

think the leadership on both sides of the aisle is going to meet with senior tax-writing Senators and House Members and we are going to say: We have had our say, and each party scored its points. Now let's get on to business and do what the American people want—that is, write an economic recovery bill on a bipartisan basis as quickly as possible and help get this country moving.

As the President said recently, in reference to a fellow who helped prevent an airplane disaster in Pennsylvania when he said, "Let's roll," I say to all my friends and colleagues that I very much hope tomorrow, when we have this meeting, we start to roll and put together a bipartisan bill. This section 179 small business expensing provision is one of many which I know we are going to agree to in helping our economy.

Madam President, 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. BAUCUS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

HEALTH INSURANCE FOR THE UNEMPLOYED

Mr. BAUCUS. Madam President, I want to speak a little bit about health insurance. As I mentioned before, our country's economic downturn has put millions of American workers and their families at risk.

The unemployment rate has increased by 25 percent over the same time last year. In October alone, we lost 415,000 jobs. That is 1 month alone. That is the highest single jump since 1980.

In addition to losing jobs and income, many Americans have lost their health insurance. Clearly, this is something we need to address. Health insurance is necessary because it gives us access to needed health care services and it gives families financial security from medical bills.

Uninsured workers and their families often delay or skip needed treatment. When they do seek care, they often end up heavily in debt. Many of us serving in this body have encountered many people deeply in debt because of needed health care. Many families even go bankrupt as a result. In fact, half of all bankruptcies are a direct result of health or medical bills, not out-of-control spending by families.

I believe very strongly that giving laid-off workers assistance so they might keep their health insurance is of utmost importance. In my view, helping Americans who lose their jobs hold on to their health insurance is the right thing to do, not just for the families put at risk but for the economy as well.

Some critics have said we should include health insurance coverage in the

economic stimulus package. Some say we should not. Some have gone so far as suggesting the President should veto a bill that includes these provisions. It is not stimulus, they say; therefore, the President should veto the bill. I have heard that many times from representatives of the President.

I am the first to admit the arguments that health care coverage is stimulative are not as strong as the arguments for some of the other provisions of the bill. For example, virtually everyone agrees unemployment insurance, while helping people supplement lost income, is also stimulative. In fact, the multiplier effect is \$2.50 for every \$1 spent on unemployment insurance. Nevertheless, there are several reasons I believe health care does represent stimulus, and I would like to review them for my colleagues and for the benefit of the critics.

First, the rate of health insurance coverage is sensitive to economic conditions. Over the past several years, a strong economy has helped to moderate the growth of the uninsured population. The number of uninsured Americans has been growing. In the past several years, the strong economy has helped moderate that growth of uninsured population. Many employers use health care benefits as a way to attract and keep workers in a competitive market.

During the same period, we created CHIP, the Children's Health Insurance Program, to make health insurance coverage available to more children. In times of recession, though, things are much different. Simply put, a downturn in the economy means many more people go uninsured. Employer-sponsored insurance declines, and States struggle to pay their share of the cost of public programs, such as Medicaid and CHIP. I know that is true in my State.

According to a recent study, a 2-percent increase in unemployment will lead to an additional 3.2 million people eligible for Medicaid. That means the October jump in the unemployment rate alone will lead to an additional 800,000 people on Medicaid.

We do not need a report to tell us this. We know this from past experience. In the recession of the early 1990s, more than half of the workers who lost their jobs became uninsured. Let me repeat that. In the recession of the nineties, more than half of the workers who lost their jobs also as a consequence became uninsured. We cannot let that happen again.

Second, personal spending on health care means less consumer spending. Families with health insurance are able to spend more on other priorities. Families without health insurance spend more out of pocket on health care, making it harder for them to spend on other things.

A study by the Kaiser Family Foundation tells us that nearly one in five uninsured cannot meet their essential expenses. Nearly one in four uninsured

cannot pay their full gas, electric, or oil bills; one in seven persons who do not have health insurance cannot pay their full rent or mortgage.

Third, States are facing serious fiscal problems. State budgets are more unstable in the wake of the September 11 attacks. Revenues are declining while the need for spending on important programs is increasing. Sales tax revenues have dropped in States that rely on tourism at the same time disaster relief efforts and unemployment are increasing.

Last month, the Washington Post reported a number of States particularly hard hit by the recession are already calling special legislative sessions and taking dramatic action to reduce spending. Many of these States are thinking about making reductions in Medicaid benefits or cutting eligibility to alleviate budget pressures, despite the fact that more people will likely be turning to States for help with health insurance.

Putting money into the health care system, which represents 13 percent of the national economy and employs millions of people, will itself stimulate the economy. This is particularly true in rural areas where the local hospitals are often the biggest employer.

Including health insurance in an economic stimulus package is of critical importance both to the economy and to the American people.

What about the specifics of my proposal? The health provisions in my package are short term; they are temporary. My bill provides direct subsidies to the purchase of private COBRA coverage. It would give a 75-percent Federal premium subsidy for those eligible for COBRA coverage. Anyone who lost their job after September 11 would be eligible to receive this assistance for up to 12 months. The program would be strictly short term and would end December 31, 2002.

Why focus on COBRA? Because COBRA coverage was specifically designed to help workers maintain their health coverage when they change or lose their jobs. Unfortunately, though, this coverage is very expensive: \$2,600 a year for individuals and a full \$7,000 for families. That is almost \$600 a month for family coverage.

Consider the average unemployment check is just over \$800 a month, and one realizes why fewer than 20 percent of displaced workers actually sign up for COBRA. It is just too expensive. They cannot afford it.

According to the Congressional Budget Office, the COBRA subsidy will help up to 7 million Americans hold on to their health insurance even after they lose their jobs. But COBRA subsidies will not help everyone who loses their job. It will not help those who are not eligible for COBRA either because they worked for a small employer who is exempt from COBRA or that firm went bankrupt.

To help those workers, my bill also includes a short-term, temporary Medicaid option for individuals and families who are not eligible for COBRA. This is a State option. It is up to the States. They can decide. I propose to give States an enhanced matching rate to encourage States to adopt this new coverage option.

Like the COBRA subsidies, this coverage is available to people who become unemployed after September 11 this year, and like the subsidies, Medicaid coverage will be available for 12 months.

Some say that States cannot afford to take up this option, even with an increased Federal match. I understand that. That point is well taken, and it is one of the reasons I am also proposing to increase the matching rate for Medicaid. By giving States a higher Medicaid match, an F-match, as it is called, States will have an easier time maintaining coverage.

The additional funding may give the States what they need to take up the new coverage option for displaced workers. All told, this may maintain health coverage for millions of people who have lost their jobs or stand to lose them in the difficult months ahead.

I have also heard critics argue my proposal is an indirect way to establish a new entitlement program. It is not. That is not the intention. We are responding to a temporary crisis with a temporary solution. All coverage, whether received through corporate or Medicaid, will be provided on a temporary basis. The program ends after 1 year. It is in the law, black and white, underlined. It is there. It ends in 1 year.

Critics argue the COBRA Program and Medicaid coverage will be slow and cumbersome to implement. First, I disagree. I think we can get the program up and running in short order but not if we wait 6 months for new regulations to be published. My proposal specifically states the program should be implemented regardless of whether a final rule has been published. That is not new. It is not unusual. It is a step that is taken in times of emergency, and I argue the current economic situation dictates we are in such an emergency.

Let us also be candid. There are several competing proposals to provide temporary health care coverage, and they all raise the same issues. Whether we are talking about direct payments, COBRA, tax credits, as some propose, or block grants to States, as the President has suggested, we have to come up with a system that works quickly and works efficiently.

I say let us work on solving these implementation issues together rather than trying to undermine each other or pointing fingers and saying it cannot be done.

Let me conclude by reiterating how important health care coverage is to Americans and how devastating it can be for a family to lose its coverage. I

believe the package of health proposals I have put together will go a long way toward helping those who are truly in need. It will also provide a quick, temporary boost to the economy.

I realize not everyone agrees with our approach, but I do hope we all can agree health insurance coverage is a crucial element of any economic stimulus package. It is the right thing to do, and it is good policy.

I look forward to working with all my colleagues to reach an agreement that keeps our primary goals in mind; that is, stimulating the economy and helping American families.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. REID. I ask unanimous consent there be a period of morning business with Senators allowed to speak for a period not to exceed 10 minutes.

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

VA-HUD APPROPRIATIONS

Mr. ROCKEFELLER. Madam President, I was proud to support the entire VA-HUD Appropriations conference report yesterday, including its vital investments for our Nation's veterans. Chairperson MIKULSKI and Ranking Member BOND work hard each and every year to provide investment in a wide range of important agencies and programs, ranging from veterans, to housing, to the National Science Foundation.

This year I am particularly proud of a new investment within the National Science Foundation, NSF, to promote math and science education. Two new programs have been funded: the Mathematics and Science Partnerships program and the Noyce Scholarships worth \$165 million.

Our elementary and secondary students are currently sadly lacking in their mastery of technical subjects. Although our 4th graders are on a par with the rest of the world, by the time they reach the 12th grade they are in the bottom half of countries of the world. This is an intolerable situation. Our United States students come to college ill equipped to study mathematics, science, and engineering. The partnerships and scholarships funded in this package offer the promise of substantial improvement in the performance of our students.

Under the Mathematics and Science Partnerships programs, universities, businesses, and local educational institutions will form partnerships to develop new programs to teach these sub-

jects. These programs will be watched and evaluated and those that are successful will be incorporated into the mainstream of K-12 education.

The Noyce Scholarships will address a different problem. One of the best predictors of student performance is the quality of the teacher. Too many of our teachers of technical subjects are not well qualified. The scholarships will remedy this situation by supporting students of technical subjects who agree to teach two years for every year of support. This will ensure that many of our urban and rural schools that are particularly in need of good teachers will obtain relief.

President Bush proposed the math and science partnerships in his budget. Working with Senators KENNEDY and ROBERTS, I sponsored legislation in the Senate to authorize the Partnerships and the Noyce Scholarships. The House of Representatives has already passed a similar measure introduced by Congressman BOEHLERT. The VA-HUD appropriations package provide the first year of funding and the down payment to start these key programs to improve math and science education, and invest in our future.

I appreciate the support of my colleagues for the entire package, and I am especially pleased about these new investments in math and science education which represent such promise for the future.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred July 18, 1999 in West Hollywood, CA. Three men attacked two transgendered women with aluminum baseball bats. The assailants yelled anti-gay epithets during the attack. One of the victims required hospitalization for a head injury.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

CARGO LIABILITY REFORM

Mr. SMITH of Oregon. Madam President, today I take notice of a recent positive development in the creation of a more modern legal regime for international shipping. I was very pleased to see that America's importers and exporters and the ocean carriers that transport America's international trade reached agreement last month on