it is important for colleagues to understand, when we say there are 4 hours 46 minutes left on our side, no, there really are not in a functional way. The chairman would verify that.

I understand he is unable to enter into a time agreement at this moment on this amendment because he has to communicate with the committee chairman, but I am saying to other colleagues who are listening, please understand, we are rapidly approaching the time when we have far more requests for time than we have time. The dislocation that occurs here is people hear I have 4 hours 46 minutes left. All the chairman has to do is give back his remaining hour 50 minutes, and then he has rights to half of my time. So instead of 4 hours 46 minutes, I would then have 2 hours 23 minutes. I now have pending requests for 4 hours of time. It doesn't fit together.

We have to ask restraint on the part of our colleagues. I understand we can't enter into a time agreement on this amendment. Senator LAUTENBERG



has been very gracious in saying he will live with whatever time agreement we can produce. Perhaps the best we can do now is to have Senator LAUTENBERG proceed and at the earliest possible convenience of the chairman, if we can enter into a time agreement on this one and subsequent amendments that are pending, I think we could make real progress.

Mr. NICKLES. Mr. President, I concur with everything my colleague and friend Senator CONRAD said. I ask unanimous consent to lay aside the pending amendment and take up the Lautenberg amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. I thank the Chair.

I want to offer an amendment for myself, Senator BOXER, Senator JEFFORDS, and Senator CORZINE.

Mr. CONRAD. Will the Senator withhold for one moment? I would ask the Senator not to send his amendment up. I want to make sure we don't do that. I listened to what the chairman said. I will yield to the Senator time off the resolution. I yield the Senator 20 minutes off the resolution and ask he not send the amendment to the desk at this time.

The PRESIDING OFFICER. The Senator is recognized for up to 20 minutes.

Mr. LAUTENBERG. Mr. President, I thank my friend from North Dakota for the generous offer he has made to let me have time to describe this very important amendment.

As I said, I will offer this amendment for myself and Senators BOXER, JEFFORDS, and CORZINE. Other cosponsors include Senators LIEBERMAN, BIDEN, DURBIN, CLINTON, LEAHY, CANTWELL, FEINGOLD, and KENNEDY.

My amendment would readjust the budget resolution so we can reauthorize the Superfund corporate fee. There are many reasons why this is an urgent matter and the right thing to do.

When Congress created Superfund, the operating principle was the polluter should pay.

I ask that the Chair remind me when 10 minutes of my time have been used, please.

The Superfund program was created because of a number of blighted toxic sites that were located in cities and towns across the country, places in Montana and Nebraska and Maine and New Jersey. New Jersey had over 100 sites listed on the Superfund list. Today 900 sites have been cleaned up, turned over to practical use in these communities where often land is precious. To be able to get space that was occupied by nothing but toxic materials can create quite a difference in the health and the well-being of a community.

We started off by saying the people who polluted the area should pay for its cleanup. It was reviewed in the courts and it was challenged and debated all over the place. The fact is, it

worked. In 1980, Superfund was authorized. In 1986, we reauthorized the collection of corporate fees paid by polluters that would be placed in the Superfund trust fund to pay for the cleanup of these so-called orphan or abandoned sites. These are the sites for which an actual polluter can be found. That way, all the taxpayers would not be stuck with the bill for a mess caused by corporate polluters.

Editorials and polls nationwide repeatedly showed that Americans want the polluting corporations, not the taxpayers, to pay for the cleanup of properties contaminated with dangerous chemicals. In a March 9 editorial, this week, the Philadelphia Inquirer said:

The Senate should put the burden back where it belongs: on polluters.

Unfortunately, now the trust fund is flat broke and our citizens are feeling the impact. They are discouraged by the fact these toxic sites are going to continue to be in the middle of their communities and unusable for any productive purpose. Some sites, which should be cleaned up in 3 or 4 years, are instead now taking 9 or 10 years because the funding isn't there. That means youngsters living next to a toxic wasteland could be graduated from high school by the time the site is decontaminated. There are children and families in America living around the corner from toxic dump sites all over the place. It is inexcusable.

As my colleagues know, such exposure to toxic chemicals cannot be undone. EPA scientists report that small children are 10 times more likely than adults to develop cancer when exposed to chemicals. Our children are the most vulnerable among us. They are especially susceptible to dioxin, arsenic, DDT, and brain-damaging heavy metals such as lead and mercury, which are often found in the soil and ground water at these Superfund sites. Across the country, each site we clean up—and so far, we successfully cleaned up more than 900 sites—reduces the health risks to our children and families. Parents don't want to raise their kids under the shadow of a toxic waste site, only to worry about the high risk for cancer, birth defects, and other diseases.

The Superfund Program needs additional revenues now. Just as our mounting debt is slowing the economy, our failure to adequately fund Superfund is slowing toxic cleanups to a crawl. The administration claims that it supports the "polluter-pays" principle and "aggressively" cleans up Superfund sites, but the facts speak otherwise.

This year taxpayers will be asked to bear virtually the entire cost of cleaning up abandoned Superfund sites. In the President's fiscal year 2005 budget, the Superfund trust fund column shows a zero—the tank is empty. As we look at the timeframe, we can see from 1996, when we had over \$3 billion available in the Superfund treasury, almost \$4 billion, now, because we have not replen-

ished it, we have used it, slowed the process of cleanups, finally in 2003 the fund is down to zero.

If the people in the communities want those sites cleaned up, they are going to have to pay for it. All the taxpayers will have to pay. Superfund is not even a fund anymore. There is nothing in it.

It is shameful what the President and this Congress have done to the Superfund. They have emptied it and told polluters: Don't worry, we will make everyone else pay for the mess our friendly contributors and political allies created. In 1986, taxpayers paid only a small portion, 8 percent, of orphan site cleanups. In 1995, only 17 percent of these costs came from general revenues. Today, the number is almost 100 percent. All taxpayers have taken on the burden of paying for what polluters should be paying.

The GAO recently reported that funding for the Superfund Program has fallen by 35 percent in the last decade. It was underfunded by at least \$175 million in 2003. What does that say? It says that whatever work is not going on, because it is underfunded, the taxpayers are going to pay for it.

It is outrageous to suggest that the taxpayers ought to pay for the misdeeds of the corporations that polluted the area. If they pollute it, they ought to clean it up and pay for it. What we are talking about is a fee that spreads across business lines, where chemicals are manufactured, and oil and gasoline products are handled.

Yet one of four Americans, and 10 million children, still live within 4 miles of a Superfund site. That statistic does not include the 40,000 hazardous waste sites which have not made it onto the Nation's priority list. The National Priorities List has something like 1,300 listings. These are the especially toxic and dangerous sites—large sites typically.

Fewer sites are being listed, and many of those listed are not receiving sufficient funding. One Superfund manager in my State of New Jersey said this: EPA is strangling the program.

Here are the facts: The rate of site cleanup has fallen by 50 percent under this administration. In other words, they allowed, deliberately, these sites to rot where they are and that threatens the people who live in the nearby vicinities.

The listing of new sites on the National Priorities List has fallen by 23 percent. There is no action there. We cannot pay our bills. A lot of the people who are with the EPA doing that kind of work have seen the end of their jobs in sight and they don't want to stay there. They want to look to see what else is a prospect for them and their family.

The PRESIDING OFFICER. The Senator has used 10 minutes.

Mr. LAUTENBERG. I thank the Chair. I say to my colleague, since I am on the floor, I will allot myself another

3 or 4 minutes before I turn the microphone over to the Senator from Vermont.

Even when a site finally makes it onto the NPL, it will take 11 years, on average, to actually decontaminate this site.

My State, unfortunately, has the second highest number of Superfund sites, second only to California. We have 113 Superfund sites, and more sites are waiting to be listed. My amendment would be the first step toward a solution. It would also reduce the budget deficit by \$8.3 billion over 5 years. If you spread the cost around, it becomes infinitesimally small. It has been calculated that two-tenths of a cent on a gallon of gas would be the cost to taxpayers generally. It is a small, but appropriate, step for us to take for fiscal sanity. Reinstating the polluter-pays principle is fair. It has a proven track record.

I yield 5 minutes to my colleague from Vermont.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I thank the Senator for yielding to me.

This is a very important amendment. Inscribed on a wall in a side room of the Capitol is a wonderful statement of Theodore Roosevelt reminding us that:

The Nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased and not impaired in value.

The Bush administration is ignoring this sage advice and is turning back on the Superfund Program. This program has successfully removed PCBs, arsenic, lead, and other toxic waste from almost 900 communities. Yet this administration refuses to reauthorize the expired Superfund polluter-pays fees that were supported by President Reagan, the other President Bush, and President Clinton.

As a result, the Superfund trust fund that once contained \$3.6 billion is now essentially bankrupt. The taxpayers are forced to pay for the cleanup of abandoned toxic dumps, instead of the waste-generating chemical and petroleum industries.

The impact of the resulting funding shortfall is illustrated by two sites in Vermont. The Elizabeth Mine site in Strafford has been denied funds for the second year in a row to clean up acid mine drainage that is leaching into the Connecticut River which flows down to several States. The delay has forced EPA to spend millions of dollars in emergency funds to stabilize this site, while still failing to pay for actual cleanup.

Only a few miles away lies another abandoned Superfund site, the Ely Mine site. It was added to the National Priorities List in 2001, but the Bush administration has yet to fund the investigation to discover the full extent of the contamination, let alone begin cleanup.

These examples illustrate how the Bush administration's refusal to sup-

port reauthorization of the polluter-pays fees chokes off funds for sites at all stages in the cleanup process.

Not surprisingly, the pace of cleanups completed annually during the Bush administration has plummeted by more than 50 percent. I, therefore, support the effort to reinstate the Superfund fees because every community deserves clean soil and water without delay.

I urge my colleagues to support the Lautenberg amendment. I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey has 5 minutes remaining.

Mr. LAUTENBERG. How much time remains of the time that was given to me?

The PRESIDING OFFICER. Four minutes forty-five seconds remain.

Mr. LAUTENBERG. Mr. President, what we are looking at is a way to relieve the taxpayers of having to come up with \$8.3 billion, relieving pressure on the budget to the extent of the \$8.3 billion.

We have so many sites in so many places, as I earlier discussed, in States such as Montana, Nebraska, and Maine. Some of these sites are huge. We see the same situation in Utah. I cannot believe that in this body at this time we would not say the communities across the country are being burdened by all kinds of discontinued programs, by all kinds of reductions in grants that went to the communities. A lot of the programs have been absorbed into grants, single grants, and let the communities use whatever they can for whatever they choose to but always at a diminished rate. This is a chance to set the record straight and let the public know this administration does not really care about what happens in these communities; that this administration would rather say to their friends, the polluters, many of which are listed on the contributors list for the campaign: Listen, we excuse you big companies from the dirt and the mess you made in these communities; we forgive you, but we will not pay it any other way except through the taxpayers' pockets.

This is a chance to set the record straight. I submit that every Senator who casts a vote against this amendment is saying to the people in his or her State: It is too bad you have those polluted sites. So what. Our friends, the companies that created this pollution, are closer to us than you, the citizens, the constituents in our States and in our country.

It is time we face up to the reality. We had a program that was excellent. It began in 1980. I came to the Senate in 1982. I followed it very closely and worked very hard on its reauthorization, which took place a couple of times. The program was going well. Cleanups were being done faster. People felt more secure about their jobs, those who worked to effect these cleanups, because they could see something

ahead of them in terms of their own family security and their own needs.

When these people leave, it will be very hard to find the skills and the specialties that are required to continue this work. They will go, and I do not blame them for going. I am sure if it came to my own family and I had to support them through my job in my profession, I would say that is my first obligation. It is not to take care of the cleanup of the polluted sites. The President does not care about it. Our friends on the other side of the aisle do not care about it. One wonders how cynical people have become about voting, about putting their trust in politicians, their trust diminishes considerably, except now when people are beginning to feel the pressure of job scarcity, of termination of health plans, and retirement plans at risk. It is a whole different world.

I submit that when the vote finally comes on this amendment, the people who are going to vote against it have to examine their conscience very closely to make sure they are doing the right thing for their communities and for their States.

Mr. President, I yield the floor.

Ms. CANTWELL. Mr. President, I rise today in strong support of Senator LAUTENBERG's amendment to provide additional resources for the Superfund trust fund. I think my colleagues would all agree on the success of the Superfund Program. Since its inception in 1980, we have cleaned up 890 of the most hazardous toxic waste sites in communities around the country, including 44 in my home State of Washington. The Environmental Protection Agency's enforcement of the "polluter-pays principle" has helped clean up these sites.

Unfortunately, since the Superfund fees expired in 1995, American taxpayers have picked up an increasingly large share of cleanup costs and today are bearing almost the entire burden of paying for sites abandoned by polluting corporations. That is why the amendment before us is really about fairness—it holds polluting industries accountable and protects public health and safety. I believe a recent editorial in the *Seattle Post-Intelligencer* makes the point well:

Washington taxpayers paid only \$7 million in 1995 for Superfund program costs. Next year, we will pay between \$25 million and \$30 million. Americans are now paying for the worst toxic waste sites in the country with our health and our tax dollars.

This amendment will also help stem the ongoing erosion of funding for the Superfund Program. According to the U.S. General Accounting Office, the overall Superfund appropriations have dropped 35 percent in real terms since 1993, even while highly contaminated hazardous waste sites continue to be added to the National Priorities List, the Environmental Protection Agency's list of the Nation's most contaminated sites. In fact, at the end of fiscal year 2002, the National Priorities List

had 1,233 sites in various stages of cleanup.

The Environmental Protection Agency's own Inspector General reported in January 2003 that the agency is facing Superfund shortfalls exceeding \$174 million. That means the Bunker Hill site on the border of Washington and Idaho is only receiving \$15 million this year, even though the Environmental Protection Agency estimated a need for \$37.8 million. To put that in personal terms, I quote directly from the Inspector General's report:

The impact of reduced funds for the Bunker Hill site is associated with risk to human health, particularly for young children and pregnant women, from lead contamination in a residential area.

I think this quote, directly from the Environmental Protection Agency, tells us all how critical it is we support this amendment. Reinstating the fees means that we can shift costs away from overburdened taxpayers, protect Americans from exposure to dangerous toxic chemicals, and revitalize properties that blight our nation and often inhibit urban redevelopment.

Waste sites still threaten more than 65 million Americans who live within 4 miles of a Superfund toxic waste site. And there are 40,000 other sites of concern that have not yet been listed on the National Priorities List. There was a very good reason for initiating a Superfund fee 23 years ago, and, until the remaining Superfund sites are cleaned up, we should reinstate and maintain this important environmental fee. I urge my colleagues to support this critical amendment.

The PRESIDING OFFICER (Mr. CORNYN). The Senator from North Dakota.

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

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

Mr. CONRAD. Mr. President, we are going to try to not let time be wasted in quorum calls because time is such a precious commodity at this point. I will take a moment to talk about the budget resolution before us and what I think are the deficiencies of that resolution.

Let me put up this first chart that shows the operating deficits under the budget resolution that is before us. The hard reality is, the budget resolution before us will add nearly \$3 trillion to the debt in just the next 5 years. Already we have record budget deficits. This year the Congressional Budget Office is saying the deficit will be nearly \$500 billion. But that does not tell the whole story.

Actually, on an operating basis the deficit is even larger because nearly

\$160 billion of Social Security money is being used for other purposes as well. So if one looked at an operating basis, the true deficit would be the \$477 billion plus another \$160 billion. That is approaching \$650 billion on a \$2.3 trillion budget. That is a big budget deficit by any objective measure.

Here it is, \$638 billion. As we see it, under the resolution that is before us, this operating deficit never gets below \$500 billion as far as the eye can see.

Some are saying this budget resolution will cut the deficit in half in 3 years. Well, that is a certain definition of deficit that does not reveal the full story. It does not talk about how much is actually being added to the debt. The reason for the difference is one includes Social Security trust funds and one does not.

Right now the Social Security trust funds are running very large and growing surpluses. Under the budget resolution before us, all of that Social Security money is being taken over the next 5 years to pay for other things.

When the chairman of the committee talks about cutting the deficit in half in the next 3 years and cutting it in an even larger way by the fifth year, here is what his assumptions are: He says in the fifth year the deficit will be down to \$202 billion. Here are the things he is leaving out: Under his resolution, he is also going to take \$235 billion from Social Security, every penny of which has to be paid back and there is no plan to do it. He is taking \$22 billion out of the Medicare trust fund, every penny of which has to be paid back and he has no plan to do that.

In addition, it would cost \$55 billion to fix the alternative minimum tax in that year. The alternative minimum tax is the old millionaires' tax that is rapidly becoming a middle-class tax trap.

Why do I say that? Well, right now only 3 million people are affected by the alternative minimum tax. By the end of this 10-year budget period, there are going to be 40 million people. Those people who thought they were going to get a tax cut are in for a rude surprise.

On top of that, he leaves out the residual war cost in that fifth year which, according to the Congressional Budget Office, will be \$30 billion. So instead of adding to the debt by \$202 billion, which one might conclude when he says he is going to run a deficit of that amount for that year, we see he is actually going to be adding to the debt by \$545 billion.

Still lots of things are left out. For example, on war costs, in the President's budget he has no funding for the war in Iraq, no funding for the war in Afghanistan, no funding for the war on terror past September 30 of this year. To the chairman's credit, he has put in \$30 billion, although interestingly enough he does not add it to his deficit totals. So it is magic money. It is money that is on paper, says it is available, but he does not count it.

Look at what the Congressional Budget Office tells us ought to be the

money set aside for war costs. They say \$280 billion is what it is going to cost over this next period of time. The chairman has \$30 billion in his budget resolution, although he does not really provide the money, he does not count it in his deficit calculations. It is, as I say, magic money: Now you see it, now you don't. The President has no money.

So I go back to this calculation of what this budget resolution adds to the debt and what kind of operating deficits it runs, and they are much larger than is being revealed. Here is what I mean. From 2004 to 2005, it will add \$612 billion to the debt. The next year, \$569 billion is added to the debt. These are not my numbers. This is from the chairman's own mark. These are from his documents. The third year it adds \$552 billion to the debt. The fourth year, \$563 billion to the debt; the fifth year another \$563 billion to the debt. That is a cumulative total of nearly \$3 trillion to the debt, and all at the worst possible time, right before the baby boomers retire.

I know my colleague from Idaho is waiting so I am going to wrap this up, and I know Senator NELSON is seeking time as well. This is a final point I think is important to understand: The deficit on a unified basis, when Social Security is included and other things are left out, is going down. That is misleading us as to our true fiscal condition because the additions to the debt are basically stable, but if I examine the chairman's proposal he is actually adding to the deficit beyond what would occur if we did nothing in this Chamber.

I hope my colleagues are listening. The chairman's budget adds to the deficit in each of the next 5 years by \$177 billion over and above what would happen if we did nothing. If we just put the Government on automatic pilot, we would have \$177 billion less in deficit over the next 5 years than if we passed this budget resolution.

I hope my colleagues study this document very carefully because I think it conceals much of the true financial condition of our country.

I yield the floor, because I know colleagues are seeking time.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I rise to speak against the Lautenberg amendment and also to speak generally about S. Con. Res. 95, which is, of course, the underlying budget resolution. I also come from a State that has a very large Superfund site, so one would think I would be in support of the Lautenberg amendment to fund that site, but I am not, and here is the reason why, and why I think it is important we all understand a tax is a tax is a tax, and what the Senator proposes on Superfund is really a tax on a lot of businesses that are having difficulty at this moment.

In fiscal year 2005, the request for Superfund is \$1.38 billion, and that is an increase of about \$124 million over

fiscal year 2004. The fiscal year 2005 budget includes a \$150 million increase in Superfund cleanups, and that \$150 million not only funds the cleanup work already underway in Idaho and the program we have planned out there, but it also includes 15 new construction projects, or cleanup projects, involved under Superfund law.

Democrats will argue to reinstate the Superfund tax so that, in their words, the polluter pays for the cost of the cleanup. Well, the fact is the polluter already pays under current law. Where there is an identifiable and viable polluter, consistent with the law, they are held liable. Congress has exempted a few small businesses, but in most cases, again, where there is an identifiable polluter which has a viable company that can obviously be held responsible, they are asked to pay, and by law they will pay.

That was certainly true in the Superfund area of Idaho, which was an old mining area. While some of those mining companies and smelting companies participated in paying, there is also a tap on the Superfund itself for that kind of pay. In 2003, potential responsible parties, or PRPs, paid about 87 percent of the cost of new construction.

Certainly a great deal of money is coming out of the business sector to pay for cleanup under the Superfund law. Historically, PRPs—again, responsible parties—have paid more than 70 percent of the cleanup itself. So the law itself is a tax imposed on those companies when they are found responsible for the pollution and are by law required to clean up the pollutants.

Superfund taxes were always unfair. The tax goes where the money is and not where the responsibility lies. What we are doing now is directing it toward the responsible parties. This is not a tax on polluters. It is an indiscriminate tax on business, as proposed by Senator LAUTENBERG. The Superfund tax was levied against a broad range of businesses.

It is interesting there is no correlation between the dollars in the Superfund and the level of funding that goes to Superfund cleanup. There is no delay in cleanups due to a lack of the Superfund tax.

As we work to stimulate this economy and get it back on line and get companies in the business of growing and expanding so they can create new jobs and hire the unemployed, this tax goes, in a broad-based way, right at those companies, once again potentially dragging them down.

I am on the floor today also to strongly support S. Con. Res. 95 which the Budget Committee has worked so hard to produce. This is not the kind of budget resolution I wish I was voting on. That is not the fault of the chairman of the Budget Committee or the majority of the committee, and it is not the fault of the President of the United States, and it is not the fault of the tax relief this Congress enacted in 2001 through 2003.

Where does the fault lie? There has been a lot of fingerpointing by all of the amendments that have been brought out here in a great rush on the part of my Democrat colleagues to crank all these taxes back up and stunt the growth that is starting.

Where does the fault lie? With an economic cycle that, despite the collective denial of politicians, bequeaths our Nation with a recession at least about once every decade. Certainly in my time here in the Congress I have watched that cycle go forth. Somehow in the late 1990s we thought the cycle would never come, but it did come. It came in the latter years of the Clinton administration. We were trying to pull it out and then along came 9/11. We all know what happened at that time when terrorists attacked innocent civilians in this country and really threw this country into a phenomenal, quick slowdown. Some will argue it took over \$1 trillion out of the economy at that time.

Where does the fault lie? With the international terrorist movement and the foreign regimes who supported it. We saw what happened, tragically, in Spain today. No country is immune. Certainly we have had to invest mightily to begin to develop a level of protection for the civilian population in this country we really had never had before.

With that difficult, perfect combination of things happening, and I think obviously understood by all, what are we dealing with? We are dealing with a very difficult time. We, as a Congress, have worked mightily to work our way out of that. These circumstances, most of them forced upon us, have really been a body blow to our economy, to American jobs, and to the current fiscal situation.

Something else is also happening. The American people have said, in reality, you have spent about as much as you need to spend. We have deficits growing. It is time we get those deficits under control. The chairman of the Budget Committee has worked mightily to do that.

We are in the aftermath of a market slump and an economic slowdown that truly began in 2000, before this President took office. Nobody denies that today, although some would like to point a finger in a rather odd direction, at this current President. We are still working our way out of this recession in all respects. It is not smooth sailing, but clearly the wind is now to our back and it appears the economy is slowly but progressively coming on line.

We fought a shooting war against terrorism on two fronts and continue to fight terrorism at home and abroad.

Unfortunately, in a business world in which most folks play by the rules and follow the law, something else has happened: A significant handful of scandals and a legacy of some of the excesses of the 1990s that shook the confidence of the stock market and further depressed the economic downturn.

That cyclical downturn already was inevitable. I think I can well remember what Fed chairman Alan Greenspan said when he warned us of an overvalued market and an irrationally exuberant attitude, long before the market slumped. So the combination of the 9/11 and bad actors out there in the market along with the reality of cyclical movements in our country have brought us to where we are today and brought the budget to where it is, trying to be fiscally responsible and fund the needed and necessary services of our Government and at the same time saying we are controlling our spending here and we are not going to overtax America's workforce.

Quite another message comes from the other side at this moment. Somehow they have an insatiable appetite to continually increase taxes on working men and women. They will argue they would like to direct it at the millionaires of this country. They never really quite define it. We know the vast majority of the taxes paid in this country are paid by average working men and women because they make up by far the vast majority of the cumulative wealth and generated wealth of our country.

Given all the circumstances, I believe this is a very good budget resolution. I believe we ought to work hard to support it and to refine it where we can throughout the process and get on with the business of doing what is responsible here and that is causing our Government to function in the appropriate fashion.

It is a political year. We all know that. It would be a nice surprise if the Congress of the United States, at least on budgetary matters, and at least through the appropriation process, could show the American people we are going to be responsible, we are going to finish the budget on time, we are going to get our appropriations out on time. Then we can get at the business of politics, of deciding who is going to run the next Congress and who the next President of this country will be. But it would be amazingly refreshing if we could show the American people we can work together.

It doesn't appear that is going to happen and that is a real sadness of mine. We are working hard to put a budget resolution together and yet we see this insatiable appetite on the part of my Democrat colleagues to continually raise the spectrum of more taxes, more taxes, more taxes.

I congratulate Senator NICKLES, chairman of the Budget Committee. This resolution represents a truly heroic effort of responsible management of our budget during a time of trial and challenge in our country. It is a tough time. We all know that. It is understandable. It is unfortunate that several years of international and economic shocks and jolts have produced today's record budget deficits. Our constituents today know it. They understand history. But they also understand responsibility and they have

handed us that responsibility and they are suggesting we treat it with due respect.

The American people, especially after 9/11, showed tremendous resilience. They met the challenge. They expect us to meet the challenge. They demand it of us. They demand it of our President. In nearly all instances that simply has happened. The President and Congress did the right thing in 2001 and 2003. Without tax relief, where would we be today? We would probably have fewer jobs. Our senior citizens' nest eggs would be lower in value and less secure. Millions of low- and moderate-income families would probably have less freedom and financial empowerment today than they would without the tax reduction. Small business startups and growth would have been stunted.

Without the leadership and the effectiveness of this President and Congress on matters of defense and homeland security and the economy, we would still be in a recession. We are not in that recession now. We are clearly in a recovery mode. This country is struggling along, but always upward, building its job base and bringing people back into the job market in a very progressive way.

Lots of challenges remain. None of us will argue the difference because challenges are there. But is the challenge simply to go out and burden the economy again by major tax increases? They would suggest that we not extend the current taxes. That is not going to be a tax increase? You ask the average working man or woman, ask the average family of four, if doing that doesn't constitute a tax increase because it takes money away from their spendable bottom line. You darned bet it is a tax increase. The very least we can do is assure that we maintain the child tax credit and the marriage penalty relief and the 10-percent tax rate which is going to be critical to the working men and women of modest means in this country. That is what this Congress ought to be about.

If I have heard the rhetoric once, I have heard it a good number of times in my years here in Congress. Somehow Government can do it best; somehow an expenditure of the Government dollar is going to cause our lives to be better. In instances that is true, such as in areas of health care and in Social Security. But in instances of good-paying jobs, Government doesn't create them. It is the private sector that creates them. We ought to be incentivizing in every way we possibly can the very job creator we know about—small business, medium-size business, and large business in this country.

I strongly support what the Budget Committee has brought forward. I think it is responsible. I am glad we are defeating most of these amendments that would simply send us into a tax-and-spend spiral, the kind we have seen before that more often drove us into a recession than drove us out of a

recession. To tighten our belt, to bring the deficit down, and to begin to show a pattern of moving us toward a balanced budget again is the right thing. The chairman of the Budget Committee is doing just that.

The President asked that we begin to tighten our belt and curtail our spending in a variety of areas that are less essential to the fundamental responsibilities of our Government. That is exactly what we are doing. It is a tough budget. It is not an easy budget. But it is a budget worth voting for. It is a budget worth finalizing so we can get on with the appropriating process.

I hope at the end of the year when we adjourn sine die we can say our job was complete; that while it was a very partisan year and a highly politicized year, the Congress came together, got their appropriations bills finished, and did their homework. There will be only one way that won't happen—if the other side, in an obstructionist way, decides it won't happen; if they decide every appropriations bill that comes up has to have 50, 60, 90, or 100 amendments and we have to labor day after day after we have worked in a bipartisan way to craft the appropriations bills, as we always do.

That is our challenge. Let us get our budget resolution complete. Let us get reconciliation, the tools that move us forward toward the appropriating process so we can complete the year as the American taxpayer and the voter would expect us to do. That is the challenge. The chairman of the Budget Committee and the Budget Committee are meeting that challenge, and I hope we are worthy of it.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, the Senator from Nebraska is seeking time. How much time would he desire?

I yield five minutes off the resolution to the distinguished Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. Thank you, Mr. President. I thank my colleague from North Dakota and commend him for all the work he has done on the budget.

I say to my friend from Idaho I think we recognize across the aisle it is important for us to work on a bipartisan basis. I agree with him. I might take issue with him when he would suggest that any, or all, or always, or never with respect to your friends on this side of the aisle. I think we are here to work together. I hope we can, without classifying ourselves one way or the other, except to say we are here as Americans representing the folks back home by working together and getting something accomplished. I know that is the goal of the Senator from Idaho. I think a lot of us share that goal.

TONY RAIMONDO

I rise today to come to the defense of a great friend, and more importantly, a

great Nebraskan, Tony Raimondo. As many are aware, Tony Raimondo was to be nominated this morning as the Bush administration's new manufacturing czar. Late yesterday the announcement was canceled, citing scheduling conflicts.

I realize there have been speeches in this Chamber that have been critical of Tony's record as a businessman. I am here to say "nonsense." We all know politics runs the days around here. It is a very political time with the Presidential election. Much is at stake. Yesterday was no exception to that, and today is not either.

I am not going to address what was said earlier. Everyone has a right to an opinion. No matter who the Bush administration decided to appoint to this position, he or she is going to be run through the ringer. But I am here to tell you this Nebraskan isn't going to watch another Nebraskan get treated like this.

Tony Raimondo is a friend of mine, a former business partner of mine, and he is not the antijobs CEO he is painted to be.

Sure, he has a company in China. He expanded there last year. In fact, I had the pleasure to be at the ribbon cutting of his factory there. Next week I will be in Columbus, NE, the headquarters of Tony's business, Behlen Manufacturing. I will see many Nebraskans who are employed at Behlen, or are related to somebody employed at Behlen, or at least know someone employed by Behlen.

Tony is a respected member of the Columbus business community. He is a Nebraska business leader. He has represented Nebraska business interests around the world and here at home as a prominent member of the National Association of Manufacturers, and he is a good employer.

Sure, his business has struggled in recent years. It is hard to find one that hasn't. But he didn't do what others have done. He is fighting to keep his business alive and well in Nebraska and in the other States where it is located. He is fighting to save those jobs. He is fighting to not let his employees down, his community, his State, or his country.

He expanded his business to China. He didn't close it and move it to China. With his experience, I think he can show others how to keep jobs here at home and how to expand and diversify their businesses—saving jobs in America. Tony Raimondo should be held up as an example, not derided as a pirate.

I am not sure what is happening with the nomination at this point. Obviously, there is a predictable partisan opposition. But what I am not hearing is any alternative. Should we leave this important position empty and watch manufacturing jobs continue to decline or should we get someone in place to at least try to preserve those jobs, those good-paying jobs here in America?

I came here to get things done and to do what is right for Nebraska. I say let

us try. Tony Raimondo is not only a good choice for this position but, in my opinion, he is the best choice.

I thank the Chair. I thank the distinguished Senator from the State of North Dakota for the time.

Mr. CONRAD. Mr. President, I thank the Senator from Nebraska for taking the time. I also thank him very much for being flexible about when to come so we can keep the business flowing and not have dead time. I appreciate very much his accommodating the managers.

Mr. NICKLES. Mr. President, I also want to compliment my colleague from Nebraska. I very much appreciate his comments concerning having partisan work on the budget. I have had the pleasure of working with the Senator from Nebraska. We are very good friends. I hope his basketball team goes in defeat today against the University of Oklahoma. I wanted to make sure he is aware that could happen. You never know.

Senator INHOFE, I believe, wants to speak on the Superfund amendment offered by our colleague from New Jersey. In a moment, I will ask to set this amendment aside, and we will take up an additional amendment. But let me make a couple of comments.

This is a tax increase. We have had a lot of tax increases. This assumes it is going to be reauthorized. I hope and expect it will be authorized. But the taxes shouldn't be increased until it is reauthorized. That should be done by the authorizers. Chairman INHOFE is chairman of that committee. I want to protect his rights. When he returns to the Senate Chamber, I will give him ample time on whatever amendment we are considering to fully debate the Lautenberg amendment. I am willing to consider additional amendments.

I tell our colleagues again we have spent a lot of time debating. We need to be moving more amendments or else other people are going to be squeezed on time.

I believe the Senator from Iowa has an amendment. It is all right with me if we go to that amendment.

The Senator from Connecticut, I believe, has an amendment. We are happy to consider that amendment.

I want to notify our colleagues time is running and we are going to have a very late night tonight and, unfortunately, maybe tomorrow. I happen to think it is possible to finish this tonight, but it will take people not offering amendments. It will take people not making long speeches. I don't want to stifle debate. I enjoy debate. But it is important to get our work done. I see a fairly lengthy list of amendments yet to be handled.

I am willing to set aside the Lautenberg amendment for the amendment of the Senator from Iowa.

Mr. CONRAD. Senator LAUTENBERG never sent the amendment up.

Mr. NICKLES. I guess I will not set it aside. I asked unanimous consent to set aside the Dorgan amendment to

consider the Lautenberg amendment but it was not sent to the desk. We will save a spot for Senator LAUTENBERG to introduce the amendment.

Mr. CONRAD. If I might clarify, I can understand why this may be surprising. We were not able to arrive at a time agreement because you needed to talk to the chairman. We thought it would be more appropriate to withhold sending the amendment to the desk until you had a chance to consult with your chairman.

Mr. NICKLES. I appreciate that.

Mr. CONRAD. We thought that would be more fair to you.

If we could enter into a time agreement on the Harkin amendment, that would help substantially.

Mr. NICKLES. If my colleague will yield.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I think it would be most appropriate if the Senator from New Jersey did not offer his amendment.

Mr. CONRAD. We have a lot of amendments that the chairman might feel that way about.

Mr. NICKLES. I will compliment my colleague from New Jersey for his amendment if he does not offer it. I will oppose it strenuously if it is sent to the desk. I urge my colleague to withhold, if he can.

Our colleague from Kentucky wants to be heard on the amendment from our friend from Iowa. I need to consult with him before we enter into a time agreement. I am perfectly willing to enter into a time agreement on several amendments.

Mr. CONRAD. Could we get a general understanding of what it is we will try to achieve in terms of a time agreement on this amendment so the Senator from Iowa has some understanding of what we would be talking about, 20 minutes equally divided, as we discussed earlier?

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. As I understand the Senator from Iowa, he raises taxes only \$80 billion over this period of time, so if we give a minute per billions, this would be 40 minutes a side. I am not sure. I would be willing to do 15 minutes a side, but I need to consult with a couple of colleagues. I am not positive what this amendment does, if it has a reserve fund or if it just is a direct tax increase and assumes spending.

Mr. CONRAD. Could we say initially that in terms of the advice for our colleagues that we try to make this 30 minutes equally divided, with an understanding that it may be altered somewhat when you have a chance to consult? It would just help those who are managing the amendment to divide up the time in a way that might make things go faster.

Mr. NICKLES. I appreciate the suggestion by my colleague from North Dakota. I would like to have an as-

sumption that no amendment gets over 10 minutes on each side. I mentioned that would be my desire at the beginning of the day. That is still my desire. That would be ample time for discussion. That would be my hope. I hope the standard amendment does not receive more than 10 minutes a side. That would be my thought. Maybe we can do that for the amendment of the Senator from Iowa.

I ask unanimous consent to lay the pending amendment aside and to consider an amendment to be offered by our colleague from Iowa.

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

Mr. CONRAD. I yield to the Senator from Iowa 15 minutes off the resolution.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENT NO. 2799

Mr. HARKIN. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, and Mrs. FEINSTEIN, Mr. DURBIN, Mr. LAUTENBERG, Mr. BINGAMAN, Ms. LANDRIEU, and Mr. LIEBERMAN, proposes an amendment numbered 2799.

Mr. HARKIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide for increased resources for medical research, disease control, wellness, tobacco cessation and preventative health efforts including substance abuse and mental health services, establishing a fund for this purpose, offset by an increase in the cigarette tax to \$1 and proportional increases in other tobacco excise taxes and deficit reduction)

On page 3, line 9, increase the amount by \$7,800,000,000.

On page 3, line 10, increase the amount by \$7,800,000,000.

On page 3, line 11, increase the amount by \$7,800,000,000.

On page 3, line 12, increase the amount by \$7,800,000,000.

On page 3, line 13, increase the amount by \$7,800,000,000.

On page 3, line 17, increase the amount by \$7,800,000,000.

On page 3, line 18, increase the amount by \$7,800,000,000.

On page 3, line 19, increase the amount by \$7,800,000,000.

On page 3, line 20, increase the amount by \$7,800,000,000.

On page 3, line 21, increase the amount by \$7,800,000,000.

On page 4, line 20, increase the amount by \$7,800,000,000.

On page 4, line 21, increase the amount by \$7,800,000,000.

On page 4, line 22, increase the amount by \$7,800,000,000.

On page 4, line 23, increase the amount by \$7,800,000,000.

On page 4, line 24, increase the amount by \$7,800,000,000.

On page 5, line 3, decrease the amount by \$7,800,000,000.

On page 5, line 4, decrease the amount by \$15,600,000,000.

On page 5, line 5, decrease the amount by \$23,400,000,000.

On page 5, line 6, decrease the amount by \$31,200,000,000.

On page 5, line 7, decrease the amount by \$39,000,000,000.

On page 5, line 11, decrease the amount by \$7,800,000,000.

On page 5, line 12, decrease the amount by \$15,600,000,000.

On page 5, line 13, decrease the amount by \$23,400,000,000.

On page 5, line 14, decrease the amount by \$31,200,000,000.

On page 5, line 15, decrease the amount by \$39,000,000,000.

At the end of Title III, insert the following:  
**SEC. FUND FOR HEALTH.**

If the Committee on Appropriations of the Senate reports legislation with a level of appropriations for function 550 discretionary programs without the use of this Fund that at least appropriates the sum appropriated for function 550 discretionary programs in fiscal year 2004, the Chairman of the Committee on the Budget of the Senate may revise aggregates, function totals and increase the allocations to the Committee on Appropriations up to \$6,000,000,000 in new budget authority and \$6,000,000,000 in new budget outlays for fiscal year 2005 and \$30,500,000,000 in new budget authority and \$30,500,000,000 in budget outlays in fiscal years 2005 through 2009.

Mr. HARKIN. Mr. President, this amendment is offered on behalf of myself and the major cosponsor is Senator FEINSTEIN; also Senators DURBIN, LAUTENBERG, BINGAMAN, LANDRIEU, and LIEBERMAN.

The Nation's health system is in crisis. There are nearly 44 million uninsured individuals. Skyrocketing health costs are leaving more and more people without insurance. We have shortages of health professionals all across rural America. Everywhere, health providers are stretched to the limit. Finally, as the Centers for Disease Control pointed out just this week, obesity will soon match tobacco use as America's No. 1 preventable killer.

This is not the time to cut Federal investments in health care. We stand on the brink of fantastic discoveries and breakthroughs in medical research. This is not the time to cut short this vital research, denying hope to tens of millions of Americans with chronic diseases. This is the time to increase our efforts not only to treat and cure illnesses, but also to dramatically increase our efforts to prevent illnesses. We need major new efforts to promote wellness in our health care system.

And yet, the President has proposed slashing function 550, the health care function in this budget. This is taking America in exactly the wrong direction.

Accordingly, I am offering an amendment that would increase function 550 funding by \$6 billion in fiscal year 2005 and \$30 billion over 5 years.

This new funding would go to medical research disease control, wellness, tobacco cessation, and preventive health efforts. It would help to recruit and retain our incredibly talented health professionals in this country—especially in rural areas. It boosts re-

search into new medical treatments and cures. It includes funding for mental health and substance abuse programs. It includes funding for the prevention of chronic diseases, which account for 75 percent of our Nation's \$1 trillion in health care costs.

The Harkin-Feinstein amendment fully offsets this new funding by levying a tobacco user fee of 61 cents per pack. That would bring the Federal total to \$1 per pack.

This user fee will raise enough revenue both to fund the increase in function 550 and to reduce the deficit—steps that will be good for the physical health of the American people and the fiscal health of the federal government.

Bear in mind that tobacco use costs this country billions of dollars and millions of lives every year. Tobacco use is the leading cause of preventable death in the United States, causing 440,000 deaths each year and resulting in more than \$75 billion in direct medical costs. Smoking causes chronic lung disease, coronary heart disease, and stroke, as well as cancer of the lungs, larynx, esophagus, mouth, and bladder. In addition, smoking contributes to cancer of the cervix, pancreas, and kidneys.

This creates an enormous financial burden for the federal government. Smoking-caused Medicaid expenditures amount to a whopping \$23.5 billion annually. Smoking-caused Medicare expenditures are \$20 billion per year. Reducing tobacco use in this country could save American taxpayers billions of dollars annually, while freeing up resources to invest in the country's public health system.

Study after study tells us that increases in the price on tobacco products have significant positive public health effects—especially with children. With a \$1 user fee on tobacco products, we can decrease youth smoking by 18 percent. We can keep 105,000 young people from starting smoking in the first place.

Despite our efforts in the 1990's to curtail manipulative marketing targeted at children, the tobacco industry currently spends more than \$11 billion a year to promote its deadly products—that is \$30 million per day. We should be curbing this threat, this epidemic. And this amendment will do exactly that.

Prevention is the key. Today, Americans are plagued with more and more chronic diseases that are largely preventable. As I said, 75 percent of the \$1 trillion we spend on health care in the United States goes to the treatment of these largely preventable chronic diseases. Without question, giving Americans an incentive to reduce or quit using tobacco products would be an urgent step in the right direction.

This amendment offers us a trifecta of benefits: It increases funding for health care services, medical research and prevention. It reduces the deadly pandemic of tobacco use in America. And it makes a solid contribution to reducing the budget deficits that are

destroying our government's fiscal health.

Lastly, let me say that our amendment does not contain any provision dealing with the tobacco quota buyout and FDA regulation of tobacco. I believe we need to do both; both must be done together. This is one Senator who will stand here and do everything I can in my power, along with others, to make sure there will not be a tobacco buyout without FDA regulation of tobacco.

I believe we have to do both because I believe we need to help our tobacco farmers, those who are struggling to feed their families in small, rural areas all over the South and sometimes even to the Midwest. They need the tobacco buyout. But we also need to make sure we have meaningful oversight of tobacco use and promotion by the Food and Drug Administration.

With that, Mr. President, I now yield to the Senator from California.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I just checked with Senator MCCONNELL, who I think might be involved in leading the opposition, and he has no objection. So I ask unanimous consent that the time allotted for the amendment of the Senator from Iowa be 30 minutes, equally divided—the time allotted from the beginning of the debate on the amendment.

Mr. CONRAD. Mr. President, just for our understanding, the time used so far would be charged to the amendment?

Mr. NICKLES. The Senator is correct.

Mr. CONRAD. We have no objection.

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

The Senator from Iowa.

Mr. HARKIN. How much time does this side have left?

The PRESIDING OFFICER. Nine minutes remain.

The Senator from California.

Mrs. FEINSTEIN. Mr. President, I thank the Senator from Iowa for his leadership on this issue, and I join him wholeheartedly.

Funding for public health programs has never been more critical. The President's budget, for the first time in 10 years, includes a decrease in Function 550. This is the portion of the budget that covers cancer research, AIDS treatments and new discoveries, potential health threats, including anthrax or other biological or chemical attacks—all through the National Institutes of Health, the Centers for Disease Control, the Indian Health Service, and others. If we do not adopt this amendment, all of those programs are threatened with cuts. Let me speak about how this amendment works. It increases the budget for discretionary public health programs for fiscal year 2005 by \$6 billion. That is a 12-percent increase over the fiscal year 2004 level.

Now, a 12-percent increase in Function 550 is supported by more than 400

health groups. And, this increase is also paid for. It is paid for by a 61-cent increase in the federal tax on tobacco, which will bring in about \$8 billion per year. Mr. President, \$6 billion of the \$8 billion covers the cost of increasing funding for public health, and the remaining \$2 billion goes for deficit reduction. It is a prudent step to take at this point in time.

Now, you might say, why? We know tobacco kills. And we know that prevention saves lives. For the first time in my State—California—we have had a drop in lung cancer incidences and death among women because of the tobacco prevention programs that are taking place. So I think an increase in the tobacco tax is an appropriate means to support a 12-percent increase in cancer research.

Let me speak to that for just a moment. We now have seen the mapping of the human genome. This holds tremendous promise for finding cures for diseases like Alzheimer's, Parkinson's, diabetes, and cancer, by attacking their genetic roots.

We have seen advances in genomics, in molecular biology, which have made the development of new, targeted cancer therapies such as Gleevec, for chronic myeloid leukemia; Herceptin, for breast cancer; and, most recently, Avastin, for colon cancer.

We now have drugs that are so advanced that they can target just the bad cancer cells and not harm the good cells. These drugs are amazingly effective and are less toxic for the patient.

I have been vice chair of the National Dialogue on Cancer, now called C-Change, for 4 years, and co-chair of the Senate Cancer Coalition for even longer than that. If there ever is a time to continue the march to solve major health problems before this Nation, this is that time.

This amendment allows that to be done, with a 12-percent increase for public health programs. And it is fully offset. It would be funded from an increase in the tobacco tax, a tax that I think is an appropriate measure—about \$2 billion for deficit reduction and \$6 billion to fund this amendment.

I urge the Senate's approval of this increase in basic health functions across the board.

Mr. President, I yield my remaining time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I thank the Senator.

How much time is remaining in support of the amendment?

The PRESIDING OFFICER. Five and a half minutes.

Mr. DURBIN. Mr. President, I will not use that amount of time, just perhaps 1 minute, if the Senator will yield it. I will just use 1 minute.

Mr. President, I rise in support of this amendment and ask unanimous consent to be added as a cosponsor.

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

Mr. DURBIN. Mr. President, this is an extraordinarily important amendment. It should be strongly bipartisan. Is there a person listening to this debate who believes there is a Republican or a Democratic approach to research, finding cures for the diseases that are affecting America? There has been a strong, bipartisan commitment by Democratic and Republican Presidents to invest in research. The Senator from Iowa and the Senator from California have the courage to stand up today and say: We will not allow this effort to end; it will go forward; and we will fund it in an honest fashion, by raising the Federal cigarette tax by 61 cents. They will generate the billions of dollars that we need to put back into health care and health research so families across America have peace of mind that we are doing everything in our power to spare their children and their loved ones from diseases that are threatening them.

The second part, that is equally if not more important, is, as you increase the cost of tobacco products, fewer people buy them, particularly children. A 61-cent increase in the price of a pack of cigarettes or tobacco is going to discourage children from taking up the habit, becoming addicted, and, ultimately, losing their lives to this deadly addiction.

I commend this amendment. I hope my colleagues will rise to the occasion, on a bipartisan basis, to endorse this real investment in health care and research for America.

I thank the Senator from Iowa and the Senator from California for allowing me to speak.

Mr. HARKIN. Mr. President, how much time does this side have?

The PRESIDING OFFICER. Three and a half minutes.

Mr. HARKIN. Mr. President, I will yield myself a couple minutes.

A lot of people might say: My gosh, Senator HARKIN and Senator FEINSTEIN and Senator DURBIN, a dollar a pack is a lot of Federal tax on a pack of cigarettes. But this chart shows the history of the Federal excise tax on cigarettes going back to 1950.

Shown on this side of the chart would be for 1950. At that time, the Federal excise tax was 49 percent of the average wholesale price for a pack of cigarettes—49 percent. Today, it is 14 percent.

So those who say that a dollar a pack on that is too much, I point out it only brings it up to 30 percent of the average wholesale price of a pack of cigarettes. That would be 30 percent; and that would be less than what it has been many times in the past.

So it is not out of line with what we have had as a Federal excise tax on cigarettes, as I said, going clear back to 1950. Then all the way up until about 1983 it was more than 30 percent of the average wholesale price. So this is not out of line.

But what we get for this, as has been pointed out, is we get \$30 billion over 5

years to invest in health research, wellness, prevention programs, anti-obesity programs, smoking cessation programs, and keeping our people more healthy. Plus, we also get out of this amendment about \$9 billion in deficit reduction.

So this amendment does two things: It raises the Federal excise tax on a pack of cigarettes from 39 cents to \$1, which would bring it up to about 30 percent of the wholesale price, and it takes that money and puts it in the health function so we can invest in the health of our people in this country. That is all this amendment does. It does nothing else.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. HARKIN. Yes, I yield for a question.

Mr. KENNEDY. Is it not also true, with the success of this amendment, there will be a dramatic reduction in teenage smoking?

Mr. HARKIN. The Senator is absolutely right. We know with this amendment there will be a dramatic reduction. It is estimated youth smoking would go down by at least 18 percent with this amendment.

I thank the Senator from Massachusetts for his support and for pointing that out.

I reserve whatever time we may have remaining.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I think I may have a colleague who wants to speak on this; I believe Senator MCCONNELL. I am looking at the amendment. I can read the purpose, but I will tell my colleagues, you can put whatever purpose you want, but the net essence of the amendment is to increase taxes by \$39 billion. I appreciate the assumption. I don't know if that scores correctly. I have no idea.

I don't know what the tax raises today and I don't know how much money would be raised if it was increased today \$1 a pack. I do know a lot of States have been doing this. My Governor in my State of Oklahoma is in the process of trying to increase tobacco taxes as we speak. This would conflict with that to some extent because a lot of States have been doing that. I believe New York and a lot of other States have very hefty taxes. This has been primarily an area where the States have maybe the heavier tax between the Federal and the State.

This amendment also purports to say it will increase spending. Just reading the language, it says, "If the Committee on Appropriations reports the legislation" such-and-such, then the chairman of the Budget Committee may revise aggregates up to. So it doesn't actually directly increase spending. It does directly increase taxes to the tune of \$39 billion over the first few years. It assumes there would be a lot of new spending. I want to make that clear. Some people are assuming it is a direct increase in some functions.



Again, to repeat, my colleague from North Dakota and I have done this repeatedly. The purpose does not really mean the Finance Committee is going to get an instruction to increase taxes, decrease taxes, keep present law, have tax increases. This is a tax increase. I have been on the Finance Committee for a long time. I don't remember ever voting on an amendment to increase cigarette taxes. I guess it has floated around, but I don't remember a serious debate on increasing the cigarette tax and should this be a function to be reserved for the States or for the Federal Government.

I will reserve the balance of our time for Members who may be more knowledgeable. I didn't know what the excise tax on a pack of cigarettes was until my colleague said it is 31 cents. I don't know what the wholesale price of a pack of cigarettes is. I don't know what the retail price is. I don't know, don't care too much. So maybe this is a fight for other people.

Mr. FRIST. Mr. President, I rise in opposition to the Harkin Amendment. I'm against raising taxes. And that is exactly what this amendment is—a tax increase and a large one. Moreover, it is very regressive. It raises taxes on many people who can't afford it.

However, I share the overall goal of reducing tobacco use. Smoking is still the number one killer in America, though obesity is now a close second, a should be addressed by Congress. As a heart and lung transplant surgeon, I know very well the results of this deadly habit, and I have consistently supported reasonable FDA regulation of tobacco which focuses on youth consumption.

I hope that we can eventually reach agreement on a package that will give FDA reasonable authority to regulate tobacco and provide a buy-out for our tobacco farmers. I encourage my colleagues who support this amendment to work to accomplish that worthy public health goal.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, the Senator from West Virginia is seeking time. How much time would the Senator want?

Mr. ROCKEFELLER. Five or six minutes.

Mr. CONRAD. I yield 5 minutes off the resolution to the Senator from West Virginia. For the information of the chairman, the Senator has agreed to talk about an amendment but not offer it. That is why we are asking at this time that he be given 5 minutes to discuss his concern.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I thank the extremely distinguished Presiding Officer, Senator CONRAD, and Senator NICKLES.

Last year we had a very interesting scene on this floor in which 75 Senators, working with Senator COLLINS, Senator NELSON from Nebraska, and

Senator SMITH from Oregon and I, and others, passed a \$20 billion fiscal relief bill for the States. Half of that was devoted to Medicaid. It became an extraordinarily important part of what States did to be able to survive.

We are once again in a dire fiscal situation. States face the prospect of having to cut benefits to kids, particularly poor kids, needy families, and seniors in nursing homes, something which 75 Senators voted not to do last year. It passed the House. The President signed it.

Forty-two States last year were in a budget deficit situation with respect to Medicaid. It was and is their largest problem. Sluggish job growth continues to add to that problem. Last month our economy gained 21,000 new jobs. There are 8 million people out of work, so that is only one job for every 380 unemployed workers. The majority of Americans get their health care through their job, particularly manufacturing jobs, so employment is tremendously important. Manufacturing has been going down, as the Presiding Officer knows.

Even more depressing, about 400,000 Americans have dropped out of the workforce altogether, which to me is the saddest thing that can happen, where people just kind of give up. The Presiding Officer and I have seen that in our States and across America.

But instead of working to further ease the budgetary strain on States, Congress has actually made life tougher for States fiscally. The new Medicare law includes at least \$1.2 billion in net costs to States in fiscal years 2004, 2005, and 2006. We should be providing States the resources they need to work with Medicare, not enacting legislation that assumes cuts.

My amendment, which I will not offer formally, would allow Congress to enact legislation simply to extend the enhanced Medicaid match we passed last year beyond June 30 of this year. It is not a prescriptive policy, but rather a placeholder that will allow us to help an awful lot of people down the road.

Some in this body will argue we did this just to be temporary. The economic situation has not stabilized. To the extent we can say the problem is there and there is something we can do to help States, it will make an enormous difference to lots of people. It is interesting and sad that 30 States are projecting budget deficits for the fiscal year coming up. Estimates indicate those deficits could total as much as \$41 billion. In eight States—and I won't name them—the budget shortfalls are so large for Medicaid that they exceed 10 percent of the entire budget of the State.

I put this concept, which I believe is tremendously important, before the Senate. It simply allows fiscal relief beyond June 30. It allows an extension of what we passed by an enormous amount last year. I hope my colleagues will look upon it favorably.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. ROCKEFELLER. Of course.

Mr. KENNEDY. If I might have the attention of the floor manager for a minute, does he have 2 minutes for an inquiry available?

Mr. CONRAD. Does the Senator from West Virginia have any time?

The PRESIDING OFFICER. Thirty seconds.

Mr. CONRAD. I am delighted to yield the Senator 2 minutes off the resolution.

Mr. KENNEDY. Mr. President, isn't it true that under this resolution we are now considering, there will be no expansion of health care coverage under the existing program; and if the proposal of the Senator from West Virginia isn't accepted, then what we are going to see are hundreds of thousands, even millions of the poorest of the children, poorest of the elderly, frailest of our seniors, dropped from any kind of health care coverage?

Mr. ROCKEFELLER. The Senator from Massachusetts is precisely correct. The fact is there is not a nickel's increase from what it was we passed so unanimously a year ago, not a nickel's increase.

Mr. KENNEDY. Would the Senator agree with me that one of the great concerns across the country is there has been increasing numbers of the uninsured, costs have gone up 43 percent? And now without the inclusion of the proposal of the Senator from West Virginia, we are putting at risk the poorest of the poor, poor children, frail, elderly people, those in the nursing homes of this country. I commend the Senator from West Virginia. This makes absolute sense and I think it is an absolute necessity. I hope we will have the opportunity to make sure it is part of the budget.

Mr. ROCKEFELLER. I thank the Senator and I thank the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I yield myself time off of the resolution. I want to say to my colleagues that we are rapidly approaching a defining moment of this year's budget resolution. We have just a few hours left, and we have requests for much more time than there is available. I remind colleagues of the way this works. Even though I have 4 hours remaining—how much time remains on this side?

The PRESIDING OFFICER. Four hours three minutes.

Mr. CONRAD. I have 4 hours 3 minutes. Senator NICKLES has an hour and 30, something like that.

The PRESIDING OFFICER. That is correct.

Mr. CONRAD. Senator NICKLES can yield back all of his time and that means we functionally have 2 hours left on our side. That is the reality.

No. 2, we have 50 amendments pending on our side. That is after we started with 98. We have reduced it to 50. I have never done this before, but I am going to do it this time. At some point in the very near future, I am going to

start voting against amendments offered on either side that spend more money. I don't think, in light of the massive deficits and debt that we have, even if the amendments are paid for, we should be offering dozens of amendments, other than those of extremely high priority.

We have had amendments thus far today that have been of an extremely high priority. I don't believe it is in the interest of this country or of this body to have dozens and dozens of amendments, even if they are paid for, that add to the spending base, given the level of deficits and debt that we have.

I have been approached by many members on our side who have asked me to deliver this message. I do so at this time. We have lined up, in addition to the amendment from Senator HARKIN and Senator FEINSTEIN, one from Senator BYRD, an amendment from Senator LIEBERMAN, an amendment from Senator LINCOLN, and there may be a few more I am not yet aware of. But I hope that the message goes out loudly and clearly that we are going to show restraint and dramatically reduce the number of pending amendments.

Fifty amendments would take us 17 hours of voting. We still haven't gotten to the point of beginning the voting. Please, colleagues, I ask you to show some restraint. There is no need for us to come out here and offer 50 amendments. This is the time. I hope the phone starts ringing off the hook in the cloakroom from colleagues who say they have 8 amendments to offer and they call back and say, I will reduce that to the one that is really a priority.

Please, let us not go through another vote-a-rama that takes 17 hours. Please let's not do that.

I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. I ask unanimous consent that the pending amendment be set aside, and I send an amendment to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. Mr. President, reserving the right to object, we have not seen the amendment and we cannot agree to any amendments going to the desk that have not been presented to the ranking member and chairman, those managing the bill. I am constrained to object until we see the amendment.

Mrs. FEINSTEIN. Mr. President, this is an amendment from myself and Senators KYL, BINGAMAN, HUTCHISON, KENNEDY, CORNYN, BOXER, DOMENICI, CLINTON, MCCAIN, SCHUMER, GRAHAM, LAUTENBERG, CANTWELL, CORZINE, FEINGOLD, and EDWARDS. It has to do with the State criminal assistance program for illegal aliens. We have tried to get floor time and have been unable to do so.

Mr. CONRAD. Mr. President, for the advice of my colleagues, we have an order here. We have to follow that

order. Senators have to come to the managers and present their amendments and get into the queue. The next amendment we have committed to considering is one from Senator BYRD, also, Senator LINCOLN.

If Senator LINCOLN is ready, we could go to her at this point. I ask the Senator not to send her amendment to the desk, but to seek recognition to present the amendment. Then we will go to Senator BYRD, and then we go to Senator LIEBERMAN. That is the order that we have. Is Senator LINCOLN ready to go?

Mrs. LINCOLN. Yes.

Mr. CONRAD. Off the resolution, I yield 10 minutes to the Senator. I ask her not to send the amendment to the desk.

Mrs. FEINSTEIN. Reserving the right to object. Is the Senator saying I have no right to introduce my amendment?

Mr. CONRAD. I am saying I am not going to give the Senator time to introduce her amendment at this point. We have an order that has been agreed to. We have made commitments to people as to when to present amendments. We have not seen the Senator's amendment. Until we have seen it and gotten it into the queue, other Senators who had commitments made to them are the only ones that we will give time to.

Mrs. FEINSTEIN. For the record, it is my understanding that the amendment had been presented to your staff yesterday. We have sought time. I recognize this amendment may not be one of your priorities. It is a huge amendment for many States that have very high costs, and I have presented it in the past. It has been unanimously adopted by this body in the budget bill. I offered a separate amendment which was an authorization for \$850 million, which passed the Senate and is now in the House. There is no number from the President in the budget. That is why I am submitting it at this time.

Mr. CONRAD. Mr. President, I hope the point is clear. The Senator has every right to offer her amendment. The Senator will have a chance to offer her amendment. The point is this: We have an order. We have an agreement. We are working through those amendments where Senators have been put in the queue. I am not going to yield time to other Senators who break the line. We have made commitments to Senators for an order of recognition. I intend to keep those commitments.

Again, I yield to the Senator from Arkansas 10 minutes off the resolution.

AMENDMENT NO. 2803

Mrs. LINCOLN. Mr. President, I thank my colleague. I thank all of my colleagues. This is such an important issue as we look at the budget in the confines of the budget of this country, really in the context of priorities. We have a lot of choices and we have a lot of priorities in this country. Each of us as Americans, here in the Senate, our constituents who depend on us tremendously to make sure that the priorities

of this country are recognized—each of us in our own homes and families has to set priorities within the confines of our own family budgets. We have to look at the year, the circumstances, and we have to figure out what is important to us as a family, important to us as part of a community, and what is important in terms of long range goals that we have for ourselves, our families, our communities and, in this instance, our Nation.

We also have to recognize that the priorities and choices that we make regarding those priorities have consequences. They have immediate consequences on our families, communities, and our country. They also have long-term consequences on the things that we want to achieve as individuals and collectively as a group. That is why I rise today to offer an amendment to the budget resolution to provide \$60 billion over 5 years to reduce the growing number of uninsured Americans and to reduce the high cost of health care.

I do not know about the other Members of this body, but I do know, almost to the individuals who come into my office, whether they represent corporate America, whether they represent their families, whether they represent the interest of their community and the small businesses that make up that community, but to a person, almost every one of them mentions the cost of health care in this country, its escalation, and the concern it brings to them as an individual and to their families, to their businesses, and to their communities.

What are we going to do about it? How much of a priority are we going to make this issue in terms of the high cost of health care in this country?

One of the most incredible contributors to this high cost of health care is the number of Americans who are uninsured, those who are unprepared for what may happen to them or to their family members. It affects them, it affects their families, it affects their jobs, their employers, their communities, their health care providers—it affects absolutely everyone.

This amendment I offer today will dedicate funding to address this critical issue and to do so in a way that is fiscally responsible. Unfortunately, the budget resolution before us does not specify either an amount to promote expanding health insurance coverage or a way to pay for it, which leads me to believe it simply is not a priority, and I am here today to make it one.

The fact is, the number of uninsured in our country is alarming and should be a national priority. Based on the statements of HHS Secretary Tommy Thompson last week, it is clear President Bush's administration does not recognize the severity of this crisis. Secretary Thompson was quoted as saying:

Even if you do not have health insurance in America, you get taken care of. That could be defined as universal health care.

With all due respect to Secretary Thompson, I do not know where he is getting his information. Just look at these simple facts: 20 percent of the working-age adults in Arkansas are uninsured. Nationwide an estimated 44 million Americans do not have health insurance.

Uninsured families have less access to important screenings, state-of-the-art technology, and prescription drugs.

Uninsured adults have a 25-percent greater mortality risk than adults with health insurance coverage. An estimated 18,000 deaths among people younger than 65 are attributed to lack of health insurance coverage every single year.

Uninsured adults with chronic conditions, such as diabetes, cardiovascular disease, HIV infection, and mental illness, have less access to preventive care and have worse clinical outcomes than insured patients.

Uninsured adults negatively affect our health care providers and the local economy, too. A community's high rate of uninsured can adversely affect the overall health status of the entire community, the financial stability of its health care institutions and providers, and access to emergency departments and trauma centers.

My hospitals in Arkansas will tell you how expensive uncompensated care can be. These facts make it clear. People without health insurance do not get taken care of, as Secretary Thompson said. Those who lack health insurance do not get access to timely and appropriate health care.

The fact is Americans without health insurance—children and adults—suffer worse health and they die sooner than those who do have health insurance.

The fact is people who lack health insurance are sicker and they die sooner. You do not get taken care of if you have no health insurance. You simply fend for yourself.

Working families need help with this problem. In Arkansas, the No. 1 cause of bankruptcy is high medical bills. If what we want to do is put our economy back on track, let us work to provide small businesses and industry the ability to access health insurance and health care for their workers. We know that works.

Last week, I introduced legislation with Senator DURBIN and Senator CARPER to help small businesses gain access to affordable health insurance for their employees. Small businesses are the No. 1 source of jobs in Arkansas. Small employers say offering health insurance has a positive impact on recruitment and retention, employee moral, their performance, and the overall success of their business, their ability to succeed and to grow the jobs that will help make this economy strong.

What better way to get our economy going again than to help small businesses to succeed? More than half of the workers in firms under 100 people make less than \$25,000. I ask my col-

leagues, How in the world can someone afford health insurance in the open marketplace on an income at that level? Firms with a high proportion of low-wage workers are much less likely to offer insurance, and the fact health insurance for individuals, low-income working families to afford it on their own does not exist.

This budget resolution does not prioritize this growing problem. It fails working families because it does not put any money aside.

In President Bush's budget, he suggested he wants to work with Congress on an offset for this proposed plan. Guess what, Mr. President. I have one. Let's eliminate the abusive tax loopholes corporations have taken advantage of for years. How long do we have to wait, anyway?

This amendment is about priorities. Are we going to choose to help working families afford health insurance? Are we going to continue to allow corporations to get away with these abuses? We have investigated Enron's tax shelters activities, but we have done nothing. We have done nothing in those circumstances.

We must make the growing number of uninsured in our country a priority. It is clear working families are not getting the health care they need. No one can argue with that point. I challenge any one of my colleagues. If they are not hearing the same concerns in their offices, I would be surprised.

There are a number of bipartisan proposals introduced in the Senate to address the high number of uninsured. Let's come together and do something good for the hard-working folks in this country who cannot afford health insurance, those who cannot get access to the most basic of preventive medicine. Congress needs to address this issue.

The high cost of health care in the United States is giving other developed countries an advantage in keeping and attracting jobs. If we want to talk about losing jobs, look at one of the highest costs to industry and to small businesses. It is providing quality health care and health insurance that is going to allow them to keep those workers and provide them what they need to be good workers and good family members.

For each car they build, DaimlerChrysler AG pays out \$1,300 in employee health care costs. When they make that car in Canada, they pay hardly anything. They depend on a government program to provide that health care. That is why the big three automakers actually lobbied the Canadian Government to maintain their national health care system. If we want to keep jobs in America, let's make it worth their while. Let's make their quality of life comparable in those instances.

At a time when jobs are leaving our country, at a time when health insurance premiums are rising by leaps and bounds and working families are losing

their jobs and what health insurance they may have, Congress must do something.

I do not claim my amendment will address every health care need in our Nation. Some want to do more, and some think we should do less. I believe my amendment is a balanced, common-sense approach that will advance this important cause in a meaningful way. I ask my colleagues for their support.

We cannot assume people are getting the health care they need, because they are not. All we have to do is listen to corporate America, listen to small business, listen to our health care providers, most importantly, listen to our constituents.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. LINCOLN. Mr. President, we cannot continue to turn a blind eye. Let's get it done. I urge all Senators to vote for my amendment and vote on behalf of quality health care for all Americans.

I thank the Chair.

Mr. KENNEDY. I am a cosponsor on this amendment, and I ask for 1½ minutes.

Mr. CONRAD. I would be glad to yield 2 minutes off the resolution on this amendment to the Senator from Massachusetts.

Might I ask the chairman if we could get a time agreement on this amendment so we can get that amendment sent to the desk. We will try to keep this queue as orderly as possible.

Mr. NICKLES. I ask unanimous consent that the debate on the Lincoln amendment be limited to 20 minutes equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CONRAD. I thank the Chair. I yield 2 minutes off the resolution to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, first, I congratulate and commend the Senator from Arkansas. She is basically challenging the Senate, saying that when we are considering a \$2.4 trillion budget we ought to make a commitment in this budget to a downpayment on health insurance for working Americans. Eighty percent of those who do not have health insurance are from working families. Working families play by the rules, work hard, provide for their children, and they are effectively without this coverage.

In the past, the Budget Committee has had a reserve fund that has been funded on this. In the last budget, \$50 billion came out of conference for health insurance. It was \$89 billion the year before, but it is zero effectively in this budget.

The Senator from Arkansas is reminding us of our responsibility. The problem has not gotten less; it has gotten worse, and she is challenging this body to meet its responsibilities, to say to the 43 million Americans, including

the children who are out there, we are committed to making a downpayment. We are not going to have all the answers but we insist, as a matter of national priority, that we give focus and attention to the uninsured. That is what the Lincoln amendment is all about.

Goodness knows, of the 43 million Americans, there is not a single Member of the Senate who does not have health insurance. There is not a single Member of the House of Representatives who does not have health insurance. Let's meet our responsibility and begin to treat our fellow Americans the way we treat ourselves.

The PRESIDING OFFICER. The Senator from Arkansas.

Mrs. LINCOLN. I ask unanimous consent to lay aside the pending amendment, and I send my amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mrs. LINCOLN], for herself, Mr. DASCHLE, Mr. KENNEDY, Mr. DURBIN, Mr. DODD, Mr. CORZINE, Mr. BINGAMAN, Mr. KERRY, Mr. LAUTENBERG, Mr. JOHNSON, Mr. PRYOR, Mrs. CLINTON, and Mr. JEFFORDS, proposes an amendment numbered 2803.

Mrs. LINCOLN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide \$60 billion over five years for greater health security for working Americans and their families through a combination of public and private efforts to expand quality, affordable health insurance coverage and cut health care costs by eliminating abusive tax loopholes)

On page 3, line 9, increase the amount by \$12,000,000,000.

On page 3, line 10, increase the amount by \$12,000,000,000.

On page 3, line 11, increase the amount by \$12,000,000,000.

On page 3, line 12, increase the amount by \$12,000,000,000.

On page 3, line 13, increase the amount by \$12,000,000,000.

On page 3, line 17, increase the amount by \$12,000,000,000.

On page 3, line 18, increase the amount by \$12,000,000,000.

On page 3, line 19, increase the amount by \$12,000,000,000.

On page 3, line 20, increase the amount by \$12,000,000,000.

On page 3, line 21, increase the amount by \$12,000,000,000.

On page 4, line 4, increase the amount by \$12,000,000,000.

On page 4, line 5, increase the amount by \$12,000,000,000.

On page 4, line 6, increase the amount by \$12,000,000,000.

On page 4, line 7, increase the amount by \$12,000,000,000.

On page 4, line 8, increase the amount by \$12,000,000,000.

On page 4, line 12, increase the amount by \$12,000,000,000.

On page 4, line 13, increase the amount by \$12,000,000,000.

On page 4, line 14, increase the amount by \$12,000,000,000.

On page 4, line 15, increase the amount by \$12,000,000,000.

On page 16, line 12, increase the amount by \$12,000,000,000.

On page 16, line 13, increase the amount by \$12,000,000,000.

On page 16, line 16, increase the amount by \$12,000,000,000.

On page 16, line 17, increase the amount by \$12,000,000,000.

On page 16, line 20, increase the amount by \$12,000,000,000.

On page 16, line 21, increase the amount by \$12,000,000,000.

On page 16, line 24, increase the amount by \$12,000,000,000.

On page 16, line 25, increase the amount by \$12,000,000,000.

On page 17, line 3, increase the amount by \$12,000,000,000.

On page 17, line 4, increase the amount by \$12,000,000,000.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I have great respect and esteem for my neighbor from Arkansas, but this is an amendment that would increase taxes by \$60 billion. I think we want to send out a clarion call to taxpayers: Look out. Our good friends on the Democrat side of the aisle are after you. They are coming. They are coming after your pocketbooks.

We just considered an amendment from our colleague from Iowa for \$39 billion. The Senator from California, Mrs. BOXER, offered an amendment for \$24 billion, and there are a lot of other tax increases in a lot of other amendments that I guess we will discuss. The \$60 billion tax increase that Senator LINCOLN is offering proposes to close loopholes.

My colleague from Arkansas is on the Finance Committee. We mark up tax bills all the time. The Senator should introduce her amendment to close the loopholes. As soon as I found out about the leasing provision, I started talking about we need to repeal it.

The chairman of the Finance Committee put that in the FSC/ETI bill. We had that bill on the Senate floor, and it will be back in a week. We can make that law. There are other loopholes that need to be closed, many of which the chairman of the Finance Committee has in that bill, supported by Senator GRASSLEY and Senator BAUCUS and many of us on the committee, most of those in a very bipartisan way.

Now a lot of that is used to pay for the JOBS bill that Senator GRASSLEY and Senator BAUCUS are trying to pass. The idea of being able to lower manufacturing rates, and so on, there are a lot of these "loopholes." If my colleague has more loopholes, let's talk about them.

I asked the Secretary of the Treasury, Secretary Snow, if he has some ideas about some loopholes that need to be closed to give me a list. I like to close loopholes. I do not like it when there are real inequities and there are people cheating who are not paying their fair share. There are a lot of un-

reported taxes, for example. So I am willing to do it, but this amendment just basically increases taxes.

We can suggest closing loopholes but this raises taxes. In the first year, it raises \$12 billion in taxes. It just so happens in the first year we are assuming continuation of present law and that will cost us \$12 billion. In other words, we continue present law for primarily low- and middle-income people, and that will be \$12 billion. So this will totally offset that.

The net result, if these two amendments are put together, the budget resolution and this amendment, it will say zero tax relief in 2005; i.e., it will say a tax increase for every family in America, for every couple in America, for everybody who has a child in America. That is what this amendment is.

I want taxpayers to look out. There are a lot of people looking after your checkbook and they are looking to get in your checkbook. Some of us are not going to let that happen. I urge our colleagues to vote no on the amendment at the appropriate time.

I ask unanimous consent that we lay aside the Lincoln amendment and now take up consideration of the amendment of Senator BYRD and that the amendment have 40 minutes equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENT NO. 2804

Mr. BYRD. Mr. President, I thank the distinguished manager of the bill. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 2804.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide responsible restraints on discretionary funding while providing adequate resources for education, veterans, homeland security, and other critical domestic priorities and fully offsetting the cost by closing corporate tax loopholes, improving tax enforcement, and reducing tax breaks for the top 1 percent without affecting middle-class taxpayers)

On page 3, line 9, increase the amount by \$5,656,000,000.

On page 3, line 10, increase the amount by \$13,365,000,000.

On page 3, line 11, increase the amount by \$3,596,000,000.

On page 3, line 12, increase the amount by \$1,200,000,000.

On page 3, line 13, increase the amount by \$429,000,000.

On page 3, line 17, increase the amount by \$5,656,000,000.

On page 3, line 18, increase the amount by \$13,365,000,000.

On page 3, line 19, increase the amount by \$3,596,000,000.

On page 3, line 20, increase the amount by \$1,200,000,000.

On page 3, line 21, increase the amount by \$429,000,000.

On page 4, line 5, increase the amount by \$7,361,000,000.

On page 4, line 13, increase the amount by \$13,365,000,000.

On page 4, line 14, increase the amount by \$3,596,000,000.

On page 4, line 15, increase the amount by \$1,200,000,000.

On page 4, line 16, increase the amount by \$429,000,000.

On page 4, line 20, increase the amount by \$5,656,000,000.

On page 5, line 3, decrease the amount by \$5,656,000,000.

On page 5, line 4, decrease the amount by \$5,656,000,000.

On page 5, line 5, decrease the amount by \$5,656,000,000.

On page 5, line 6, decrease the amount by \$5,656,000,000.

On page 5, line 7, decrease the amount by \$5,656,000,000.

On page 5, line 11, decrease the amount by \$5,656,000,000.

On page 5, line 12, decrease the amount by \$5,656,000,000.

On page 5, line 13, decrease the amount by \$5,656,000,000.

On page 5, line 14, decrease the amount by \$5,656,000,000.

On page 5, line 15, decrease the amount by \$5,656,000,000.

On page 23, line 9, increase the amount by \$7,361,000,000.

On page 23, line 10, increase the amount by \$13,365,000,000.

On page 23, line 14, increase the amount by \$3,596,000,000.

On page 23, line 18, increase the amount by \$1,200,000,000.

On page 23, line 22, increase the amount by \$429,000,000.

On page 40, line 1, increase the amount by \$7,361,000,000.

On page 40, line 2, increase the amount by \$13,365,000,000.

At the end of Title III, insert the following:  
**SEC. . RESERVE FUND FOR EDUCATION, VETERANS' MEDICAL CARE, GLOBAL HIV/AIDS, AMTRAK, HIGHWAYS, MASS TRANSIT, NATIONAL INSTITUTES OF HEALTH, FIRST RESPONDER GRANTS AND OTHER DEPARTMENT OF HOMELAND SECURITY PROGRAMS.**

The Chairman of the Committee on the Budget of the Senate shall revise the aggregates, functional totals, allocations to the Committee on Appropriations of the Senate, discretionary spending limits, and other appropriate levels and limits in this resolution by up to \$11,223,000,000 in budget authority for fiscal year 2005, and by the amount of outlays flowing therefrom in 2005 and subsequent years for a bill, joint resolution, motion, amendment, or conference report that provides additional fiscal year 2005 discretionary appropriations, in excess of levels provided in fiscal year 2004, for Department of Education programs in the No Child Left Behind Act (P.L. 107-110), Veterans' medical care programs, the Global HIV/AIDS Initiative, Amtrak, Federal-Aid Highways, Mass Transit Capital Investment Grants, the National Institutes of Health, and first responders (including High-Threat/High-Density Urban Area Grants, State Basic Formula Grants, Firefighter Assistance Grants, COPS, and State and Local Law Enforcement Assistance) and other Department of Homeland Security programs.

Mr. BYRD. Mr. President, the Senate has an obligation to approve a budget resolution that addresses the massive

deficits and debt that now lie before us. Such a balanced resolution should rely on responsible restraint, on all three elements of the budget: revenues, mandatory spending, and discretionary spending.

The Senate has an obligation to approve a budget resolution that will permit the Congress to enact 13 fiscally responsible appropriations bills. This budget resolution utterly fails to meet those tests. Instead, the resolution puts the Congress on a course toward long-term deficits, higher debt, and an appropriations process that will inevitably produce gimmicks and delays.

The budget resolution puts us on a course that will prevent us from meeting the needs of the Nation. Rather than confront record deficits with responsible limits on mandatory and discretionary spending and reassessment of the revenue losses produced by the tax cut legislation of 2001 and 2003, the Budget Committee produced a myopic budget resolution that pretends to address the deficits with ridiculously low limits on domestic discretionary spending.

It is not the spending side of the budget that has put the Federal budget back into the deficit ditch. Rather than restoring some sanity to our revenue base, the budget resolution that is before us includes \$144 billion in new tax cuts. According to the House Budget Committee, the tax cuts enacted since 2001 have or will increase our deficits by \$2.6 trillion for the period from 2001 to 2013.

According to the Office of Management and Budget, taxes in 2004 are, as a percentage of gross domestic product, the lowest they have been since 1950. Every year, the IRS fails to collect hundreds of billions of dollars from delinquent taxpayers and corporations. In 2001, IRS data showed \$49 billion in lost revenues from delinquent employment taxes, penalties, and interest owed to the Federal Government. The Joint Tax Committee estimates that the cost of tax preferences increased by twice the rate of spending during the last 10 years, from \$488 billion a year to \$730 billion a year, and none of it—none—is required to be reviewed annually by the Congress.

Yet there is nothing in the budget resolution to increase tax enforcement or to close tax loopholes. Instead, this budget resolution heaps more tax cuts on top of the huge back-loaded tax cuts already enacted. This budget resolution pretends to reduce deficits by focusing cuts on one very small piece of the budget pie, domestic discretionary spending. Unlike the Tax Code or mandatory programs, discretionary spending is the only piece of the Federal budget required to be reviewed every year by the Congress, and it is the only part of the budget that is squeezed routinely for savings, even though there is an abundance of potential savings from excesses in the other areas of the budget.

Here are the facts. Domestic discretionary spending comprises less than 17

percent of the Federal budget. No one should believe cutting domestic discretionary spending by itself can produce balanced budgets.

I remind Senators that according to the White House's own budget documents, if we were to eliminate every penny of nondefense spending in fiscal year 2004, we would still run a deficit of \$65 billion.

The mathematics in this resolution just do not work. The budget resolution cuts discretionary budget authority for fiscal year 2005 by \$1.9 billion and outlays by \$12.1 billion below the request of the President. For non-defense, non-homeland security programs, the resolution cuts budget authority for fiscal year 2005 by \$11.2 billion below the level necessary to keep pace with inflation. Outlays for non-defense programs face even deeper, unsustainable cuts; that is, \$11.2 billion in cuts in education, health care, veterans medical care, job training, transportation, and other critical priorities. Such cuts do not have the support of the American people or their Representatives in Congress.

Just 2 weeks ago, the House Veterans' Affairs Committee called upon the House Budget Committee to increase veterans spending by \$2.4 billion. Recently, the Senate passed a bill increasing funding above the President's request for highway and mass transit programs. The Senate Finance Committee has requested more funds for tax enforcement. The Senate Small Business Committee called for increases in small business loans. The Senate Governmental Affairs Committee called for increases for the Coast Guard. None of these increases are included in this resolution. Yet we engage in this charade, framed by the Bush administration, about how discretionary spending is bloated and how funding cuts are the absolute one and only way to reduce the deficit.

Under the President's budget, by 2009, education and training programs will be cut 7 percent below levels necessary to keep pace with inflation. Environmental programs will be cut by 20 percent, law enforcement programs by 16 percent, veterans medical care by 17 percent. The President tells us that we are in the midst of an energy crisis, but his budget cuts energy programs by 27 percent in 2009.

Remember No Child Left Behind? In 2009, the title I program will be cut by \$260 million below levels approved for 2004, adjusted for inflation. Overall, domestic programs would be cut by 12 percent in 2009.

Does this budget resolution restore those cuts? No. No. No. Instead, this budget makes it next to impossible for the Federal Government to meet its obligations to children, to seniors, and to veterans. It digs a deep hole for funding education; a deep hole for funding health care; a deep hole for funding environmental programs, such as clean and safe drinking water. This budget puts the President's political priorities

first and it puts the American people last. This budget resolution will force cuts to domestic discretionary programs by almost \$1 billion below the President's totally inadequate request for fiscal year 2005. It is a slash-and-burn program. Ignore the consequences. We must cut, cut, cut.

The resolution is \$11.2 billion below the amount necessary to keep pace with inflation. During the next 5 years, the budget resolution cuts domestic programs such as veterans, education, and transportation by \$107 billion below the amount necessary to keep pace with inflation.

What is going on here?

This Nation is suffering from neglect—neglect. Our schools are breaking apart; our health care system is in disarray; Social Security and Medicare face bankruptcy; America's veterans have to wait for weeks upon weeks for basic medical care; our homeland security network is riddled with massive gaps. Even though terrorists struck our Nation 2½ years ago, this very day protections at home are little improved from that fateful day.

Why? Why do we face such major crises in so many critical areas? The answer is simple. The Bush White House and this Congress have failed to live up to the promises made to the American people.

Today, the President is scheduled to participate in the groundbreaking for the 9/11 memorial in New York City. It was 2½ years ago today that those planes struck the two towers, the Pentagon, and the field in Pennsylvania. But are we safer? Hardly. The security of this Nation is on thin ice. The Bush administration has held back support for critical investments in homeland security, in police officers, in firefighters, in border, airport and seaport security. As a result of this White House's foot dragging, America is woefully unprepared to prevent or respond to another terrorist attack.

Police officers, firefighters, and paramedics throughout this country have sent a clear message to this Capitol; namely, they need more Federal help to best do their job. Law enforcement grants are proposed to be cut by \$1 billion.

The President, in his budget, puts first responders last in line for Federal funding. The President's budget proposes to cut grants that equip and train police, fire, and emergency medical services personnel by \$733 million. Fire grants alone are to be reduced by 33 percent.

These cuts come despite continued warnings—from think tanks, from commissions, and from first responders themselves—that our Nation is not adequately prepared to respond to another act of terrorism.

Congress has a responsibility to protect the Nation. It must focus on the country's many serious vulnerabilities and invest dollars where they are most needed. But it seems as though the only time this Congress is willing to

increase funding is for our defense forces overseas. Defenses here at home are left to scramble and scrape.

My amendment would increase the levels of the 2-year caps on discretionary spending contained in the resolution to sustainable levels. These levels would allow Congress to responsibly move forward on the appropriations process.

This amendment provides sufficient resources, including \$11.2 billion in fiscal year 2005 and \$7.4 billion in fiscal year 2006 to make sure that the level of activity for domestic programs that the Congress approved and the President signed into law for 2004, can be maintained in 2005 and 2006, after adjusting for inflation.

We will hear during the debate that spending is out of control. It really is not. We have seen an increase in the 3 years since President Bush took office, but what programs have received those increases? The increases have been for defense, homeland security, and the response to the September 11 attack. In fact, 91 percent of the spending increases since 2001 have been in those three categories. According to staff analysis, increases for domestic programs, excluding homeland security, have barely kept pace with inflation over the last 2 years.

If you think the Congress should restore the President's proposed cuts of \$1 billion in State and local law enforcement grants, you should be for this amendment. If you voted for the Senate highway bill, you should be for this amendment. If you think that veterans should not have to pay special charges and membership fees for health care, if you think that veterans already paid their dues at Iwo Jima, Pork Chop Hill, and the Mekong Delta, then you should be for this amendment.

Anyone who wants to characterize this amendment as excessive spending is not paying attention to the needs of their constituents. Nor are they paying attention to the bottom line. This amendment would reduce the deficits below the levels assumed in the budget resolution. The amendment assumes additional revenues from the elimination of waste in tax expenditures, through increased tax enforcement and compliance, and through the partial repeal of the excessive tax cuts for the wealthiest Americans enacted in recent years.

This Senate must not continue to tell the American people that we are enacting legislation to better educate our children and to provide adequate care for military veterans—those men and women who are enduring service in the powder keg called Iraq and will need care—because we are not providing the money. We do not pay for our promises and that is nothing short of flim-flam and fraud pulled on the American people. To starve basic domestic needs and feed the country only feel-good rhetoric is the worst kind of posturing. Let us stop misleading the taxpayer and deliver what we promise.

This amendment is balanced. It is fair. It is responsible. We should not ignore the needs of our constituents. I urge the adoption of my amendment.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. Mr. President, I want to again send a message out to our colleagues just as strongly and as clearly as I can. We are very close, I believe, to having presented our major amendments. I believe very strongly that this year less is more. I hope colleagues will refrain from offering additional amendments unless they are just extraordinarily important and they are able to convince the managers and the leadership they simply must be offered.

We are now on the fourth day of deliberations on the budget resolution. We have had an opportunity to debate this in a full and virtually complete way. We are on the brink of having been able to complete the offering of all our major priority amendments.

I am asking my colleagues, please refrain from offering additional amendments. I hope very much we will have a meeting on our side to discuss how we proceed from this point.

I thank all of our colleagues who have debated. I thank all of our colleagues who have offered these key amendments. I want to especially thank Senator BYRD for his courtesy and his willingness to accept the limitation on time.

The next Member in our order is Senator LIEBERMAN.

I see the chairman has returned.

Again, I am asking all of our colleagues who have pending amendments on our side, please review them with a fine-tooth comb. Unless they are absolutely essential, I ask you, I urge you not to offer the amendment. And for the first time I have ever done this on a budget resolution, I am very close to the point where I will begin opposing amendments because I feel so strongly we should not offer substantially more amendments than we already have. I am very close to the point of taking the position that I will oppose amendments. We have had a good opportunity to debate. We have had a good opportunity to consider major amendments. We can have some additional high priority amendments. But 50 additional amendments, no. That is not reasonable. It is not fair to our colleagues. Please, let us show some restraint.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I want to echo everything my colleague from North Dakota said.

I know I have complained to Senator BYRD in the past about deliberations on the budget process. I said I dislike vote-aramas. In the past, management of budget bills has many times stacked the votes. Well, there won't be any votes and people would have long debates, and, therefore, not really consider very many amendments until late

Thursday night. We haven't done that, frankly in large part because of my relationship and respect for Senator CONRAD. We said we wanted to avoid the vote-arama. Last year was probably the worst vote-arama in Senate history. To me, it is very demeaning to the Senate. We cast 51 rollcall votes, most of which were jammed together, most of which had 1 minute of debate each, and no one knew what they were voting on. It was not a pretty picture. It wasn't good for the Senate. I want to do what is right for the Senate. I have heard Senator BYRD say that. I happen to agree with him.

I appreciate his amendment. I don't support his amendment, but I appreciate it. It is a substantive amendment. As Senator CONRAD said, we are willing to take substantive amendments and debate them and discuss them and give Members ample time to consider them. But we do not need to have repetitive amendments. We do not need to have endless amendments. We do not need to have sense of the Senates. And we do not need to have people staying here until 1 o'clock in the morning voting, where they are like zombies and don't really recognize what they are voting on.

I want to make a couple comments on the amendment before the Senate right now, the amendment by my colleague and friend, Senator BYRD. This amendment would increase taxes by \$24.5 billion. It increases spending by about \$18 billion. I urge our colleagues to defeat it.

We have had a lot of amendments that will increase taxes and increase spending. We are going to be voting on that several times—maybe even more times. I hope we don't continue voting on it. I think people are making their points. I understand a lot of people want to tax more and spend more. That is understood. I do not know how many times we would have to vote on it.

The tax assumption we have in the bill before us for 2005 is \$12.3 billion in tax reduction. But in reality we are assuming present law will be extended. If you extend present law—no tax cut, but basically extend present law—that costs us about \$12.3 billion.

This bill increases taxes by about \$11.2 billion. In other words, you could not extend present law. It nets out. It would tell the Finance Committee, don't do it. The net result would be a lot of families in Oklahoma and in other places around the country—if they have four kids, it would be a tax increase of \$2,200, if they have taxable income of \$58,000. These are not necessarily wealthy individuals.

I know the top line of this says: We want to reduce tax breaks for the upper 1 percent. I urge colleagues, if you know of some tax breaks that need to be closed, Chairman GRASSLEY is going to have a bill on the floor when we return from this recess week after next. Offer those amendments to close the tax breaks, and if they are legitimate, I may well support you. That is the

time to do it. But I think a lot of these so-called closing tax breaks are not there or Senator GRASSLEY and Senator BAUCUS already have them in their bill or they are planning on putting them in the bill. I am all for closing them. And I could mention other provisions. I am for closing them. But let's do it on the tax bill.

This is basically saying, let's have a tax increase of \$24 billion and increasing spending by \$18 billion.

I urge our colleagues to vote against the amendment.

The PRESIDING OFFICER (Mr. CRAPO). The Senator from North Dakota.

Mr. CONRAD. Mr. President, I say to my colleague, the chairman, Senator BINGAMAN is in the Chamber. He would be willing to take 5 minutes to describe an amendment, and I am wondering if we could give him that time. My intention would be to give him 5 minutes off the resolution.

I would ask him, because we have just given the amendment to the other side, not to send his amendment to the desk at this moment but to describe it. I would give him 5 minutes off the resolution. If the Senator needs more time, I would add time. We need unanimous consent to allow him to speak on his amendment without sending it to the desk and set aside Senator BYRD's amendment for the moment.

I ask the Senator, would that be acceptable?

Mr. BYRD. When may I briefly respond to Mr. NICKLES?

Mr. CONRAD. Would the Senator prefer to do that at this moment?

Mr. BYRD. Just briefly, if I may.

Mr. CONRAD. An entirely reasonable request.

Thank you, I say to Senator BYRD.

Mr. BYRD. Thank you.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, if I may resume and take a bit more of my time.

It is not spending that has put us back into the deficit ditch. Spending for 2005 is estimated to be about 20 percent of the gross domestic product. That is significantly less than during the Reagan administration or during the administration of President Bush's father. On the other hand, revenues as a percentage of gross domestic product are the lowest since 1950.

This amendment produces just enough spending to cover the levels approved by this Congress and signed by the President for fiscal year 2004, adjusted for inflation. This is a disciplined amendment that sets reasonable limits. This amendment is not about increasing taxes.

In July 2003, at a House Ways and Means Committee hearing on waste, fraud, and improved uses for taxpayer funds, GAO Comptroller David Walker testified that tax compliance and collection activity declines are a "high risk" concern for the GAO.

As of September 2001, IRS data showed that employers owed \$49 billion

in delinquent taxes. IRS and Federal payment records indicate that 1 million taxpayers owed about \$26 billion in delinquent taxes as of February 2002 and were still receiving some type of Federal payment.

Our own budget chairman, at a hearing this year with Treasury Secretary Snow, expressed his concerns about tax compliance and its effect on the revenue side of the budget.

The Senate should at least make some effort to ensure we are enforcing our current tax laws and that delinquent taxpayers are paying their fair share before we cut education, health care, and veterans programs for citizens who actually pay their taxes.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from North Dakota.

Mr. CONRAD. Mr. President, I now yield to Senator LAUTENBERG for the purpose of sending forward his amendment that we earlier discussed. I will give him a minute off the resolution to send his amendment to the desk, and then go to Senator BINGAMAN for 5 minutes to discuss his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The pending amendment is laid aside.

AMENDMENT NO. 2703

Mr. LAUTENBERG. Mr. President, I call my amendment up, which was debated earlier. It is amendment No. 2703.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for himself, Mrs. BOXER, Mr. JEFFORDS, Mr. CORZINE, Mr. LIEBERMAN, Mr. BIDEN, Mr. DURBIN, Mrs. CLINTON, Mr. LEAHY, Ms. CANTWELL, Mr. FEINGOLD, and Mr. KENNEDY, proposes an amendment numbered 2703.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To reduce debt and require the industries responsible for producing products that contaminate toxic waste sites and industries who are exempt from liability for such contamination, to help pay for the cleanup by reinstating the Superfund polluter pays fees, and to reduce the deficit)

On page 3, line 9, increase the amount by \$1,501,000,000.

On page 3, line 10, increase the amount by \$1,629,000,000.

On page 3, line 11, increase the amount by \$1,696,000,000.

On page 3, line 12, increase the amount by \$1,735,000,000.

On page 3, line 13, increase the amount by \$1,754,000,000.

On page 3, line 17, increase the amount by \$1,501,000,000.

On page 3, line 18, increase the amount by \$1,629,000,000.

On page 3, line 19, increase the amount by \$1,696,000,000.

On page 3, line 20, increase the amount by \$1,735,000,000.

On page 3, line 21, increase the amount by \$1,754,000,000.

On page 4, line 20, increase the amount by \$1,501,000,000.

On page 4, line 21, increase the amount by \$1,629,000,000.

On page 4, line 22, increase the amount by \$1,696,000,000.

On page 4, line 23, increase the amount by \$1,735,000,000.

On page 4, line 24, increase the amount by \$1,754,000,000.

On page 5, line 3, decrease the amount by \$1,501,000,000.

On page 5, line 4, decrease the amount by \$3,130,000,000.

On page 5, line 5, decrease the amount by \$4,826,000,000.

On page 5, line 6, decrease the amount by \$6,561,000,000.

On page 5, line 7, decrease the amount by \$8,315,000,000.

On page 5, line 11, decrease the amount by \$1,501,000,000.

On page 5, line 12, decrease the amount by \$3,130,000,000.

On page 5, line 13, decrease the amount by \$4,826,000,000.

On page 5, line 14, decrease the amount by \$6,561,000,000.

On page 5, line 15, decrease the amount by \$8,315,000,000.

On page 25, line 8, decrease the amount by \$1,501,000,000.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the amendment be sequenced following the Dorgan amendment No. 2793, and that there be 2 minutes remaining for debate at that time with respect to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Mr. President, I reserved time for the Senator from Oklahoma to speak on the amendment. He has not done that, so I will continue to reserve 7 minutes for my colleague from Oklahoma.

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

Mr. LAUTENBERG. I yield the floor. The PRESIDING OFFICER. Who yields time?

The Senator from New Mexico.

AMENDMENT NO. 2765

Mr. BINGAMAN. Mr. President, I thank my colleague, Senator CONRAD, for yielding me some time to describe an amendment I intend to offer and would like to have the Senate consider and vote on.

This is an amendment which can be best summarized by reading it. It is only a sentence long. And it says:

It shall not be in order in the Senate to consider a bill, amendment, motion, joint resolution, or conference report that increases the number of taxpayers affected by the alternative minimum tax, except for a measure that extends expiring provisions relating to the child tax credit, the 10-percent tax bracket, and the marriage penalty.

Mr. President, this is what I would call a first-things-first amendment. I heard the President, in his State of the Union speech—and we have all heard him on numerous occasions—talk about how we need to make permanent the tax cuts.

We had a hearing in the Finance Committee where Secretary Snow, our Secretary of the Treasury, came in and said: We need to make permanent our tax cuts. And my question to him was:

What about this looming problem that we all know about, which is called the alternative minimum tax?

Now, the alternative minimum tax was put in place with the idea that very wealthy individuals should not be able to avoid all taxes. If they calculate their taxes and they figure out some way to determine they do not owe anything, then they have to also calculate on the basis of the alternative minimum tax and at least pay that amount.

That was the idea behind it. Unfortunately, with the changes we made in the tax law and with the changes in the economy and the tax structure, we are now to a circumstance where we are beginning to see more and more people affected by the alternative minimum tax. If we were to do what the President has urged—that is, make all these tax cuts permanent—then the number of people who are adversely affected by having to calculate their tax pursuant to the alternative minimum tax would go up very dramatically. Instead of it affecting a couple million people, we are talking about it affecting 30 million people by the year 2012.

My amendment says, let's do first things first. Let's figure out how to resolve this problem of the alternative minimum tax, and let's not be bringing bills to the floor and passing legislation unless we have 60 votes in the Senate in favor of it. Let's not be passing legislation to worsen the situation and to require more and more Americans to fall under these provisions of the alternative minimum tax. To me, it is a straightforward, commonsense thing to do.

I asked Secretary Snow in this same hearing: How much is it going to cost to fix the problem?

His answer was: We don't know. We are working on that.

I said: When are you going to know? Well, we are going to know maybe a year from now.

That is not an acceptable answer for the Senate or for the Congress or for the American people. We should not be making permanent tax cuts and further cutting taxes unless we know the extent of the revenue loss that is involved in fixing this alternative minimum tax problem.

All this does is set up a point of order. It says, if you are going to bring a bill to the floor that adds more Americans to this roster of people who have to calculate and pay their tax pursuant to the alternative minimum tax, then you have to get 60 Senators to agree to pass that bill or else it does not pass.

It is a very constructive proposal. It is one that would strengthen this budget resolution substantially. I hope all Members will support the amendment when the time comes for me to offer it.

I am advised by my colleague, Senator CONRAD, this is not the appropriate time. Therefore, I will not send the amendment to the desk. Again, I appreciate the chance to explain the

amendment so my colleagues will know what is involved. As I say, I hope we can get a very strong bipartisan vote in favor of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Might I advise the Senator, we have now had a chance to show the amendment to the other side. If the Senator would like at this moment to send his amendment to the desk, that would be appropriate.

Mr. NICKLES. Mr. President, if our colleague would decide not to send his amendment to the desk, I would be much more favorably inclined to discuss it.

Mr. BINGAMAN. Mr. President, this is the kind of good government amendment that I was counting on my colleague from Oklahoma supporting. I am sure the more he studies it, the more merit he will see in the amendment. I will be glad to send it to the desk at this point, if now is the correct time.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. To further inform my colleague, I believe a budget point of order lies against the amendment. I don't know that will change his desire about whether to send it to the desk, but I am fairly certain that a budget point of order does lie against it. I would urge you to consider maybe keeping it at a good verbal discussion but not sending it to the desk. But you certainly have that right to do so.

Mr. BINGAMAN. Mr. President, in response to my colleague from Oklahoma, I would certainly want to send it to the desk and have the opportunity to call it up for a vote at the appropriate time, if that is appropriate at this time. I do send the amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 2765.

Mr. CONRAD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To ensure that legislation is not enacted that increases the number of taxpayers affected by the alternative minimum tax)

On page 45, after line 13, insert the following:

SEC. \_\_\_\_ . POINT OF ORDER REQUIRING THAT INCREASES THE NUMBER OF TAXPAYERS AFFECTED BY THE ALTERNATIVE MINIMUM TAX AGAINST LEGISLATION.

(a) POINT OF ORDER IN THE SENATE.—It shall not be in order in the Senate to consider a bill, amendment, motion, joint resolution, or conference report that increases the number of taxpayers affected by the alternative minimum tax, except for a measure that extends expiring provisions relating to the child audit, the 10 percent tax bracket, and the marriage penalty.



(b) SUPERMAJORITY WAIVER AND APPEAL.— This section may be waived or suspended in the Senate only by an affirmative vote of ⅔ of the Members, duly chosen and sworn. An affirmative vote of ⅔ of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

Mr. CONRAD. Mr. President, the Senator from Connecticut is next in our queue. I am wondering if we might enter into a time agreement on the amendment of the Senator from Connecticut. I would suggest 20 minutes equally divided. We provided that amendment to the other side.

Mr. NICKLES. Mr. President, I haven't consulted with Senator COCHRAN. That is the reason I am caught a little bit off guard. I have no objection to limiting the debate to 20 minutes. I will be happy to limit the debate time on Senator LIEBERMAN's amendment to 20 minutes. I may withhold some of our time for Senator COCHRAN to come in and debate it at a later moment.

I ask unanimous consent that we have 20 minutes equally divided on the Lieberman amendment.

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

The Senator from Connecticut.

AMENDMENT NO. 2807

Mr. LIEBERMAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. LIEBERMAN], for himself, Mr. SCHUMER, Ms. MIKULSKI, Mr. LAUTENBERG, Mr. BIDEN, Mrs. MURRAY, Mr. KENNEDY, Mr. CORZINE, Mr. LEVIN, Mr. KOHL, Mrs. BOXER, Mr. DODD, Mr. JOHNSON, Mr. AKAKA, Mr. DURBIN, Mr. LEAHY, Mr. KERRY, and Mr. GRAHAM, proposes an amendment numbered 2807.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To restore cuts and increase funding for homeland security programs and reduce the debt by reducing the President's tax breaks for taxpayers with incomes in excess of \$1 million a year)

On page 3, line 9, increase the amount by \$3,664,000,000.

On page 3, line 10, increase the amount by \$4,533,000,000.

On page 3, line 11, increase the amount by \$4,089,000,000.

On page 3, line 12, increase the amount by \$1,160,000,000.

On page 3, line 13, increase the amount by \$175,000,000.

On page 3, line 17, increase the amount by \$3,664,000,000.

On page 3, line 18, increase the amount by \$4,533,000,000.

On page 3, line 19, increase the amount by \$4,089,000,000.

On page 3, line 20, increase the amount by \$1,160,000,000.

On page 3, line 21, increase the amount by \$175,000,000.

On page 4, line 20, increase the amount by \$3,664,000,000.

On page 4, line 21, increase the amount by \$4,533,000,000.

On page 4, line 22, increase the amount by \$4,089,000,000.

On page 4, line 23, increase the amount by \$1,160,000,000.

On page 4, line 24, increase the amount by \$175,000,000.

On page 5, line 3, decrease the amount by \$3,664,000,000.

On page 5, line 4, decrease the amount by \$8,197,000,000.

On page 5, line 5, decrease the amount by \$12,286,000,000.

On page 5, line 6, decrease the amount by \$13,446,000,000.

On page 5, line 7, decrease the amount by \$13,621,000,000.

On page 5, line 11, decrease the amount by \$3,664,000,000.

On page 5, line 12, decrease the amount by \$8,197,000,000.

On page 5, line 13, decrease the amount by \$12,286,000,000.

On page 5, line 14, decrease the amount by \$13,446,000,000.

On page 5, line 15, decrease the amount by \$13,621,000,000.

SEC. . RESERVE FUND FOR HOMELAND SECURITY PROGRAMS.

The Chairman of the Committee on the Budget of the Senate shall revise the aggregates, functional totals, allocations to the Committee on Appropriations of the Senate, discretionary spending limits, and other appropriate levels and limits in this resolution by up to \$6,800,000,000 in budget authority for fiscal year 2005, and by the amount of outlays flowing therefrom in 2005 and subsequent years, for a bill, amendment, motion, or conference report that provides additional fiscal year 2005 discretionary appropriations, in excess of the levels provided in this resolution for first responder grant programs, border security programs, port security grants, the Operation Safe Commerce program, the Coast Guard Deepwater program, and transportation security programs at the Department of Homeland Security; the Community Oriented Policing Services (COPS) program, the Edward Byrne grant program, and the Local Law Enforcement Block Grant program at the Department of Justice; and bioterror—related programs at the Department of Health and Human Services.

Mr. LIEBERMAN. Mr. President, last week we observed the first anniversary of the Department of Homeland Security, the largest reorganization of the Federal Government in almost a half century. With that anniversary came a round of reflection on the status of our homeland defenses. There was general agreement on the verdict. Yes, we are stronger and safer at home, thanks to the creation of the Department of Homeland Security and other steps that we have taken since September 11, 2001. But no, we are not nearly as safe as we should be. We are not as safe as we should be because this administration has not given homeland security the focused leadership and resources that it demands.

The Gilmore commission, led by former Virginia Governor James Gilmore, a distinguished Republican leader, recently warned of complacency about the terrorist threat and decried the lack of a clear strategy to bring about improved security. Other expert panels, one of them convened and led by former colleagues Warren Rudman and Gary Hart, called the Nation "still

unprepared" to respond to another September 11 attack and said that our first responders were "drastically underfunded."

Homeland security will not come cheap. On first responders alone, one of the expert panels I described told us they believe it would take \$98 billion over 5 years to bring our defenses at home up to where they need to be. Yet the administration proposes a stunning 30-percent cut in resources for firefighters, police officers, and emergency medical personnel.

The President's budget for fiscal year 2005 fails to acknowledge, much less address adequately, the new threats we face as a nation, shortchanging the homeland side of our war on terrorism.

That is why I rise today to offer this amendment that would add \$6.8 billion to the administration's homeland security budget.

Let me describe where the money would go: \$4.4 billion of that amount would go toward helping our first responders, the firefighters, the police officers, the emergency medical personnel, the hundreds of thousands of people who every day go to work, put on a uniform to serve not only as first responders but really, if we use them well, as first preventers of terrorist attacks. I also propose \$900 million in additional resources for port and container security, widely acknowledged as a continuing vulnerability to terrorists who will strike always where we are undefended, and our ports and containers are too greatly undefended.

I am calling here for \$500 million to better prepare for the threat of bioterrorism, which recent intelligence reports say continues to be a focus of the terrorist groups around the world. I am asking for \$500 million for additional border personnel as well as for needed equipment and technology for border security, so we will not see a repeat of the terrorists who came into America to carry out the evil deeds of September 11, 2001.

I am asking for \$½ billion to make further advances on aviation security and for greater protection of other modes of transportation—rail, bus, mass transit—that remain too unprotected. About \$2.5 billion of this amendment is needed just to restore cuts that the administration's budget makes in some of these homeland security functions from fiscal year 2004 spending.

For example, in this amendment we restore the administration's \$1 billion cut to the State homeland security grant program, the main source of assistance to State and local governments and first responders, an unacceptable cut. The amendment also would restore more than \$1 billion in cuts to proven first responder programs in the Justice Department: the local law enforcement block grant, the Edward Byrne Memorial grant program, and the Community Oriented Policing Services Program, widely and appreciatively known as COPS.

If someone asked whether we have been safer since September 11 from another attack, I just say: Thank God, we have been safe. But this is not an over-reaction.

Mr. Tenet testified before the Armed Services Committee the other day and he said that al-Qaida and more than two dozen other terrorist groups around the world are still in eager pursuit of chemical, biological, radiological, and nuclear weapons. Their No. 1 goal—not their only goal—is to carry out another “spectacular attack” on the United States. Those are the terms they use, “spectacular attack,” which they are convinced will break our will and certainly disrupt our economy.

We cannot let that happen. We must defend our homeland and protect our infrastructure and our people where we are vulnerable, through the Department of Homeland Security, with the kinds of funds that are authorized and appropriated in this amendment.

We have a long way to go before we fulfill the promise each of us has made that our Federal Government would adequately secure the American people when they are at home. We have to approach this profound responsibility with the same unity, the same resolve, and the same resources we have brought to the war on terror overseas. That is why I have introduced this amendment and asked for my colleagues' support.

Allow me to lay out, more specifically, what this amendment would do and why it is so necessary.

I am advocating \$4.4 billion in fiscal year 2005—above the President's request to help ensure that first responders have the equipment, training, and other resources they need to prevent, prepare for and if necessary respond to acts of terrorism.

We all remember the heroic role police, firefighters and other first responders played on 9/11, as our Nation responded to the horrific attacks of that day and braced for untold sequels that might be soon to follow. Less visible is the role many of these officials also play in attempting to prevent acts of terrorism here at home: State and local police are the eyes and ears of the community that may first detect a terrorist plot on U.S. soil or intercept a terrorist before he or she can strike. We owe these front line homeland security troops more than our admiration we owe them our full financial support.

Yet a distinguished panel convened by the Council on Foreign Relations found these first responders wanting for the tools they must have to confront a terrorist attack: firefighters without their own radios or breathing equipment; police departments without protective gear to respond to an attack with a chemical, biological or radiological agent; and nearly all without interoperable communications equipment. This is unacceptable and must be changed.

Let's start with the work that must be done just to undo the harmful cuts

sought by the administration. First, my proposal will restore the administration's drastic \$1 billion cut to the State Homeland Security Grant Program, which is the main source of assistance to state and local governments and first responders for emergency planning, equipment, training, exercises, mutual aid agreements, and other preparedness activities. There is bipartisan support for restoring these cuts, reflecting the reality that all states face certain homeland funding needs and need a steady, predictable source of money—as this program provides—to plan wisely.

My amendment will also restore more than \$1 billion in cuts to key first responder programs in the Justice Department: the Local Law Enforcement Block Grant (LLEBG), the Edward Byrne Memorial Grant Program (BYRNE), and the Community Oriented Policing Services Program (COPs). These programs provide vital aid to help communities hire more police officers and equip them with the tools they need. Funding levels for these three programs have declined more than \$1.8 billion since fiscal year 2002, representing a dangerous and unwise reduction at a time when the threat from terrorism, but also domestic crime, has clearly increased.

The amendment would also provide \$400 million to restore a 33 percent cut in the vital Fire Act program, which provides direct support to thousands of fire departments around the country, and to bring it to full funding. And it restores a \$9 million cut to the Emergency Management Planning Grants program, which supports the capacity of state and local governments to respond to emergencies of all kinds.

All of these programs are integral to the strength of our first responders and it is incomprehensible that we would cut them at a time the terrorist threat remains high. But we must do more than just hold the line we need to dramatically improve our homeland defenses in our communities.

My proposal would provide \$1 billion in new funding to be dedicated to helping first responders obtain interoperable communications equipment so they can “talk to one another” when responding to events. The lack of communications interoperability has received substantial attention since the September 11, 2001 attacks revealed major problems with communication between police and fire fighters at the World Trade Center in New York. But the problem is hardly unique to New York. Federal officials involved with this issue report that at best—only 14 States have communications equipment that allows public safety agencies to talk to each other during a terrorist attack or other emergency. The price tag for fixing the problem nationwide has been estimated as high as \$18 billion, and the lead Federal official on this issue has stated that, at the present rate, it will take 20 years to achieve full interoperability in our country. This is much too long.

Yet, the President's 2005 budget actually takes a step backwards by eliminating relatively small grant programs at FEMA that were dedicated to interoperability. Instead, funding for interoperability must now compete with funds for protective gear, training, exercises, and other equipment. My proposal would dedicate \$1 billion specifically for interoperability to provide a significant lift to States' efforts to overcome a critical obstacle facing emergency responders across America. In addition to equipment, this would include funding necessary for planning, evaluation, deployment, and training on the use of modern interoperable communications.

Another \$1 billion in this amendment would go to fully fund the SAFER Act, staffing for Adequate Fire and Emergency Response, that is necessary to hire 10,000 additional fire fighters. According to the International Association of Fire Fighters, the shortage of fire fighters has reached crisis proportions. Two-thirds of all fire departments do not have adequate staffing, falling below the accepted industry standards developed by the National Fire Protection Association and, more to the point, putting those firefighters who are on the job in danger. The SAFER Act, which Congress finally passed last year due to the outstanding leadership of my colleague Senator DODD, authorizes \$7.6 billion in grants over 7 years to career, volunteer, and combination fire departments hire new firefighters. At a time when budget cuts have forced some local jurisdictions to actually reduce the number of first responders, this funding is necessary to help protect firefighters and to provide the emergency response capabilities communities want and expect.

Virtually every expert analysis of terrorist threats to the United States focuses on the critical issue of port security. Small wonder—millions of containers arrive at U.S. ports each year, coming from all parts of the globe and subject to only limited, if any, inspection. The ports are at once a tempting portal into the U.S. for dangerous cargo, and a vital economic conduit that—if shuttered due to a terrorist assault—could cause devastating disruption of the Nation's economic life's blood. Earlier this year, the FBI testified that terrorist organizations are looking “for any holes in the port security system to exploit.” Yet in the face of such risk, the administration proposes to cut spending on port security grants and eliminate Operation Safe Commerce, an innovative program to improve the security of container traffic into this country. In addition, the President's budget puts Coast Guard fleet and equipment modernization on a slow boat—at the administration's pace, the Deepwater modernization program will take 22 years. A 22-year modernization is practically an oxymoron.

My amendment would provide \$900 million in additional resources for port

and container security. About half of that would go to restore Operation Safe Commerce and to improve physical security at our ports. Bring port security grants—at only a suggested \$46 million in the President's budget—to \$500 million. The Coast Guard has estimated it will cost \$7.5 billion—and \$1.5 billion this year—just to provide all ports with minimum security measures and implement the Maritime Transportation Security Act. The grants help finance measures such as fencing and surveillance to better secure the ports and—with them—our vital trade links. Operations Safe Commerce has explored new technologies to track container traffic and can provide a valuable think tank for new approaches to secure their travel into our country.

The rest of the money would go to accelerating the Deepwater program, a 22-year Coast Guard fleet modernization program. Since 9/11, we have turned to the Coast Guard again and again for a growing roster of homeland security needs—even as we expect them to continue their outstanding work on non-defense missions such as fisheries enforcement and search and rescue. Yet this outstanding agency operates with virtually the oldest naval fleet in the world—39th out of 41. Senators from both parties—and even the Heritage Foundation—have called for more money for Deepwater. Not only is it the right thing to do, it will actually save money in the long run since the longer Deepwater takes to complete, the more the Coast Guard must spend on maintenance of the decaying fleet.

More than 2 years after the anthrax attacks demonstrated our country's vulnerability to bioterrorism, our efforts to protect the American people against biological attacks remains disorganized and underfunded. Indeed, a recent report by the Trust for Public Health concluded that communities are "only modestly better prepared" to respond to a bioterror attack than they were before 9/11. Yet here again, the administration actually wants to cut spending—contradicting the opinion of even its own official responsible for bioterror preparedness.

The President's budget cuts \$105 million from Centers for Disease Control grants to help public health agencies prepare for bioterrorism, and another \$39 million from a program to help hospitals expand their capacity to treat victims of a bioterror attack. Where bioterror is concerned, these health officials are our first responders and we must give them support commensurate to the threat. It is true that The President would provide some new money for surveillance to detect a bioterror attack, but this will be of limited use if we have no resources to respond to an attack once we detect it. One public health official likened it to "laying off firefighters while investing in new hoses and ladders."

Therefore, my amendment would add \$500 million for bioterror preparedness,

to restore those cuts and significantly expand the hospital grant program. The health community has identified more than \$11 billion in additional needed medical supplies, protective gear for staff and other essentials to respond to a bioterror attack. At the current pace, it would take more than 20 years before hospitals could provide even basic care in the event of such an attack. We must speed up this effort, and my amendment would help us begin down that road. The investments we make here will have the added benefit of improving our capacity to respond to naturally occurring diseases, such as a severe flu outbreak.

Our border officials process more than 440 million visits each year, and police more than 7,000 miles of border with Canada and Mexico. In the immediate aftermath of 9/11, Congress recognized we must spend more to make this system work—to facilitate lawful visitors and trade, while weeding out and halting those who pose a threat. We passed the Patriot Act and the Enhanced Border Security Act, both of which called for significant new border personnel. But since then we have fallen short—hundreds upon hundreds short—of meeting those targets. Indeed one of the only targets that was met—posting 1,000 Border Patrol agents along the Northern Border—was reportedly achieved only by shifting agents from the Southern Border. This is not real homeland security.

My amendment would provide \$500 million for additional border personnel, as well as for needed equipment and technology for border security. The needs are extensive and include portable, interoperable communications equipment, surveillance systems and fingerprint identification equipment. As US VISIT—the entry/exit system mandated by Congress—is expanded to land ports, we will need expanded facilities to process visitors. Total implementation costs for the program could reach \$10 billion.

Border security can make a difference. The September 11th Commission discovered that one alert inspector in Miami had apparently stopped one of the would-be hijackers simply by conducting a probing interview at the airport. But we cannot expect such high performance if critical homeland defense workers such as these are overworked and poorly equipped.

We know from 9/11, and from terrorist attacks around the world, that transportation networks pose a tempting target to would-be attackers. This knowledge spurred Congress to create the Transportation Security Agency in record time. Now we must give the agency the resources to fulfill its mandate. My amendment would provide \$500 million to make further inroads on aviation security and expand to other modes of transportation, which have been largely neglected thus far.

Although TSA has made headway on aspects of passenger and baggage screening, much work remains to close

known gaps in our aviation security. Specifically, I would direct additional funding to developing systems to screen air cargo, to screen passengers for explosives, and to screen airport workers with access to aircraft.

About a quarter of all air cargo travels on passenger planes. Yet, despite all the added precautions we've developed for air passengers and their bags, this cargo remains largely uninspected—only about 5 percent is screened. All-cargo jets pose a similar vulnerability. We must also develop effective systems to screen cargo and implement short-term solutions at once. Another vulnerability is explosives: current passenger screening only detects metallic threats, such as guns or knives, not explosives. Yet we know this is not an obscure threat—would-be terrorist Richard Reid was able to bring about 10 ounces of explosives onto an American Airlines flight and was only stopped from igniting them by an alert passenger on board. There are promising technologies in this area, but we must spend money to develop them. Finally, many airport workers with access to aircraft and sensitive areas of the airport receive little scrutiny. We must do better.

However incomplete the work on aviation security, the federal effort to secure other modes of transportation has hardly begun. According to a recent news report, we have intelligence suggesting that al-Qaida is looking at derailing trains, possibly carrying hazardous material. GAO has also identified vulnerabilities regarding rail shipments of hazardous materials, as well as protective measures that have not yet been taken. Yet despite such concerns, little has been done to assess the risks to our rail system or to deploy countermeasures. Similarly, we know from the deadly sarin attack on the Tokyo subway and suicide bombers on Israeli buses, that mass transit presents an inviting target to possible terrorist activity.

The American Public Transportation Association has identified at least \$6 billion in transit security needs, such as video surveillance and chemical and biological detection systems. But DHS has released only \$115 million in transit security grants thus far, and no money is set aside for this purpose in the President's budget.

Mr. AKAKA. Mr. President, I rise today in strong support of the amendment offered by my friend, the Senator from Connecticut, Mr. LIEBERMAN, to address shortfalls in homeland security funding in the President's FY05 Budget Request. As a cosponsor, I believe this amendment would go a long way to ensuring that our homeland security is not shortchanged.

I am disappointed that the President's budget request cuts taxes for the wealthy at the expense of funding homeland security programs. Our amendment would restore \$2.5 billion in proposed budget cuts and includes an additional \$7 billion to strengthen

existing programs. It would also reduce the deficit by offsetting spending with tax cut reductions for those earning more than \$1 million a year.

Our amendment takes an important step to prepare our first responders by restoring \$1 billion for the State Homeland Security Grant Program, which provides first responders critical funding for emergency planning, training, and equipment.

This program is crucial for all States, especially States like Hawaii with smaller populations, since a portion of this funding is evenly distributed among all States.

Our amendment also takes important steps to ensure that homeland security funding is allocated where it is needed most. It provides \$1 billion in much needed funding to address first responder shortfalls for interoperable communications equipment and \$600 million for hospitals and public health agencies to respond to emergencies.

I am equally disappointed that the President's budget request fails to address the serious funding gaps for port security. In fact, the American Association of Port Authorities has expressed great concern that the President's FY05 budget contains no Federal funds to meet port security requirements.

The amendment takes important steps to secure our ports and our economy by providing \$1 billion for port and container security and Coast Guard modernization. This funding is critical to Hawaii, where 98 percent of imported goods are transported by sea. This is not just a matter of security for Hawaii or coastal States, but the security of our Nation.

According to a Council on Foreign Relations Homeland Security Task Force report entitled, "America—Still Unprepared, Still in Danger," if our Nation's ports suffered a weapons of mass destruction attack, "the response right now would be to shut the [entire] system down at an enormous cost to the economies of the United States and its trade partners." The Task Force report estimates that if American ports were to be closed to containerized cargo for longer than three to four weeks, global shipping container trade would grind to a halt.

Our amendment also includes \$500 million for aviation security, which would provide for systems to screen air cargo and passengers for explosives. This is an important step towards ensuring adequate funding for security devices needed to detect dangerous material and to prevent a potential crisis.

We must ensure that our homeland security is not shortchanged. This is why I urge my colleagues to support this amendment.

Mr. LIEBERMAN. At this time, I yield 2 minutes of the time I have allowed to the Senator from New York for his statement.

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

Mr. SCHUMER. Mr. President, I thank my colleague from Connecticut

for his leadership. I will be brief. In 2 minutes, one has no choice. This subject could and should have a long debate. I understand the time constraints.

We heard of the awful, terrible terrorist attack in Spain. There is some debate as to whether it is ETA, the Basque separatist organization, or al-Qaida. Now signs are beginning to point to al-Qaida. I am getting asked by my people whether this could happen in New York, Chicago, Los Angeles, or anywhere else? The obvious answer is yes.

We are not close to doing what we should be doing on homeland security. We are not helping our first responders, who are desperate for more help in terms of their patrols and the equipment. They have cut out money for interoperability of radio, which we in New York City learned was so important on 9/11.

In port security, we are wide open and we are doing very little. Truck security—what if they use bombs in trucks to blow up buildings, or railroad stations, or whatever else? Brazil is way ahead of us on truck security, I hate to say. The northern border is still wide open and empty. Our immigration lists don't match up with our FBI lists, which is allowing terrorists to slip into this country.

None of this is lack of technology. This is all lack of dollars. This budget talks tough on homeland security, but it doesn't do the job. The terrible tragedy in Spain today should remind us we are just as wide open and vulnerable, but we don't have to be.

I salute my colleague from Connecticut on his amendment because it is so needed, so desperately needed. We are doing everything we can to fight the war on terror overseas. I have been supportive of that war. But the bottom line is that we are not doing close to enough at home to protect us. Money will help. If there was ever a consensus where we need more dollars, it is here. We are not doing it.

I hope this Senate, in a bipartisan way, will rise to the occasion and support the amendment my friend has offered and of which I am proud to be a cosponsor.

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. LIEBERMAN. Mr. President, I wonder if I might ask for an additional minute of my colleague from Connecticut who has a related matter.

Mr. CONRAD. How much time does the Senator need?

Mr. DODD. One minute.

Mr. CONRAD. I will give a minute off the resolution to the Senator.

Mr. DODD. Mr. President, I heard my colleague mention the tragedy that occurred in Spain, with the tremendous loss of life there as a result of a terrorist attack, and we don't know whether it was ETA or another organization. I inform my colleagues that we drafted a resolution expressing our sense of outrage over these events.

I chair the United States-Spain Council every year and have developed strong friendships with the people there. I know the budget matters are gripping our attention, but I ask the managers at some point to find a few minutes this evening to set aside the budget and express our sense of solidarity with the people of Spain, as well as our great sense of loss of what occurred. It is in connection directly to what my colleagues are offering on this amendment on homeland security, which I support.

I hope we might express our unanimous support for the people in Spain.

Mr. CONRAD. Mr. President, the Senator makes a very good point. I think I speak for everybody when I say our hearts and minds are with the people of Spain after the terrible tragedy they suffered. We will seek to find a way to express our condolences to the people of Spain before we complete our work before the break. I thank the Senator for bringing that matter to our attention.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, we are continuing the assault on taxpayers. Next, in the not too distant future, we are going to be voting on a lot of tax increases. This would increase taxes by \$13.7 billion and increase spending by \$6.8 billion. That is a 40-percent increase. We fully funded the President's request of a 15-percent increase but, obviously, that is not enough for some individuals.

I will now yield management of this amendment to Senator COLLINS.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, it is with great reluctance that I rise to oppose the amendment offered by the Senator from Connecticut. The Senator from Connecticut serves as the ranking member on the Committee on Governmental Affairs, which I am privileged to chair.

We have worked very hard together on the issue of homeland security and have held many hearings during the past year to evaluate the progress that the new Department is making. But I believe the Senator's amendment is ill advised.

I strongly support increased funding to help secure our communities, but we must target those additional resources to programs that address our greatest vulnerabilities, from our ports to our borders to even our farms. We must also make sure each and every State builds and maintains a baseline level of homeland security preparedness and response capability.

The amendment of the Senator from Connecticut would increase funding for many State and local homeland security programs by more than \$7 billion over the President's budget request. That is simply not responsible in this fiscal climate.

I also fear if we pour that amount of additional money into the system, it will not be well and carefully spent.

Many of us met this past week with municipal officials from our home States. I heard from my municipal officials in Maine that they are spending the homeland security money that we are giving them very wisely to improve their training, to perform joint exercises, and to purchase new equipment.

Since September 11, according to Secretary of Homeland Security Ridge, Congress has appropriated some \$13 billion in homeland security assistance for first responders, States, localities, and other entities. This year, the President will allocate an additional \$3 billion through the Office of Domestic Preparedness for many of these programs.

I do believe we need to provide additional funding in some areas—port security, for example, and the basic homeland security grant program—to continue to build that baseline capacity and also to address one of our biggest vulnerabilities, and that is the vulnerability of our seaports. But I believe Senator LIEBERMAN's amendment does not target resources in the most effective manner.

Let me give a couple of examples. The Lieberman amendment provides \$600 million for new biosecurity spending. The administration's budget also includes more than \$100 million for a new biosurveillance initiative and makes more than \$2.5 billion available in fiscal year 2005 for bioshield. I simply do not believe the additional funding that is contained in Senator LIEBERMAN's amendment is required, given the substantial investment the President's budget already makes in biosecurity.

Again, I hope to be offering either a joint or my own version of a homeland security amendment later in the budget debate. I believe the proposal I will be putting forward better balances the need for fiscal restraint as we work to improve the security of our homeland.

I urge that the Lieberman amendment be rejected.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, further responding to the amendment, I urge Senators to reject the amendment. The administration has requested substantial increases in funding for homeland security. Although it is a new Department, the Department of Homeland Security was funded at a very generous level, about \$30 billion of funding, during the current fiscal year.

States and localities are submitting plans to the Office for Domestic Preparedness on their priorities in terms of equipping and training first responders and equipping the States to modernize their emergency management agencies. A tremendous amount of money is being spent this year, and a request is made for even more money next year.

The Budget Committee has analyzed the needs and the ways these funds can be utilized and has come up with a very thoughtful and, in my judgment, re-

sponsible recommendation to the Senate on this subject.

I support the Budget Committee's conclusions and their recommendations. It is always easy to say we can use more money, we can add more money for every good-sounding program in Government, and this is certainly one that is very important. None is more important than our national security and homeland security. But we do have the funds that we need, that we can spend in an efficient way and in a responsive way to the threats that exist to try to help us do a better job of protecting the homeland.

The President has given strong leadership on this issue. The Congress has responded in a very generous way, both bodies of Congress working together to accommodate the needs we have in these areas.

I hope we can support the Budget Committee chairman and reject this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. Mr. President, is the Senator from Connecticut seeking additional time for wrap-up?

Mr. LIEBERMAN. Mr. President, I thank my friend, the ranking member of the Budget Committee. I will take 3 additional minutes.

Mr. CONRAD. I yield 3 minutes off the resolution to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I appreciate my good friend and colleague from Maine. She said "reluctantly" opposed the amendment, but opposed it nonetheless, and the Senator from Mississippi. My own feeling about this is, just as I have fully supported funding for the war on terrorism abroad—and it has been a considerable amount of money. We had a tremendous debate and controversy around the \$87 billion supplemental last year, and we will have another supplemental this year, but at least \$50 billion for the war on terrorism, critically necessary to our security, for the advancement of our values, and to our freedom. In the same way, \$6.8 billion, less than we will give to the international war against terrorism, is critical for the homeland side of the war against terrorism, to raise our defenses, to protect our people.

As I said at the outset, we have made real progress in the last year as a result of the work that the Department of Homeland Security has done, but I do not think anybody—including the folks over there—believe we have done enough to secure the safety of our people.

We provide for funding. It is a deficit reduction amendment, a \$6.8 billion deficit reduction, paid for by the now familiar tax cut for millionaires. It is fiscally responsible.

Can we afford it? I say we can't afford not to afford it. This is today's primary way in which we are fulfilling

our constitutional responsibilities to provide for the common defense and to ensure domestic tranquility.

This ought to be nonpartisan because it is like national security. We always used to say partisanship stopped at the Nation's borders. Since our enemies have attacked us within our borders, when it comes to homeland security, we ought to be joining across party lines to do what is right to protect our people.

I thank the Chair. I thank the Senate Budget chairman and ranking member. I ask that when the vote is taken, it be done by the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. LIEBERMAN. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. Mr. President, how much time does the Senator from Massachusetts need?

Mr. KENNEDY. I think my colleague and cosponsor, the Senator from Connecticut, wants 4 minutes. I will take 5 minutes.

Mr. CONRAD. I will be happy to yield 5 minutes off the resolution to the Senator from Massachusetts and 4 minutes to the Senator from Connecticut off the resolution as well.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 2725

Mr. KENNEDY. I thank the Chair. Mr. President, I offer this amendment on behalf of myself, Senator DODD, Senator CLINTON, Senator CORZINE, Senator STABENOW, Senator LAUTENBERG, Senator SCHUMER, Senator REED, Senator MIKULSKI, Senator KOHL, Senator LINCOLN, Senator LEVIN, Senator LIEBERMAN, Senator REID, Senator BINGAMAN, Senator DURBIN, Senator MURRAY, and Senator PRYOR.

This amendment is about education. It is about higher education. It is about the children whose family average income is \$15,000 a year. It is about 4.8 million children in this country who receive Pell grants—young people, gifted, talented, bright, smart, who come from families with limited incomes and cannot survive even with the Pell grants, unless they get additional help because of the increase in the cost of tuition over the last 3 years.

Over the last 3 years, the tuitions in our public schools have increased from \$3,700 to \$4,700. That is a 26-percent increase. Currently, the Pell grants are \$4,050. This would raise it to \$5,000. Almost 500,000 more low-income students will receive Pell grants. The average Pell grant will increase by \$600. Not everyone will go up to the full \$5,100, I should say, but the average grant will go up \$600 and the maximum Pell grant will increase by \$1,050. This effective increase in the Pell grant offsets the explosion that has taken place with tuitions across this country paid for by the \$10 billion—\$5 billion for the cost of

Pell grants and \$5 billion for deficit reduction from the top limits.

If we are talking about priorities in this country, we are talking about not leaving children behind. Middle-income, working families are having a difficult time on health care, education, and employment. This makes sure about one-quarter of all of the children who are attending higher education come from families of \$15,000 or below, 4.8 million. This amendment is going to make sure some of the most gifted, talented young people in this country are going to be able to continue their education.

I remind my colleagues of President Bush's statement he made when he was running for President of the United States in Hampton, NH, in the year 2000: It is known for a fact that Pell grant aid significantly affects the ability of a child to attend college or stay in college. A child eligible for a Pell grant will be affected by the size of the Pell grant. I am going to ask Congress to bolster the first-year aid—at that time from \$3,300—to \$5,100 per recipient of the Pell grant.

This is what President Bush promised. The year was 2000. We have an opportunity now in 2004 to fulfill this promise. The need has never been greater. This is a defining issue, whether this institution is committed to the cause of higher education and educational opportunity. Everyone in this body understands education is the key to opportunity for our future. It is the key to our economy. It is the key to our national security. It is a key to our democracy. It is in our national interest, our national defense, and our national economic interest. Most of all, it is an issue of fairness, decency, and national priority to have an increase in the Pell grants. I hope the Senate will accept this proposal I offer on behalf of myself and my colleagues.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I thank my colleague from Massachusetts. He is my very good friend. He did not get as excited today as yesterday. I do not know if that is good or bad.

Mr. KENNEDY. Does the Senator want to give me 3 more minutes?

Mr. NICKLES. I think it is good. I think it is good.

My colleague from New Hampshire is not in the Chamber yet, but hopefully he will be here.

I will make a couple of comments. One, we have assumed in the budget a significant increase for Pell grants already. This is another one of these things that no matter what we put in, there is going to be an amendment to increase it. I understand that. I recognize that. The history is this Congress, and frankly in the last few years since Senator GREGG has been chairman and ARLEN SPECTER has been chairman and George Bush has been President, the amount for Pell grants has risen and risen dramatically, from about six

point some billion dollars under President Clinton's last year to all the way now up to \$12.5 billion. So there have been dramatic increases in Pell grants.

In the year 2001, it was \$8.7 billion. In our budget it is right at \$13 billion. That is a significant increase.

If this amendment was adopted, Pell grants would increase from 2004 to 2005 by 48.2 percent. We have had a lot of amendments. We had one just a moment ago dealing with homeland security offered by my very dear friend whom I respect greatly, Senator LIEBERMAN, that would have increased the homeland security function by 40 percent. This increases Pell grants by 48.2 percent between 2004 and 2005.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. NICKLES. Yes.

Mr. KENNEDY. How can you possibly figure that when now it is \$4,050 and the average Pell increase was \$600, that is 48 percent?

Mr. NICKLES. Well, because that is what my staff told me, and if I am incorrect, I will be happy to revise and edit my remarks. Again, I wish Senator GREGG was doing this.

My staff informs me it would increase from \$4,050 to \$5,100 under the Senator's amendment, and that would increase the cost by 48.2 percent. It is not just the maximum amount of the award. The maximum amount of the award would be going up some 20-odd percent, but there are a lot of awards, not just at that amount but also at other amounts.

That is a very significant increase, 48 percent in 1 year. Funding has gone up dramatically in this program, as I just mentioned. When there is an increase from \$8.7 billion under our resolution to \$13 billion—and looking at the Senator's amendment it would increase that amount from \$13 billion an additional \$4.9 billion.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. NICKLES. I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator has that right.

Mr. NICKLES. The Senator could add \$4.9 billion because it says it would increase spending by \$4.9 billion for 2005. If we add that to \$13 billion, that is taking a \$13 billion program to an \$18 billion program. My very able staff did very good work. I think that is 48 percent.

Again there has to be some kind of limit. I happen to like the idea of doing some good things in Pell grants. We have assumed a 7.4-percent increase, almost \$1 billion increase for Pell grants in 1 year. My colleague and friend from Massachusetts wants to multiply that times five. I do not think we can afford that.

His amendment also says, well, we want to raise taxes to do it and would raise taxes by \$9.8 billion. I also want to say this is kind of clever, but it does not sell. Many of our colleagues' amendments say we are only increas-

ing taxes 1 year to pay for the spending 1 year. There is no way in the world if the taxes and spending are increased by \$4.9 billion in 1 year that is not going to be continued or to be assumed. So I mention, yes, that tax increase would be extended year after year and so would the spending increase.

I want to warn taxpayers, there are a lot of amendments out here. We are going to start voting on these amendments momentarily. My colleague from North Dakota has been urging me, let's get the votes started. I would like to advise our colleagues momentarily we are going to start a long list of rollcall votes. I want to advise taxpayers to look out because almost every one of these votes will raise your taxes.

I will tell the spenders of the world, almost every one of these will increase spending. We will have a chance to vote.

I see my colleague from Oklahoma is in the Chamber and I reserved some time for him to speak on the Lautenberg amendment. I do want to let our colleagues know momentarily we are going to begin a series of rollcall votes and it is very much my intention to run them very hard. We will have 15 minutes on the first one. I hope not much more. On subsequent votes, we are going to hold them to as close to 10 minutes as the managers can. If Senators miss votes, they miss votes. Most of these votes are going to become pretty obvious how they are going to be determined before too long. Hopefully we will not waste too many hours in the process.

The PRESIDING OFFICER (Mr. CORNYN). The Senator from North Dakota.

Mr. CONRAD. Mr. President, I join the chairman in saying we need to move to votes as quickly as possible and we need to be disciplined in how much time we spend on those votes. I think it is in the interest of all of us to proceed expeditiously.

I do not share the chairman's characterization of these amendments. These amendments, in a limited number of high-priority areas, are doing two things. They are adding resources but paying for them, and not only paying for them but in addition providing deficit reduction. Remember, the budget resolution before us will add nearly \$3 trillion to the national debt over just the next 5 years. So the amendments on our side to restore some of the cuts in funding to the COPS Program to put police on the street, to restore funding for the firefighters who are the ones we expect to respond to any bioterror threat, to provide a program to expand job opportunities in this country, to provide expansion of health care opportunities for people in our country—each one of these amendments is completely paid for.

In addition to that, we have provided for deficit reduction so at the end of the day our Nation is burdened with less deficits and less debt.

In our amendments we have turned in some cases to closing egregious tax loopholes, tax scams that are unfair to all taxpayers of our country. Others of our amendments are paid for by turning to those privileged few who earn over \$1 million a year and we have asked them to just slightly reduce their tax cuts. Remember, in 2005 the cost of the tax cuts going to those who earn over \$1 million a year, the cost of their tax cuts for that 1 year alone will be \$27 billion. For those who earn over \$337,000 a year, the top 1 percent, the total cost of their tax cuts for that 1 year is \$45 billion.

We don't think it is unreasonable to take a tiny fraction of those tax cuts and use them to improve the education of our children, to restore the cuts that have been made to the COPS Program that has put 150,000 police on the street, to slightly reduce the tax cuts of those earning over \$1 million a year to restore the cuts to firefighters or to expand health care coverage in this country when we have over 40 million people who do not have health care coverage, or to slightly increase Pell grants so we are providing expanded educational opportunities in a way that will make our country more competitive in this global economic environment.

We think those are the priorities of the American people, to reduce these deficits, to reduce this buildup of debt, and to restore the cuts in certain high-priority areas: law enforcement, police on the street, firefighters, education for our kids. Those are the priorities of the American people. Those are the priorities of American families. We offered those amendments on our side.

Mr. President, I yield the floor to the Senator from Connecticut, if he is seeking time?

Mr. DODD. I thought I had 4 or 5 minutes.

Mr. CONRAD. The Senator had been previously yielded 4 minutes off the resolution.

Mr. DODD. I will maybe take less than that. I associate myself with the comments of Senator KENNEDY and Senator CONRAD in this debate.

It was 200 years ago this year that Thomas Jefferson said that any nation that ever expects to be ignorant and free expects what never was and never possibly can be.

That was at the outset of the 19th century. Here we are, gathered in this great Chamber at the outset of the 21st century and we are arguing whether we can afford to give those who are the wealthiest in our society a little bit less of a tax cut than they otherwise might be getting in order to see to it that a significant majority of our young people get the opportunity of a higher education which they are being denied, not because they lack the drive or determination or absolute desire to acquire the skills necessary to improve the quality of their lives and the lives of all of us in this country but because they lack the means.

What I hear my colleague saying is the total amounts are going up. What has not gone up is the amount of money we provide to each student. Because of a declining economy—and we are talking about families here with incomes of \$15,000 a year or less who qualify for Pell grants—we have seen a growing number of families and a growing number of students who want to go on and get a higher education.

In 1975, Pell grants paid for somewhere around 80 percent of a college education. That is a generation ago. Today, I don't need to remind people who may be listening to this discussion, \$5,000, even at a public institution, doesn't necessarily cover even 50 percent of the cost of a higher education. Nevermind, the cost at private institutions. In fact, at public colleges and universities, tuition has gone up some 26 percent since President Bush took office and 77 percent of all students attend public institutions. This Pell increase, up to a little more than \$5,000, really will help students and their families, students who want to get an education and want to contribute to the wealth of this Nation.

We now know, in the coming years, in the next 10 years, 80 percent of the 23 million new jobs we hope are going to be created will require that a person applying for them have more than a high school education—80 percent of the 23 million jobs. What are we doing in this year, this year, to prepare those students so they can acquire the skills necessary to get the jobs that will require that someone have additional education beyond high school?

We are asking today, in this amendment, that the most wealthy in our society take a little less of the tax cut President Bush has offered them in order to pay to see to it that more and more Black and Hispanic children in this country, those who primarily fall into Pell income categories, can get Pell grants to go on and get an education.

I don't know of many affluent people who would disagree with this request. The very beneficiaries of the tax cut, I suspect, if you polled them, would say, I'll take less of a tax cut if in fact you put those resources to seeing to it that people who come from the poorest families in our society, who have the intelligence and ability to go on and get an education, will qualify for an additional amount of money under the Pell grants.

That is what the Senator from Massachusetts is asking. We ought to be supporting that on a bipartisan basis. I can't imagine, as we talk about job creation and talk about this Nation remaining No. 1 in the 21st century, that we want to shortchange the ability of qualified young people to go on to higher education. Pell grants make a huge difference. We are unfortunately depriving these kids of the necessary dollars they need, and all because we are not asking the most affluent 1 percent income earners to take a little bit

less of a tax cut than they might otherwise be getting.

I urge the adoption of the Kennedy amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, Senator KENNEDY was questioning my math. He said where did I get this answer that it increased by 48 percent. I said I got it from my staff. Now I did it myself. I regret to inform my good colleague from Massachusetts, but my staff was right. It just so happens when you add \$4.9 billion that is called for by his amendment to the \$12.9 billion we have in our resolution, that totals \$17.8 billion. Last year we spent \$12 billion. That is a 48.2 percent increase. Actually, I calculated it at 48.3 percent. That is an increase in 1 year.

Pell grants, as I showed by the chart, have already risen dramatically. They have grown by 47.3 percent since 2001. Senator KENNEDY's amendment would have it grow by more than that in 1 year. That is not affordable. That is not sustainable, not if you believe in deficit reduction.

I have heard so many people make speeches about deficit reduction and be critical of our President, but that is not the way people are voting. They are voting for more spending, and then this hypothetical we are going to raise somebody else's taxes. I don't think you can have programs grow at 48 percent. Senator LIEBERMAN had an amendment that would grow homeland security by 40 percent. I don't think you can have that kind of growth rate in expenditures and ever say you are serious about deficit reduction.

During the debate on the Lautenberg amendment, I said I wanted to refer to my colleague who happens to be chairman of the committee, the authorizing committee that oversees Superfund, for his comments in relationship to the Lautenberg amendment.

I notify our colleagues it is my expectation that we will begin a series of rollcall votes in the very near future.

I yield my colleague from Oklahoma such time as he desires.

Mr. CONRAD. Will the Senator withhold?

AMENDMENT NO. 2725

Mr. CONRAD. Mr. President, I send an amendment to the desk on behalf of Senator KENNEDY.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside, and the clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for Mr. KENNEDY, proposes an amendment numbered 2725.

Mr. CONRAD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To create a reserve fund to finance an increase in the maximum Pell Grant that keeps pace with the rate of increase in public college tuition, extend Pell Grants to 500,000 new recipients, and lower the national debt by closing tax loopholes)

On page 3, line 9, increase the amount by \$2,352,000,000.

On page 3, line 10, increase the amount by \$7,253,000,000.

On page 3, line 11, increase the amount by \$196,000,000.

On page 3, line 17, increase the amount by \$2,352,000,000.

On page 3, line 18, increase the amount by \$7,253,000,000.

On page 3, line 19, increase the amount by \$196,000,000.

On page 4, line 20, increase the amount by \$2,352,000,000.

On page 4, line 21, increase the amount by \$7,253,000,000.

On page 4, line 22, increase the amount by \$196,000,000.

On page 5, line 3, decrease the amount by \$2,352,000,000.

On page 5, line 4, decrease the amount by \$9,606,000,000.

On page 5, line 5, decrease the amount by \$9,802,000,000.

On page 5, line 6, decrease the amount by \$9,802,000,000.

On page 5, line 7, decrease the amount by \$9,802,000,000.

On page 5, line 11, decrease the amount by \$2,352,000,000.

On page 5, line 12, decrease the amount by \$9,606,000,000.

On page 5, line 13, decrease the amount by \$9,802,000,000.

On page 5, line 14, decrease the amount by \$9,802,000,000.

On page 5, line 15, decrease the amount by \$9,802,000,000.

At the end of Title III, insert the following:  
**SEC. . RESERVE FUND FOR THE PELL GRANT PROGRAM.**

The Chairman of the Committee on the Budget of the Senate shall revise the aggregates, functional totals, allocations to the Committee on Appropriations of the Senate, discretionary spending limits, and other appropriate levels and limits in this resolution by up to \$4,900,000,000 in budget authority for fiscal year 2005, and by the amount of outlays flowing therefrom in 2005 and subsequent years, for a bill, joint resolution, motion, amendment, or conference report that provides additional fiscal year 2005 discretionary appropriations, in excess of levels provided in this resolution, for the Pell Grant program.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the adjournment resolution which is at the desk. I further ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table.

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

The concurrent resolution (S. Con. Res. 98) was agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring).* That when the Senate recesses or adjourns at the close of business on Thursday, March 11, or Friday, March 12, or Saturday, March 13, or Sunday, March 14, 2004, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until Monday, March 22, 2004, at 12 noon.

Mr. NICKLES. Mr. President, I yield to my colleague from Oklahoma such time as desires.

The PRESIDING OFFICER. The Senator from Oklahoma.

AMENDMENT NO. 2703

Mr. INHOFE. Mr. President, I compliment the senior Senator from Oklahoma. He is doing a great job in handling this most difficult issue.

We go through this every year, and I believe we are going to finally get something done tonight. I certainly hope we will and that we will have what we all will be proud of.

I can't help but comment. I happened to come in when my friend, the Senator from Connecticut, was leaving the Chamber. It seems as if the argument you hear from the liberal side of this body is the fact that all of this came about as a result of the tax cuts of this administration. I feel compelled to remind this body of the history of these tax cuts. It was not a Republican idea. Ironically, one of the truly great Democrat Presidents of this country, John Kennedy, was the guy who came up with the concept. He said—and this is an exact quote—

We need more revenues to run these programs that we have and the best way to increase revenues is to reduce marginal rates.

That was back in the 1960s, and it worked.

There is a recognition of the problem we have right now. This administration inherited a recession, and they are coming out of it by having the very tax reductions to add to the amount of revenues coming in. This is going to work. It is working today. If you do not think it does, let us remember what happened back in the 1980s.

In the 1980s, the total amount of money that was raised from marginal rates was \$244 billion. In the 1990s, it was \$466 billion. That was the 10-year period of the largest tax reductions on marginal rates in the history of America. It had the result of increasing—not decreasing—the amount of revenue.

The formula used was for each 1-percent increase in economic activity, it creates \$46 billion of new revenues. John F. Kennedy knew that, Ronald Reagan knew that, and we ought to know that today, but we ignore history.

Now my friend from New Jersey, Senator LAUTENBERG, is coming up with another one of his favorite tax increases. I have never seen a tax increase he didn't like. But this seems to be one of his favorite ones.

We are going to have a big tax increase to vote on in just a few minutes. It is called the Superfund tax.

There is a lot of doubletalk. On the one hand, they blame the administration for U.S. job loss and lack of competitiveness. At the same time, they want to impose a tax that expired in 1995 on some of the most fragile industries that are not going to make it.

People say reinstating the Superfund tax will be a deficit-reduction-reducing measure. I am not sure that is nec-

essarily true. What you are going to do is drive a lot of people out of business who are already overtaxed.

I think if I could single out one argument I find the most offensive—and I hear it as chairman of the Environment and Public Works Committee over and over and over—every time we have a committee hearing, they talk about “polluter pay.” Polluters are paying today. That is the whole concept. When a polluter pollutes, that polluter pays.

In fact, historically, PRPs—potentially responsible parties—since Superfund started, the average of all cleanups has been 70 percent in the average year of those cleanups which are cleaned up by industries that have polluted.

This is interesting because in 2003, that 70 percent jumped to 80 percent.

In other words, all but 13 percent of the cleanups took place and were paid for by the polluters.

The antijobs and the protax supporters also ignore the fact that the Superfund tax, on its face, is unfair. It has nothing to do with taxing companies and industries that pollute. If an industry falls into a certain category—say you are going to have your taxes go up. It has nothing to do with whether or not they have ever polluted. In fact, oil and petroleum companies have paid more than 50 percent of the Superfund taxes but were responsible for less than 10 percent of the liability on Superfund sites.

That is historically accurate. I would defy anyone to challenge it. As a result, this is an especially unfair tax to American families who have to pay more at the pump.

Furthermore, Superfund tax supporters argue that cleanups have slowed down as a result of the amount of money lost from the trust fund. That isn't true at all. In fact, we had testimony in our hearings this last week that there is not a correlation between the amount of money in the Superfund reserve and the amount of cleanup.

In 1996, the tax fund was at its highest level. Yet the amount spent by the Clinton administration in 1996 for Superfund cleanup was at a 10-year low.

This year's Superfund budget request is around \$1.4 billion. But wait a minute. Let us look at what they are proposing.

In this amendment, they propose an \$8.5 billion tax increase. This is the same thing we went through, by the way, last year. There has never been a correlation between the amount of money raised by a tax and the amount of money that has been spent.

For those who are responsible for contamination, they are already being held liable for cleanup costs under Superfund. No one is getting let off the hook, and I will challenge right now the other side to name one viable polluter who is not being held accountable for the Superfund contamination they caused.



Here we are again with the same amendment. We have had it several times before. Senator LAUTENBERG danced this thing out again. We beat it the last time 57 to 43. I will be down here to remind people how they voted before. They will forget.

I honestly believe the only issue here is if you want to increase taxes on the American people by \$8.5 billion in one vote, this is your opportunity to do it. I yield the floor.

Mr. CONRAD. Mr. President, we are very close now to starting to vote.

Again, I ask our colleagues who have amendments in the queue to come so that they could make their final argument before the vote with 1 minute to each side. I think that would be reasonable.

Mr. NICKLES. 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.

Mr. NICKLES. Mr. President, I appreciate everyone's patience. For the information of our colleagues, we are going to have a series of votes starting momentarily.

I am going to yield to my colleague and former chairman of the Budget Committee for a few moments. I notify our colleagues we expect several votes to begin momentarily. We are trying to warn everybody, we would like everybody to be prompt and we would like for everybody to stay on the floor.

Mr. President, I yield to my colleague from New Mexico such time as he desires.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I thank the chairman.

Mr. President, I rise to speak for 2 minutes on the fiscal year 2005 budget resolution currently pending before the Senate. In particular, I want to focus for just a little bit on the budgets for scientific research.

The funding for the National Institutes of Health should be my starting point. In the omnibus bill of 2003, thanks in large part to the leadership of President Bush, we met our commitment; that is, in 2003, we met our commitment to double the funding for NIH.

Senator NICKLES remembers that clearly, that a couple of Senators started and everybody followed, and a resolution was adopted that said—it was incredible to many of us, but we did it—let's double the NIH. President Bush helped us, and we did that.

Allow me to explain these numbers. In 1998, we spent \$13.7 billion on the National Institutes of Health for cancer, for all of these various diseases, heart conditions, and mental illness. When the commitment was fulfilled, we spent \$27.1 billion for medical research.

We need not stop there, however. Last year, we further increased it to \$27.9 billion. This means we have spent \$145.9 billion in the last 7 years on the National Institutes of Health—a 109-percent increase. This year we are planning on further increasing the budget of NIH to \$28.7 billion.

I join the President in supporting the work the NIH has done and continues to do. But I am somewhat chagrined when I see the current brochures and documents of the NIH complaining about the fact this President, who funded them at the highest increased levels in their history, who this year says we can only afford inflation—instead of saying, the President who supported us the most says we cannot keep on with that kind of increase, they end up critical that this year he did not increase their funding as much as he did in the past, saying: We must have more. He is not funding us enough.

I tell you, when I read that, it is a good thing they are not down here asking for more money, as far as this Senator is concerned, because I would be on the side of saying: Enough is enough.

In fact, I would like to give you a couple other thoughts about how impressive their work has been.

The human genome project—for those who do not understand or remember, that project is the genome project, spelled: G-E-N-O-M-E. Not too long ago, the human genome was completed, in terms of mapping it, much ahead of schedule. The completion of this work was only the beginning.

More than 300 genes for human diseases, from cancer to deafness to birth defects, have already been identified. It means in the past we would spend years of research at maybe three major institutions to locate a gene for diabetes. The mapping of the human genome says we are in the process of mapping every genetic point of every major disease in the human body at every location. We will know where they are. Then let's hope the great scientists in the future will begin to cure those incurable diseases.

The NIH is doing amazing work in developing techniques to detect, diagnose, and treat many of the most devastating diseases humans face, such as cancer, diabetes, and Alzheimer's disease.

I hope that we can continue to fund this important agency at these record levels.

I am concerned, though, that we have collectively failed to be as aggressive when it comes to funding basic scientific research in other agencies.

Basic research is defined as systematic study directed toward greater knowledge or understanding of the fundamental aspects of phenomena and of observable facts without specific applications towards processes or products in mind.

The technologies transitioned from basic research are the foundation of ap-

plied programs and eventually fielded systems.

Put another way, basic research is the engine that makes our national defense, homeland security, and economic superiority possible.

However, basic scientific research is not funded in a single place as with medical research at NIH.

The correlative type research to NIH is something we call in America basic research—physics, computer science, chemistry, engineering, et cetera. We have no central focus point for that in America. I am not sure we should or should not. It is just a fact.

In 2004, the sum total of expenditures for that was \$11 billion, and that included the Veterans' Administration—we assume some of what they do is science—Interior, EPA, NASA, DOE. This is compared to \$8.8 billion for these programs in 1998.

In the same period of time these programs have increased 35 percent, while NIH increased by over 100 percent. I do not think America can continue to dominate the world, invent the products, maintain our standard of living with that kind of disparity for too much longer. The time has come to spend money on basic research, just as we have on medical research.

It is important to note much of our scientific research is done at our universities. They have plenty of research in medical science and medical science problems. But I guarantee you, Mr. President and fellow Senators, they are very short on research for the basic sciences.

The Presiding Officer comes from a State that has great wealth. They devote great quantities of that wealth to their schools, and then say: Spend it on science. Go look at the University of Texas and a few other of your universities and see where you put your money. You put it there. But America does not put it there across the board.

I put this statement in comparing the two only because to keep them at such a disparate level of a 100-percent increase in 10 years in one and 30-some percent in the other is not going to keep America great.

I am hopeful when we finish with this resolution, we will get on to thinking a little bit about where we are going the next decade, and maybe we should start a resolution saying basic science ought to be increased over the next decade in a substantial way, maybe even as we did with the National Institutes of Health. I only wish I could see the way clear to find the money. I would be here offering that resolution right now.

Our future is just as certainly tied to our basic science moving up into a parity position with wellness research. Eventually wellness research will come up against insolvable problems. At least the technology of application won't work because we won't have the physics solved, the physical science.

With that, I thank the Chair for giving me a few moments and hope every

now and then somebody in a position to do something about this can join together and see if we can't get this done. I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

UNANIMOUS CONSENT REQUEST—S. RES. 319

Mr. NICKLES. Mr. President, we are going to begin our series of rollcall votes momentarily. First, I ask unanimous consent that after the first vote in this series, the Senate then proceed to a resolution at the desk regarding the recent bombings in Spain; provided further that following the reporting of the resolution, there be a brief moment of silence; provided further that each leader be recognized for up to 5 minutes each, Senator ALLEN and Senator DODD be permitted to speak up to 2 minutes each; I further ask consent that the Senate then proceed to a vote on adoption of the resolution with no intervening action or debate; further that following the vote the preamble be agreed to and the motions to reconsider be laid upon the table.

Mr. CONRAD. Reserving the right to object, this does not define what the first vote in the series would be.

Mr. NICKLES. Mr. President, I now ask unanimous consent that with respect to the voting sequence, the Senate proceed to the votes in relation to the pending amendments in the order offered, with no second-degree amendments in order to those amendments; finally, there be 2 minutes equally divided for debate prior to each vote; and after the first vote, that the time limit for each vote be limited to 10 minutes.

The sequence of votes will be as follows: Boxer amendment No. 2783; Sarbanes amendment No. 2789; Dorgan amendment No. 2793; Lautenberg amendment No. 2703; Harkin amendment No. 2799; Lincoln amendment No. 2803; Byrd amendment No. 2804; Bingaman amendment No. 2765; Lieberman amendment No. 2807; and Kennedy amendment No. 2725.

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

Mr. NICKLES. Mr. President, I ask unanimous consent to vitiate the order dealing with the Spanish resolution.

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

Mr. NICKLES. Mr. President, we are now ready to call upon Senator BOXER for her 1-minute description. I would also say if the sponsors are not ready, we don't need descriptions and we will move forward with rollcall votes. We are going to be very tight with time. Senators cannot assume there is going to be an extra 10 minutes on the rollcall votes. We are not going to allow that to happen, or we are going to try not to let it happen.

I believe the Senator from California is ready.

The PRESIDING OFFICER. The Senator from California.

AMENDMENT NO. 2783

Mrs. BOXER. Mr. President, in 1 minute let me give it to you straight: We have seen a loss of 3 million jobs in

the last 3 years. This is not sustainable. Our people are hurting. What this amendment does is gives us a chance to do something about it. We give tax credits to businesses, if they pay for health insurance, if they create manufacturing jobs. What we do is boost up some of the wonderful programs that are working in advanced technology, manufacturing extension. We increase investments in basic science. We close the loophole so if companies move abroad, they can't get special tax breaks, and we don't allow Federal funds to be used to offshore jobs.

We pay for it by saying to the millionaires of this country: Instead of getting back \$120,000, you will get back \$80,000. That is multiple times what a minimum-wage worker will get. Millionaires will still get back \$80,000 a year under the Bush tax cut. We are asking them to make that sacrifice because we need the jobs.

I urge an aye vote.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, this amendment offered by our friend from California increases taxes by \$24 billion over 3 years. Basically it would wipe out all the tax relief we have in the bill in the year 2005 for the child credit and marriage penalty. But it doesn't add any funding for jobs programs. We hear it does. It has a reserve fund that could increase spending, maybe, if a few things happen. The resolution before us fully supports the FSC/ETI bill, the JOBS bill Senator GRASSLEY and Senator BAUCUS are working on. If you want to help us be more competitive, to create more jobs, that is certainly the approach. It is a bipartisan approach and has a much greater likelihood.

The proposal suggested by our friend from California, frankly, would mean an exodus of jobs from the United States. It would be telling multinational corporations, you should not be in this country. You have tax advantages for being in other countries. I don't think we should be encouraging the headquarters of companies such as Intel or Microsoft and others to be leaving the United States.

I urge our colleagues to vote no on the Boxer amendment.

The PRESIDING OFFICER. All time has expired.

Mr. NICKLES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The question is on agreeing to amendment No. 2783. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MCCONNELL. I announce that the Senator from Montana (Mr. BURNS) and the Senator from Nevada (Mr. ENSIGN) are necessarily absent.

Mr. DASCHLE. I announce that the Senator from North Carolina (Mr. EDWARDS), the Senator from South Da-

kota (Mr. JOHNSON), and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

I also announce that the Senator from Nevada (Mr. REID) is absent attending a funeral.

The PRESIDING OFFICER (Mr. SMITH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 41, nays 53, as follows:

[Rollcall Vote No. 41 Leg.]

YEAS—41

Akaka	Dorgan	Levin
Bayh	Durbin	Lieberman
Biden	Feingold	Lincoln
Bingaman	Feinstein	Mikulski
Boxer	Graham (FL)	Murray
Byrd	Harkin	Nelson (FL)
Cantwell	Hollings	Pryor
Carper	Inouye	Reed
Clinton	Jeffords	Rockefeller
Conrad	Kennedy	Sarbanes
Corzine	Kohl	Schumer
Daschle	Landrieu	Stabenow
Dayton	Lautenberg	Wyden
Dodd	Leahy	

NAYS—53

Alexander	DeWine	Miller
Allard	Dole	Murkowski
Allen	Domenici	Nelson (NE)
Baucus	Enzi	Nickles
Bennett	Fitzgerald	Roberts
Bond	Frist	Santorum
Breaux	Graham (SC)	Sessions
Brownback	Grassley	Shelby
Bunning	Gregg	Smith
Campbell	Hagel	Snowe
Chafee	Hatch	Specter
Chambliss	Hutchison	Stevens
Cochran	Inhofe	Sununu
Coleman	Kyl	Talent
Collins	Lott	Thomas
Cornyn	Lugar	Thomas
Craig	McCain	Voinovich
Crapo	McConnell	Warner

NOT VOTING—6

Burns	Ensign	Kerry
Edwards	Johnson	Reid

The amendment (No. 2783) was rejected.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2789

Mr. NICKLES. Mr. President, next we will have a vote on the Sarbanes amendment No. 2789. I have two comments, but first I tell my colleagues, we are going to cut these votes off. I am warning everybody, and I urge colleagues to stay on the floor. We are going to try to keep all of these amendments limited to 10 minutes. In fact, I ask unanimous consent that the following amendments be limited to 10 minutes each.

The PRESIDING OFFICER. That order has been entered.

Who yields time?

Mr. NICKLES. As soon as we have order, I ask the Chair to call upon the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, this amendment would fully fund the assistance to firefighter programs, the firefighter grant, and the SAFER program up to the authorized amount. I urge my colleagues stand with our firefighters.

Warren Rudman, in a report, said, "emergency responders drastically underfunded, dangerously unprepared." Don't let that situation continue.

I yield the remainder of my time to the Senator from Connecticut.

Mr. DODD. The Senator from Maryland is correct. This budget contains a \$250 million cut in FIRE Act grants. There have been over 19,000 awarded since the program was established from 33,000 departments across the country. These fire departments absolutely need the equipment and training resources. In addition, the SAFER Act will put 75,000 new firefighters on the street over the next seven years. Recent studies by major organizations indicate there are chronic shortfalls in the numbers of people who serve in paid and volunteer and combination departments.

This is a good amendment. We are asking those who make more than \$1 million a year to take a little less of a tax cut than they would ordinarily get. I urge my colleagues to support the amendment.

Mr. NICKLES. This amendment, as most of the amendments we are going to be facing in this sequence of 10 votes, increases taxes. This one increases taxes by \$2.86 billion next year. That happens to be about the same amount of money we assume for the child tax credit next year. But it doesn't add any money for firefighters, zero. What it does is promise a possible \$1.3 billion increase in spending later in the year, if the appropriations bills do such and such.

I think it is a gimmick. The facts are, if it did go to firefighting, that would be a 157-percent increase over last year. That is ridiculous. We put in 10 percent for homeland defense as requested by the President. What the Secretary is trying to do is move more of that money into high-threat areas, not necessarily in every little rural fire department in Oklahoma, which, frankly, is not a Federal responsibility. Terrorism is not a threat in most of the rural communities.

I urge opposition to the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to amendment No. 2789.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DASCHLE. I announce that the Senator from North Carolina (Mr. EDWARDS), the Senator from South Dakota (Mr. JOHNSON), and the Senator from Massachusetts (Mr. KERRY) are necessarily absent.

I also announce that the Senator from Nevada (Mr. REID) is absent attending a funeral.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 41, nays 55, as follows:

[Rollcall Vote No. 42 Leg.]

YEAS—41

Akaka	Dorgan	Levin
Bayh	Durbin	Lieberman
Biden	Feingold	Lincoln
Bingaman	Feinstein	Mikulski
Boxer	Graham (FL)	Murray
Byrd	Harkin	Nelson (FL)
Cantwell	Hollings	Pryor
Carper	Inouye	Reed
Clinton	Jeffords	Rockefeller
Conrad	Kennedy	Sarbanes
Corzine	Kohl	Schumer
Daschle	Landrieu	Stabenow
Dayton	Lautenberg	Wyden
Dodd	Leahy	

NAYS—55

Alexander	DeWine	Miller
Allard	Dole	Murkowski
Allen	Domenici	Nelson (NE)
Baucus	Ensign	Nickles
Bennett	Enzi	Roberts
Bond	Fitzgerald	Santorum
Breaux	Frist	Sessions
Brownback	Graham (SC)	Shelby
Bunning	Grassley	Smith
Burns	Gregg	Snowe
Campbell	Hagel	Specter
Chafee	Hatch	Stevens
Chambliss	Hutchison	Sununu
Cochran	Inhofe	Talent
Coleman	Kyl	Thomas
Collins	Lott	Voinovich
Cornyn	Lugar	Warner
Craig	McCain	
Crapo	McConnell	

NOT VOTING—4

Edwards	Kerry
Johnson	Reid

The amendment (No. 2789) was rejected.

Mr. DASCHLE. Mr. President, I move to reconsider the vote.

Mr. FRIST. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXPRESSION OF CONDOLENCES TO THE PEOPLE OF SPAIN

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate now proceed to a resolution that is at the desk regarding the recent bombings in Spain; provided further that following the reporting of the resolution there be a brief moment of silence; provided further that each leader be recognized for up to 5 minutes each, and that Senators ALLEN and DODD be permitted to speak for up to 2 minutes each. I further ask unanimous consent that the Senate then proceed to a vote on the adoption of the resolution with no intervening action or debate; further, that following that vote the preamble be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. The clerk will read the resolution by title. The legislative clerk read as follows:

A resolution (S. Res. 319) expressing the sense of the Senate with respect to the deadly terrorist attacks against the people of Spain that occurred on March 11, 2004.

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The Senate will now observe a moment of silence.

(Moment of silence.)

Mr. FRIST. Mr. President, through the efforts of our colleagues, Senators ALLEN and DODD, we have this resolution before the Senate expressing our

condolences to the people of Spain. We will shortly vote on this resolution.

It is with a heavy heart that I rise. In a phone call earlier today, I told the Ambassador of Spain what the Senate will tell the people of Spain tonight through this resolution: We are with you; you are not alone in your grief.

This morning in Madrid, Spain, at the height of rush hour, 10 terrorist bombs ripped through railway trains and stations killing over 190 people and wounding 1,240 more. Mothers, fathers, students, children, were struck down as they went about their normal daily life—a tragedy we in the United States know only too well.

Spain did not learn about the need to defend democracy or how to fight terrorism on September 11, 2001. Sadly, this lesson was thrust upon the Spanish people long ago. Their response to our darkest moment will long be remembered in America. As the people of Spain mourn their victims tonight, we mourn with them.

We do not yet know the identity of the culprits. Officials are pursuing every lead. But whoever committed this atrocity will be found and they will be punished. I say to the people of Spain: America is with you. We stand in front of you, in back of you, to your left, and to your right. We grieve with the families who bear so much sorrow and we grieve for their loved ones whose lives have been so unjustly cut short. We will not forget this day. We will fight until the last cowardly murderer is brought to justice.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, I join in thanking Senators ALLEN and DODD for their work on this resolution. I join the majority leader in expressing strong support for the efforts in the Senate this afternoon. It is entirely fitting and appropriate that we observe the moment of silence for the victims of this heinous attack on the citizens of Spain this morning. Our prayers are with the Spanish people as they search for survivors, care for their injured, and mourn their losses.

Just last month, we heard a moving speech in the House Chamber from President Aznar. He made clear to us America does not stand alone in the war on terror. He made clear that the terrorists who attacked us on September 11 would fail, and he made clear that we would succeed together.

The resolution says to President Aznar and his people that the American people will give the Spanish people everything they have given us: Our unshakable commitment that we will link arms to care for the victims and their families, our solemn word that we will not flinch in the face of these cowardly attacks, our enduring pledge that we will join forces to bring the perpetrators to justice. That is because this was not an attack on Spain alone but on all of us.

I have already heard from Americans who are desperately trying to reach