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Senate

The Senate met at 9:45 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, Rev. Steven D. Rice, First Lutheran Church, Miles City, MT.

PRAYER

The guest chaplain offered the following prayer:

In quiet moments of this Senate Chamber, the footfalls and voices of patriots past can still be heard, O God.

This forum of liberty set upon a hill cannot be hid.

Grant that the clamor of today's business not drown out distant and hallowed echoes of our heritage. Rather, grant the wisdom of the ages be present in the work of this day, that the divine genius of liberty might continue to enlighten the path of these United States.

During times of conflict and crisis, give our Senators wisdom and courage; during hours of solitude, grant them serenity and peace.

So it is, upon the work of this day, upon our heritage of freedom, upon this Senate now in session, we invoke Your name, O Lord God.

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, we will have a 60-minute period of morn-

ing business, with the first half under the control of the majority and second half under the control of the minority.

Following that hour for statements, we will resume consideration of the Defense authorization bill. Under the order, we will vote on the pending amendments offered by Senators CRAPO and GRAHAM. Those amendments should be adopted by voice vote and will not require rollcalls.

Senator CANTWELL will then offer her alternative on nuclear waste, and there will be up to 4 hours for debate relative to that amendment. I hope we do not need all of that time and that some may be yielded back.

When debate is completed on the Cantwell amendment, we will proceed with four consecutive votes, first in relation to the nuclear waste amendment, to be followed by votes on the confirmation of three district judge nominations. Following those votes, we will continue consideration of the amendments to the Defense authorization bill.

There are a number of important scheduling commitments late this afternoon on both sides of the aisle. We will determine the voting schedule for the remainder of the day as we get closer to the scheduled vote series. Although we will not be voting in the evening, I expect we can continue our work and Members will remain available for other Defense amendments on the list.

Again, I will have more to say about the schedule this afternoon, as well as the schedule for tomorrow and Monday.

THE ECONOMY

Mr. FRIST. Mr. President, I want to take a few moments and comment on our economy. It was just over a year ago that the Senate passed and the President signed into law \$350 billion in tax relief. That was the third largest tax cut in history. By so doing, we

brought the tax burden to the lowest level in 37 years. We cut taxes across the board for 136 million hard-working, taxpaying Americans. For America's families, we increased the child tax credit from \$600 to \$1,000 per child, and we made those rebate checks available immediately, and they were sent out immediately.

Combined with tax cuts of 2001, which were signed into law almost 3 years ago today, this year 111 million individuals and families will receive an average tax cut of over \$1,500.

If you are married, you are 1 of 49 million married couples who will have an average tax cut of \$2,600. For those families with children, you are 1 of the 43 million families with children who will receive an average tax cut of \$2,000.

We have 14 million elderly individuals who will see their taxes go down on average by nearly \$1,900. That is \$1,900 more that senior will be able to have to spend, to invest, or to use however they want.

If you are a small business owner, you are 1 of 25 million small business owners who will receive an average tax cut of \$3,000. In my home State of Tennessee, more than 2 million Tennesseans will have lower tax rates this year.

President Bush's tax cuts are working. Not only are the tax relief packages, the tax cuts putting more money back in workers' pockets, they are boosting the economy, and we are seeing the results today. Since we passed the tax cuts last year, over 1 million new jobs have been created. The unemployment rate has fallen to 5.6 percent, lower than the average unemployment rates for the past three decades. The number of working Americans has reached an all-time high. In particular, manufacturing employment has done especially well. It is at the highest level in almost 20 years.

Real gross domestic product grew at its fastest pace in more than 20 years.

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



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Real disposable personal income—meaning how much money families and individuals have—is up. Household wealth is at an all-time high. Home ownership is at a record high. Consumer confidence is up. The stock market has risen from 7,000 to 10,000. Business confidence is higher than it has been in 20 years, and business spending and investing is booming.

Four years ago, President Bush inherited an economy that was in recession. Now because of his firm fiscal and tax leadership, the economy is booming. American families feel better off today because they are better off today.

The optimism shows up in national polls. A Harris poll released this week finds a clear majority of Americans feel their situation has improved since the last administration left office. Over two-thirds expect their personal situation to improve over the next 5 years. African Americans and Hispanics are particularly hopeful. A remarkable 86 percent in each group expect their lives to improve in the next 5 years.

It is imperative we keep up the pace. We can only do that by making the tax cuts permanent. My constituents have written to me again and again pleading to preserve the tax cuts. Yet there are some who would like for those tax cuts to expire. Worse yet, others are calling for immediate repeal. Not only would that be the largest tax hike in history, it would cut short America's new economic recovery.

The tax cuts are working. We need more, not less. We need to keep America moving forward, and we need to keep passing appropriate legislation that stokes the fires of the world's largest and most dynamic economy.

I urge my colleagues to continue to support these progrowth, projob policies that create opportunity for every American. Everyone who wants a job should be able to find one.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time which has not been used is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for up to 60 minutes, with the first half of the time under the control of the majority leader or his designee, and the second half of the time under the control of the minority leader or his designee.

Who yields time? The Senator from Kentucky.

ECONOMIC RECOVERY

Mr. McCONNELL. Mr. President, this week marks the 1-year anniversary of the Jobs and Growth Act of 2003, a bill

signed into law on May 28 last year. And now, a year later, we see by every conceivable economic measure of prosperity and well-being the Bush recovery is roaring ahead.

The Bush recovery has American families on the right course. The Bush recovery has American businesses, services, manufacturing, and exports all moving ahead at full steam.

The Bush recovery has workers' income rising, their job opportunities expanding, and their take-home pay increasing. A record number of workers are working. The Bush recovery is broad, it is growing, it is substantial, and it is a record of achievement of which any President would be justly proud. But the remarkable aspect of the Bush recovery is not what it has obtained but what it has overcome.

Go back to January 2000, when President Bush was still Governor Bush. The Dow Jones industrial average peaked at 11,723. That was the peak in January of 2000. The Dow Jones industrial average peaked at 11,723. Two months later, it lost one-fifth of its total value. A couple of months later, in March of that year, Nasdaq peaked. But by the end of 2000, tech stocks had lost more than half of their value. By the fall of 2000, the economy had slipped into recession.

Again, this all occurred while President Bush was still Governor Bush of Texas.

President Bush took office with an economy already stalled, a stock market tanking, and 8 months later America suffered an unprecedented terrorist attack, on September 11. We are all aware of the toll of lives from that tragic day, but few appreciate the full effect on our freedom and on our prosperity. Planes were grounded for days, and new, expensive security measures were imposed. Business in America came to a screeching halt, each one collectively seeking to reassess the risk and the opportunity of all their endeavors, not only here but overseas. Average Americans took stock of the threats and warnings out there and acted cautiously for the sake of their loved ones.

As our freedom to act without fear was diminished, so, too, was the economic activity that is a reflection of that freedom. A new world of uncertainty was created by 9/11, and while many have completely forgotten the attacks even occurred, their full ramifications are felt today, not only militarily and politically but economically as well.

Despite all that, America is back and stronger than ever, and much of that strength can be traced back to the Jobs and Growth Act of 2003. By letting workers, families, and businesses keep more of their own money, that legislation, along with the President's 2001 tax relief, laid the foundation for economic growth and job creation, not only now but for years to come.

Mr. President, 111 million individuals and families will receive an average

tax cut of \$1,586; 49 million married couples will have an average tax cut of \$2,602; 43 million families with children will receive an average tax cut of \$2,090; 14 million elderly individuals will see their taxes fall on average by \$1,883, and 25 million small business owners will receive an average tax cut of \$3,001.

This tax relief has prompted the growth of a surging, vital economy. Since the President signed that bill, the stock market is up 18 percent, increasing America's capital base by more than \$2 trillion. Real business investment in equipment and software is up 14 percent annually, the fastest third-quarter increase since the late 1990s. More manufacturers have been reporting increased activities and new orders than any other time in the last 20 years, and real GDP grew at a 5.6-percent annual rate, the fastest in nearly 20 years.

As tax relief has prompted a surging economy, families have benefited in the last year. Real disposable personal income rose at an average annual rate of 3.9 percent, household wealth hit a record high of \$44 trillion, and home ownership has risen .4 percentage points to a record high of 68.6 percent.

With families stronger and businesses growing, the Bush recovery is building strong momentum in the jobs market. In just the last year, over 1 million new jobs have been created for America's workers. The unemployment rate fell from 6.1 percent to 5.6 percent. That is lower than the average unemployment rates in the 1970s, the 1980s, and the 1990s. If that were not enough, State unemployment rates fell in 47 out of 50 States.

America is headed in the right direction. Looking at this chart, since President Bush signed the Jobs and Growth Tax Relief Act last May, the 5.6-percent increase in GDP is the best in 20 years; 1.1 million new jobs since last May; 800,000 new jobs this calendar year alone; the stock market rebound, up 18 percent since the President signed the tax relief bill. Home ownership is up to 68.6 percent, an alltime high since the President signed the tax bill. Disposable income is up 3.9 percent—more take-home pay. All of this has occurred since President Bush signed the Jobs and Growth Tax Relief Act last May.

We have had an extraordinary period of economic growth. Some say the economy should be growing faster, but their solution is to lock up the brakes and whip a u-turn. That is what an agenda of more taxes, more regulation, and more Government spending would do.

Under President Bush's leadership, America is finally headed in the right direction. The economy is picking up steam, and families, businesses, and workers across America are reaping the benefits. This is not the time to turn backward.

I yield the floor.