

BUSINESS SOFTWARE ALLIANCE

October 17, 2002.

Sen. RON WYDEN,
Chairman,
Sen. GEORGE ALLEN,
Ranking Member,
Subcommittee on Science, Technology & Space,
Committee on Commerce, U.S. Senate,
Washington, DC.

DEAR CHAIRMAN WYDEN AND RANKING MEMBER ALLEN: We are writing to express our support of the Business Software Alliance (BSA) and the Information Technology Association of America (ITAA) for S. 2182, the Cyber Security Research and Development Act, and to urge quick Senate passage of the bill.

Our associations represent the world's leading research-based software and hardware developers and manufacturers. As builders of many of the products, networks and systems that power the world's information infrastructures, and of the leading security tools used to protect them, our members are extremely committed to cyber security.

S. 2182 authorizes federal expenditures on fundamental basic, long-term research into computer security, as well as much-needed graduate and post-doctoral fellowships in computer security. The bill complements the hundreds of millions of dollars spent each year by the information technology industry on cyber security R&D. Government-funded research, undertaken in close partnership with industry, is a critical component of an effective government strategy to advance cyber security, and we commend your efforts to further the Federal Government's work in this area.

We also appreciate the efforts you and your staffs have undertaken to address concerns that were raised by industry earlier in this process with regard to provisions of the legislation pertaining to Federal computer systems. Your receptivity to these concerns has resulted, in our view, in a stronger bill, and we commend you for your efforts in this regard.

We are pleased to offer you our support of this legislation and to encourage its swift passage by the full Senate.

Sincerely,

ROBERT W. HOLLEYMAN II,
President and CEO,
Business Software Alliance (BSA).

HARRIS N. MILLER,
President,
Information Technology Association
of America (ITAA).

The PRESIDING OFFICER (Mr. CORZINE). Who yields time?
The Senator from Hawaii.

THE ECONOMY

Mr. AKAKA. Mr. President, I rise today to express my concern over the current state of the economy. Too many working Americans are confronted with difficult financial situations due to the slowdown in the economy. I continue to believe in economic education and financial literacy as a major part of the solution for people to improve their unique situations. However, such efforts cannot truly succeed without sound fiscal policies to keep our economy strong. Many American families are having difficulties making ends meet. Over two million jobs have been lost since January 2001. The unemployment rate for September was 5.6 percent, an increase from the 3.9 per-

cent unemployment rate in September and October of 2000. Home foreclosures are occurring at the fastest rate in thirty years and others are falling behind on their payments. Health care costs have increased rapidly. As a result, many are paying substantially more for their insurance coverage. Rising prescription drug costs have made it costly to obtain necessary medication, particularly for seniors.

I agree with the Majority Leader in his prescription for the sick economy. Unemployment insurance must be extended to help those who are still struggling to find work in these tough economic times. An estimated 1.5 million people exhausted their Federal extended unemployment benefits by the end of September. The total for the end of the year is expected to rise to 2.2 million individuals.

The minimum wage needs to be increased. Since establishing the minimum wage requirement in 1938, we have had only 19 increases in the minimum wage. The latest occurred in September 1997. The earnings of average Americans have grown little, and the overall distribution of income has become increasingly unequal. The real value of the minimum wage has fallen by 11 percent since the last increase. Currently, a minimum wage employee working full time earns about \$4,000 below the poverty line for a family of three. We need to increase the minimum wage to help those millions of Americans earning the minimum wage who are rapidly becoming a permanent underclass in our society.

The savings of Americans have been ravaged in the last few years. The reduction in the value of retirement accounts is particularly troubling because Americans will have a harder time achieving the goal of a comfortable retirement. Over \$210 billion in 401(k) and other defined contribution plans was lost in 2001. Individual Retirement Accounts lost over \$230 billion in 2001.

Enron, WorldCom, Tyco, and other criminally managed companies have shaken the markets after the accounting scandals and disclosure of corporate misdeeds. We need the Securities and Exchange Commission to be aggressive in its pursuit of fraud and corporate malfeasance.

Without trust, our markets and economy cannot effectively function. The Sarbanes corporate accountability legislation that passed this summer will help provide additional safeguards for investors. With the recent addition of the new Securities and Exchange Commissioners, I look forward to the development of the Public Company Accounting Oversight Board. It is my hope that the organization will become a friend and advocate for the investor—not the accounting industry. The corporate accountability bill must be strongly enforced. In addition, pension protection legislation needs to be enacted to empower workers to make it easier for them to sell company stock

and to make their investments more secure.

It is troubling that revenues have declined when there are so many domestic and defense needs. The 10-year, \$1.35 trillion tax cut, which was enacted in June 2001, has contributed to a rapid surge in the size of the Federal budget deficit. The FY 2002 budget deficit is now estimated to be \$157 billion, according to the Congressional Budget Office's monthly budget review. Gone are the years of budget surpluses. Although some of this can be attributed to necessary spending for national security in the wake of September 11, 2001, we cannot ignore the overall impact of last year's tax cut package. We must reexamine the tax cuts that have yet to take effect. The tax cuts were enacted at a time when the economy appeared stronger, there was a Federal budget surplus, and the tragic events of September 11 had not yet occurred. Now, fiscal responsibility requires all options to be on the table, such as postponing or canceling specific upper income tax cuts. I know that some of my colleagues share my concerns, and I look forward to working with them on this issue.

The American people will pay a large price for the tax cuts that generally are for the wealthiest Americans. When fully implemented, the tax cuts will give more tax breaks to the top one percent of taxpayers than to the combined total of the bottom 80 percent. It will be extremely difficult to pay down the public debt, which at the end of FY 2002 was estimated to be \$3.6 trillion. It also will be difficult to provide a meaningful Medicare prescription drug benefit for seniors, and to adequately fund education and other vital programs and services.

Unfortunately, there are those who want to further compound our fiscal crisis by making the tax cuts permanent. Responsible fiscal policy is needed, or possible adverse effects, such as increasing interest rates, may further weaken the economy. Prior to the enactment of the tax cuts, the public debt was expected to be eliminated by 2009. This is no longer true. Future generations of taxpayers will be stuck paying the bill for these current tax cuts, and the picture would look even worse if the cuts are made permanent.

As a former classroom teacher and principal, I would like to say another word about education, which is one of the most important responsibilities we have regarding our children and our nation's future. The No Child Left Behind Act became law in January of this year. This sweeping reform of the Elementary and Secondary Education Act places before our schools dramatic mandates that they improve student performance or face tough consequences. The FY 2003 budget request, rather than including the funding needed to properly implement changes in the Act, requested the smallest increase in education spending in seven years. Furthermore, the budget request

included education cuts of \$1.76 billion, which would eliminate 40 programs and cut an additional 16. I am thankful to my colleagues on the Senate Appropriations Committee for restoring much of this funding. Going forward, we must continue to use fiscal restraint, but we must balance this with the need to invest in critical priorities.

I look forward to working with my colleagues on initiatives to encourage job growth, provide assistance for workers who have lost their jobs, and help alleviate the economic strain that has impacted most Americans. I urge all of my colleagues to add their energies to these efforts.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, my understanding is that the Senator from Nevada is going to propound a unanimous consent request. I will yield to him for that purpose and ask unanimous consent that I be recognized immediately thereafter.

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

The Senator from Nevada is recognized.

UNANIMOUS CONSENT REQUEST— S. 2538

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 385, S. 2538, a bill to provide for an increase in the Federal minimum wage; that the bill be read the third time and passed, and that the motion to reconsider be laid upon the table.

Mr. GREGG. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I do this following the statement of the Senator from Hawaii, who has certainly laid out a timetable and a reason for doing the minimum wage bill. Senator KENNEDY was on the floor yesterday and did a magnificent job in explaining the need for it. I am sorry that my friends objected.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, are we in morning business at the present time?

The PRESIDING OFFICER. Yes.

Mr. DORGAN. I ask unanimous consent to speak for as much time as I may consume.

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

UNFINISHED BUSINESS

Mr. DORGAN. Mr. President, I mentioned yesterday that the two most powerful words in the Senate are "I object." They have been used repeatedly in recent months, and especially in recent days, as we have tried toward the end of this Senate session to pass legislation that really does need doing. We

are discovering that we have a number of people in the Senate who just don't want to move forward on some of these issues.

I think the American people wonder, from time to time, whether this Government is very relevant in their lives. I think prior to September 11, 2001, people wondered. Then, when the terrorist attacks occurred, I think people understood that on homeland security and a range of other issues, they do rely on the Government to do certain things to protect them.

We have come to a point now where there is so much unfinished business, so much left undone, as we near the end of this session of the Congress. I think the American people have a right to ask some pretty tough questions about who is doing what and who is objecting to what. Most families sit around the supper table—or the dinner table in some parts of the country—and talk about their lives. What they talk about are not statistics or abstractions; they talk about the things that are important in the lives of their families. They wonder, do we have good jobs? Do our jobs have good security? Are we paid a fair wage? Do grandpa and grandma have access to good health care? Do our kids go to good schools? Do we live in a safe neighborhood?

These are the issues that people care about in our country, and families want something done about them. One of these critical issues is health care. We tried to pass a Patients' Bill of Rights in this Congress and could not get it done. The Patients' Bill of Rights is pretty simple, actually. It is, with the growth of the managed care industry, trying to give a voice to consumers so they have a say in their own health care.

For example, a woman falls off a cliff in the Shenandoah Mountains and is taken into a hospital on a gurney, in a coma. She is very seriously injured, with broken bones and internal injuries. She ultimately recovers after a long convalescence. She is told by her managed care organization that they will not cover her emergency room treatment because she did not have prior approval to access the emergency room. Now, this woman was carried into the hospital on a gurney while in a coma, yet the managed care organization said she should have gotten prior approval for emergency room treatment.

So we tried to pass a piece of legislation that gives patients a voice in their own care, legislation that says patients have a right to know all of their medical options for treatment, not just the cheapest; patients have a right to emergency care when they have an emergency; patients have a right to see the doctor they need for the medical help they require. Pretty straightforward. We could not get it through. We could not get it through a conference committee and to the President for signature. Why? Because too

many people in the Congress said: Let us stand with the insurance companies and the managed care organizations on this subject.

We also face urgent issues dealing with Medicare and Medicaid. Yesterday, we were on the floor of the Senate talking about that. Everybody in this Chamber knows we have to do something to provide fair Medicare reimbursement for physicians, hospitals, nursing homes, and other providers.

We now come to the end of this legislative session, and we know the Medicaid reimbursement for our nursing homes on October 1 was cut. That cut is going to be accentuated with an even deeper cut in 2004, beyond the fiscal year 2003. We know we have to do something to deal with that situation. We know it has to be done, and yet some act as if there is no urgency at all, this will be just fine.

It is not just fine to have a cut in the quality of care of nursing homes in this country. That is exactly what is going to happen. And it is not just fine if the Medicare reimbursement is not adequate to keep rural hospitals open and keep some of the hospitals in inner cities—that are stretched so thin and whose reimbursement was cut so deeply during the Balanced Budget Act—open. It is not just fine to say: Let that go.

We are talking about the quality of health care delivered in hospitals through Medicare, delivered in nursing homes through Medicaid. It is not fine with me when we try to fix this at the end of the session, not having received the cooperation to get it done during the session, and people stand up and say: I object.

What is their plan? What do they propose? Just diminished health care, diminished quality of care in our hospitals and nursing homes? Is that something the American people believe they want? Is that something families say: We aspire to nursing homes that provide diminished care because we would not meet our obligation under Medicaid? We aspire to have hospitals close their doors because we will not own up to our requirements under Medicare? I do not think that is what the American people want or expect of this Congress.

Senators BAUCUS and GRASSLEY have introduced legislation, S. 3018. It is bipartisan. It addresses these issues—Medicaid, Medicare, hospitals, nursing homes, physician reimbursements.

The provider reimbursement we know we have to do, and what happens? The two most powerful words in the Chamber once again: "I object," they say. "I object."

It is the easiest act in the world to do, but we are faced with very significant challenges in health care, Medicaid, and Medicare, and everyone in this Chamber knows we have to fix it.

Here we are on a Thursday at a time when the Congress should have been adjourned, trying to finish some of these last items, and we have people on