

Mr. DODD. I send a modification to the Dodd amendment to the desk and ask it be so modified.

The PRESIDING OFFICER. The amendment is modified.

The amendment (No. 2660), as modified, is as follows:

At the end of the bill, add the following:

TITLE V--PROTECTION OF UNITED STATES WORKERS FROM COMPETITION
OF FOREIGN WORKFORCES

SEC. 501. LIMITATIONS ON OFF-SHORE PERFORMANCE OF CONTRACTS.

(a) **LIMITATIONS.--**

(1) **IN GENERAL.--**The Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.) is amended by adding at the end the following new section:

SEC. 42. LIMITATIONS ON OFF-SHORE PERFORMANCE OF CONTRACTS.

(a) CONVERSIONS TO CONTRACTOR PERFORMANCE OF FEDERAL ACTIVITIES.--An activity or function of an executive agency that is converted to contractor performance under Office of Management and Budget Circular A-76 may not be performed by the contractor or any subcontractor at a location outside the United States except to the extent that such activity or function was previously performed by Federal Government employees outside the United States.

(b) OTHER FEDERAL CONTRACTS.--(1) A contract that is entered into by the head of an executive agency may not be performed outside the United States except to meet a requirement of the executive agency for the contract to be performed specifically at a location outside the United States.

(2) The prohibition in paragraph (1) does not apply in the case of a contract of an executive agency if--

(A) the President determines in writing that it is necessary in the national security interests of the United States for the contract to be performed outside the United States; or

“(B) the head of such executive agency makes a determination and reports such determination on a timely basis to the Director of the Office of Management and Budget that--

“(i) the property or services needed by the executive agency are available only by means of performance of the contract outside the United States; and

“(ii) no property or services available by means of performance of the contract inside the United States would satisfy the executive agency's need.

“(3) Paragraph (1) does not apply to the performance of a contract outside the United States under the exception provided in subsection (a).

“(c) **STATE CONTRACTS.**--(1) Except as provided in paragraph (2), funds appropriated for financial assistance for a State may not be disbursed to or for such State during a fiscal year unless the chief executive of that State has transmitted to the Administrator for Federal Procurement Policy, not later than April 1 of the preceding fiscal year, a written certification that none of such funds will be expended for the performance outside the United States of contracts entered into by such State.

“(2) The prohibition on disbursement of funds to or for a State under paragraph (1) does not apply with respect to the performance of a State contract outside the United States if--

“(A) the chief executive of such State--

“(i) determines that the property or services needed by the State are available only by means of performance of the contract outside the United States and no property or services available by means of performance of the contract inside the United States would satisfy the State's need; and

“(ii) transmits a notification of such determination to the head of the executive agency of the United States that administers the authority under which such funds are disbursed to or for the State; and

“(B) the head of the executive agency receiving the notification of such determination--

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“(i) confirms that the facts warrant the determination;

“(ii) approves the determination; and

“(iii) transmits a notification of the approval of the determination to the Director of the Office of Management and Budget.

“(3) In this subsection, the term ‘State’ means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

“(d) subsections (b) and (c) shall not apply to procurement covered by the WTO Government Procurement Agreement.

“(e) **RESPONSIBILITIES OF OMB.**--The Director of the Office of Management and Budget shall--

“(1) maintain--

“(A) the waivers granted under subsection (b)(2), together with the determinations and certifications on which such waivers were based; and

“(B) the notifications received under subsection (c)(2)(B)(iii); and

“(2) submit to Congress promptly after the end of each quarter of each fiscal year a report that sets forth--

“(A) the waivers that were granted under subsection (b)(2) during such quarter; and

“(B) the notifications that were received under subsection (c)(2)(B)(iii) during such quarter.

“(f) **ANNUAL GAO REVIEW.**--The Comptroller General shall--

“(1) review, each fiscal year, the waivers granted during such fiscal year under subsection (b)(2) and the disbursements of funds authorized pursuant to the exceptions in subsections (c)(2) and (e) and

“(2) promptly after the end of such fiscal year, transmit to Congress a report containing a list of the contracts covered by such waivers and exception together with a brief description of the performance of each such contract to the maximum extent feasible outside the United States.”.

(2) **CLERICAL AMENDMENT.**--The table of sections in section 1(b) of such Act is amended by adding at the end the following new item:

“Sec. 42. Limitations on off-shore performance of contracts.”.

(b) **INAPPLICABILITY TO STATES DURING FIRST TWO FISCAL YEARS.**--Section 42(c) of the Office of Federal Procurement Policy Act (as added by subsection (a)) shall not apply to disbursements of funds to a State during the fiscal year in which this Act is enacted and the next fiscal year.

SEC. 502. REPEAL OF SUPERSEDED LAW.

Section 647 of the Transportation, Treasury, and Independent Agencies Appropriations Act, 2004 (division F of Public Law 108-199) is amended by striking subsection (e).

SEC. 503. EFFECTIVE DATE AND APPLICABILITY.

This title and the amendments made by this title shall take effect 30 days after the date of the enactment of this Act and, subject to subsection (b) of section 501, shall apply with respect to new contracts entered into on or after such date.

AMENDMENT NO. 2680, AS MODIFIED, TO AMENDMENT NO. 2660

The PRESIDING OFFICER. Under the previous order, the McConnell second-degree amendment is modified with the changes at the desk, and it is agreed to.

The amendment (No. 2680), as modified, was agreed to, as follows:

On page 7, strike lines 10 through 14 and insert the following:

(a) This title and the amendments made by this title shall take effect 30 days after the Secretary of Commerce certifies that the amendments made by this title will not result in the loss of more jobs than it will protect and will not cause harm to the U.S. economy. The initial certification shall be made by the Secretary of Commerce no later than 90 (ninety) days after the enactment of this Act. Such certification must be renewed on or before January 1 of each year in order for the amendments made by this title to be in effect for that year.

(b) Consistency with International Agreements. The provisions of this title shall not apply to the extent that they may be inconsistent with obligations under international agreements. Within 90 days of this legislation, OMB, in consultation with the office of the USTR, shall develop guidelines for the implementation of this provision.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENT NO. 2685 TO AMENDMENT NO. 2660, AS MODIFIED AND AMENDED

Mr. THOMAS. I send an amendment to the desk on behalf of Senator *McCain*.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. **THOMAS**], for Mr. *McCain*, for himself and Mr. *Warner*, proposes an amendment numbered 2685 to amendment No. 2660, as modified and amended.

The amendment is as follows:

(Purpose: To protect United States workers from competition of foreign workforces for performance of Federal and State contracts)

On page 5, insert after line 16 the following:

(e) **NATIONAL SECURITY EXEMPTION.**--Subsection (b) shall not apply to any procurement for national security purposes entered into by:

(1) the Department of Defense or any agency or entity thereof;

(2) the Department of the Army, the Department of the Navy, the Department of the Air Force, or any agency or entity of any of the military departments;

(3) the Department of Homeland Security;

(4) the Department of Energy or any agency or entity thereof, with respect to the national security programs of that Department; or

(5) any element of the intelligence community.

The PRESIDING OFFICER. Under the order, the amendment is agreed to.

The amendment (No. 2685) was agreed to.

Mr. DODD. Madam President, what is the order now?

Mr. THOMAS. The time will be equally divided now, as I understand.

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Mr. DODD. How much time do we have?

Mr. THOMAS. Until 4 o'clock.

The PRESIDING OFFICER. The time is evenly divided until 4 o'clock.

Mr. DODD. Let me take a couple of minutes and, first, explain what has transpired in the last number of seconds. It is rather a quick action on a number of hours of discussion.

First, let me thank Senator *McCain* and Senator *McConnell* for their willingness to work on some language. I thank the leader, Senator *Daschle*. Senator *Baucus*, of course, has worked tirelessly, and Senator *Grassley*, the chairman of the Finance Committee, and many others have been involved in their comments.

This is a significant breakthrough occurring with the adoption, I hope we will have now, of my amendment. It says you should not be using Federal taxpayer money to subsidize the outsourcing of jobs.

The McCain amendment is something we fundamentally agreed to in the underlying amendment, but it reinforces the notion that certainly, when national security issues are involved and there is a conclusion that we, in effect, have a waiver or have an exception with that being involved, certainly we are not suggesting there should not be the outsourcing of a job if national security is in jeopardy. That was not the intention. The adoption of the McCain amendment reinforces that idea. We incorporated it anyway.

I am grateful to Senator *McCain* and Senator *Warner* who talked about that issue. There was no disagreement, even with the initial proposal I made on that issue. So we accept. It strengthens the issue for those who were concerned this may have been a vulnerability. We welcome that addition.

The language with Senator *McConnell*, which we worked on as well, invites the Secretary of Commerce, within 90 days of the passage of the legislation, to certify that in fact there are no job losses in the country occurring as a result of outsourcing.

So we look forward to their involvement in furthering discussion.

But we have for the first time established at least one principle and that is we believe, generally speaking with some exceptions, we ought not, with Federal taxpayer money, be subsidizing the outsourcing of jobs that could be done here at home. This is a significant accomplishment if it is adopted in the coming minutes before the conclusion of this debate.

I welcome the participation of all. I think all of us are concerned. We read about a continuing flow, accelerated flow of jobs going offshore, particularly nations that do not recognize our right to compete for government procurement. We exempted 28 countries with which we have reciprocal arrangements. So when the argument was made earlier in the day by one of our colleagues that this amendment was somehow going to jeopardize American jobs in the United States for people who are working for foreign corporations located here, the fact is, most of those foreign corporations, the overwhelming majority of them, come from the 28 countries, many of which are among the European nations and Pacific rim countries, to the exclusion of Japan, with which we have reciprocal arrangements on procurement. So those nations were excluded.

We are focusing our attention on where some of the major outsourcing is going where you don't have those kinds of protections, where the level playing field does not exist in our country for our ability to compete for jobs.

For those of us who support fair and free trade, we want those options to exist. They don't today in too many places. This legislation is designed to try to address part of that.

There are other issues we need to talk about, but this is one significant piece, we think, of that puzzle. With that in mind, I am happy to yield the floor and listen to others who may want to discuss this before we actually vote on the Dodd amendment in a few minutes.

But I, again, thank all of those involved who made it possible for us to achieve what I think is a good result and one that will invite further involvement. Needless to say, in the months ahead if we find out there has been a lot more erosion in this area, we may have other ideas to address this issue, but for the time being we think this is a major step forward.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Madam President, let me say, first, I am pleased we are able to move forward. We are working on a bill that has to do with trade, one in which we are under the pressure from the WTO to get finished in a certain length of time or it is going to be very expensive. So I am glad we are moving forward. I thank the Senator from Connecticut for working to find an agreement to get this moving forward.

We all care about lost jobs. Certainly the administration cares deeply about jobs, despite some of the remarks that have been made on the floor. Losing a job is painful. It is an awful experience. Jobs are the foundation of the American dream. Jobs give people dignity and the hope of a better tomorrow.

It is true jobs are how people provide for their families and for their children, for education, and the well-being of their loved ones. This President cares deeply about jobs.

Economic growth is, of course, the answer. The question is, How do we create more jobs? The answer is clear. We need a growing economy. A growing and expanding economy is the key to more jobs. That is why the President's tax cuts are so important. They have made the American economy much stronger. The economy is now growing and expanding. We have had a GDP growth rate of 8.2 in the third quarter of last year, 4.1 in the fourth quarter, and 3.1 for 2003.

Job training and job skills are key. We are living in a dynamic economy, and that is good. It creates higher wages and higher standards of living. But it also requires us to make sure people have the opportunity to learn new skills and upgrade existing skills.

The key to a good job is training and skill. The President is focused on that. He understands the linkage between job training, job skills, and jobs of the future. That is why he has proposed his jobs for the 21st century initiative and focused so much attention on community colleges and education in general, because training and skill development are the pathway to jobs in the future.

That is also why the President supported the expansion of the Trade Adjustment Assistance in 2002; the trade act tripled the levels of before.

Americans can compete with anyone when we have a level playing field. Despite what some of our critics are saying, economic isolation is not the answer. Only 5 percent of the global population lives in the U.S. That means that 95 percent of our potential market is outside the U.S.

We need to stay engaged with the rest of the world. We need those markets opened to our farmers, our service industry and our manufacturers. We have the best workforce in the world, the most innovative businesses and the most competitive companies. We can compete with anybody when markets are opened and we have a level playing field. In the service industry alone, more than 108 million Americans have good-paying jobs. The service industry's share of GDP has grown to about 64 percent. The service sector employs 80 percent of Americans, and, over the past two decades, has added almost 40 million employees across the full range of services. On average, these service jobs pay wages on par with those in the manufacturing sector, and wages for service jobs have increased at a faster rate than wages for manufacturing jobs. Many of those services are exported. We have a big services trade surplus. We sell to the world our movies, our music, our software, the products of our architects and our engineers, our consulting services, our insurance products, our teachers and trainers, and our telecommunications services.

We will only grow our economy by expanding the opportunities of our world-class service workers to sell their services to the world. We must say ``no" to economic isolation.

What goes around comes around. We should be concerned about retaliation. Foreign investors employed 6.4 million Americans in 2001, including one in eight U.S. manufacturing workers. Thousands of auto workers in Ohio and South Carolina, or financial services workers in New York or California, or the guy repairing your car at the BP Amoco station, have jobs that depend on our market being open to foreign investors. Most of these workers earn considerably above the average U.S.

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manufacturing wage. We need to be deeply concerned about those Americans who lose a job, any job. But if our answer is to put up walls around America, we run the risk that tens of millions of Americans will be hurt.

We are moving forward by strengthening this amendment and strengthening this bill. It is one that we need to finish. We need to understand there is a movement of billions of dollars a day around this world. Sometimes it is difficult, but it is the way it is. We can compete. We have the most effective economy in the world. We have the most efficient workers in the world.

I am pleased we can now go forward and get on with this task that is before us so we can begin to do the things we need to do in terms of fair trade.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

ASBESTOS LITIGATION

Mr. INHOFE. Madam President, I applaud the Senator from Wyoming for recognizing what we need to do for jobs in this country. That is the very thing that turns this economy around.

I say to my good friend from Connecticut that it was not a Republican idea; it was a Democratic idea when John Kennedy said the way to increase revenues is to reduce marginal tax rates. That works. That is what is happening now. With this President having inherited a recession which started back in March of 2000, we are now pulling out of it, and we are going to see a dramatic improvement.

I have been listening to this talk on job loss and sending jobs overseas. I know my colleagues, Senators **HATCH** and **BOND** have spoken about the impact of asbestos litigation on our economy and the need to pass S. 1125 this year.

I want to reiterate the enormous loss of jobs our country will suffer and the impact on economic growth if something is not done to resolve this problem.

I also want to note a press release from the EPA that says on February 25, several members of Topor Contracting, a demolition and asbestos abatement business in Buffalo, NY, along with the owner of Payco, a pre-demolition asbestos firm in New York, pled guilty to State charges after their firms were involved in the demolition of two buildings in Buffalo, NY. They were charged with falsely stating that asbestos had been removed from the work area.

If asbestos is not removed before demolition begins, those working in the area are susceptible to asbestos exposure. We know, when inhaled, asbestos can cause such fatal illnesses as lung cancer and mesothelioma.

In another, related civil case, the owners of Topor and Payco were permanently barred from conducting asbestos abatement work in New York State.

The New York Area Office of EPA's Criminal Investigation Division, the State of New York and the FBI are appropriately investigating this case.

This example shows that asbestos can be controlled appropriately under reasonable law and legal procedures--making excessive lawsuits all the more outrageous.

The U.S. Supreme Court has called asbestos litigation an ``elephantine mass that defies customary judicial administration and calls for national legislation."

Senior U.S. District Judge Jack Weinstein has cautioned:

If the acceleration of asbestos lawsuits continues unaddressed, it is not impossible that every company with even a remote connection to asbestos may be driven into bankruptcy.

Many newspapers and publications have also commented on this crisis and its affects.

The Hartford Courant has said:

Congress must not let this opportunity pass. The alternative is more chaos, in which additional companies are driven into bankruptcy, thousands of workers lose their jobs and those who suffer from asbestos-related illnesses often wait many years for payments.

Georgia Pacific is a company headquartered in Atlanta, and is one of the world's leading manufacturers of tissue, packaging, paper, building products, pulp, and related chemicals. It sells more than \$23 billion in products annually and employs about 61,000 people at 400 locations in North America and Europe. It operates three facilities in Oklahoma, including a building products distribution center in Tulsa and a tissue and a paper production plant in Muskogee. It employs more than 1,600 people in Oklahoma. Its operations generate about \$76 million in taxable wages each year in Oklahoma alone.

Before 1977, the company manufactured gypsum products, which contained asbestos fibers. Since that year, it has not used asbestos in any of its products.

Over time, the company as a whole has paid about \$629 million to settle over 313,000 asbestos claims. A large portion of these payouts goes to attorneys and to many who aren't actually sick. In fact, about 60 percent of its asbestos claims have been paid to lawyers. Another 20 percent has been paid to people who were not sick. The remaining 20 percent was actually paid to sick people. At the end of 2003, it had over 64,000 pending claims nationally and its payments extended into 2013.

Just yesterday I met with another nationwide company, McDermott International, whose power generation division, Babcock and Wilcox has filed for Chapter 11 bankruptcy. In the end, the company and its insurers will pay over \$1.6 billion to claimants and lawyers.

Other companies filing for bankruptcy include Weyerhaeuser--a national paper product manufacturing company with facilities in Oklahoma, Bethlehem Steel, Harbison Walker, North American Refractories, Owens Corning, W.R. Grace & Co., U.S. Gypsum Co., Kaiser Aluminum, and Halliburton's DII Industries unit.

Overall, asbestos litigation has already forced at least 70 companies into bankruptcy--causing the loss of many jobs. According to a report by Joseph Stiglitz in 2002, as many as 60,000 jobs have been lost due to asbestos-related bankruptcies. Employees of these bankrupt companies have seen their 401k's drop by an average of 25 percent.

According to a 2002 report from the RAND Institute for Civil Justice--a bipartisan group--in 1982, litigation cost American businesses \$1 billion; in 2000, the total cost of litigation rose to \$54 billion; in 2002, litigation costs jumped to over \$70 billion.

Forty-seven States--Hawaii, Rhode Island and North Dakota are the only States that do not have a facility affected by asbestos bankruptcy--have at least one facility affected by asbestos bankruptcy.

Workers displaced by asbestos bankruptcies have lost \$25,000 to \$50,000 in wages.

For every 10 jobs lost in asbestos bankruptcy, a community will lose as many as eight additional jobs. If we do not enact legislation this year, economic growth could be reduced by \$2.4 billion per year which could prevent 800,000 jobs from being created and a loss of \$64 billion in economic growth over a 27-year period. It could cost businesses up to \$210 billion to respond to 500,000 to 2.4 million asbestos claims.

This legislation will guarantee a fair and generous compensation for victims--those are the ones who are really hurt--and will replace the unpredictable court costs with certainty for victims and businesses. It will provide contingent money if the fund runs short or provide money upfront to get the fund running. It protects the claims if the fund runs dry, and it uses no taxpayers' money.

I am not optimistic we will get it passed. There will have to be a wake-up call. Look at what happened a week or so ago. We had the Health for Mothers and Babies Access to Care Act. It was supposed to help get the money to the mothers and babies who need it so much. Trial lawyers won that in the Senate. They got amendments in there that totally destroyed what we were trying to do.

The gun liability bill last week. Standing right next to me was the Senator from Idaho, Senator **LARRY CRAIG**, who has been a hero in this area trying to do something to protect the second amendment rights and to have some type of legislation that would have an effect on reducing the magnitude of lawsuits against gun manufacturers or distributors and in many other areas. With the amendments the trial lawyers were able to get in to protect trial lawyers, it ended up being killed by the very people who introduced it.

I am hoping there has been a wake-up call and this will not happen in the

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case of S. 1125 and we will be able to get this thing passed this year. Every month that goes by, every week that goes by, there are more and more lawsuits. Keep in mind, 60 percent of the money has gone to lawyers and 20 percent has gone to people who have not sustained any types of injuries themselves.

With that, I encourage my colleagues to pass S. 1125 as soon as possible.

I yield the floor.

Mr. DODD. Madam President, I comment briefly again on the pending matter while he is still in the Senate. I say to the Senator from Oklahoma regarding the asbestos legislation, something I have been involved in for a number of years, as late as last evening I met with asbestos study group people. The insurance industry is deeply involved, as is organized labor, relating to a large extent to some of the victims of exposure to asbestos. I am very hopeful, still hopeful we can reach a conclusion.

There are some 700,000 pending cases. I don't know if the Senator mentioned that number specifically, but it is a staggering number of cases. Some 60,000 or 70,000 new cases are being filed each year of people claiming harm and injury as a result of exposure to asbestos. There have been at least 70 bankruptcies declared by businesses directly related to the exposure of people who have been exposed to asbestos, and claims filed against them. There is a danger of many more occurring.

This is a matter that does cry out for solution. We think we have a potential solution, not that anything is perfect, but there have been a lot of people working on this over the last number of months, most intensely the last year or so. I thank Senator *Frist*, the majority leader of the Senate, and his staff, for working very hard along with Senator *Hatch*. Senator *Leahy* has been terrific. **TOM DASCHLE**, the Democratic leader, has made strong commitments and is interested in seeing a bill we can support.

It is almost like a three-legged stool. We will have to reach an agreement between the manufacturers, the insurance industry, which will end up paying the lion's share of this, and the victims themselves or groups that represent them. No one wants a situation where we try to come up with a solution that would take the matter out of the courts, having medical criteria established so people who are really sick will get the help, and those who are not sick obviously would not be able to take advantage of this. But we do not want, at the end of the day, a Johns Manville situation, a resolution of people who have been exposed to products of Johns Manville Corporation where ultimately the amount of money set aside results in 5 cents on the dollar for victims. No one wants to see that happen at the end of the day.

The medical criteria question has been resolved. Thanks to Senator *Specter* of Pennsylvania and work he has done, the administration of how this would work has largely been agreed to by all the major three groups, the people involved. We are still

some distance apart on what the final amount of money ought to be to put in a fund that would adequately provide for those who would meet the medical criteria laid out in the legislation.

If people are committed to this, we can get this done. While there may be a lot of bills around here people want to take credit for, as being major accomplishments, I cannot think of anything more important as an economic message than to come up with a good resolution of the asbestos problem.

I commend my colleague from Oklahoma for coming to the Senate and talking about this.

Mr. INHOFE. Let me respond briefly. I did mention the Hartford Courier newspaper that has been aggressive. I knew the Senator was aware of this and actively concerned because his State of Connecticut, which probably is suffering, is in the top three or four States in the United States with

problems.

I suggest there is a fourth leg of the stool and that is for trial lawyers to get this work out.

Mr. DODD. Obviously, they have a strong interest in this.

We will try to take something out of the court system and come up with an answer that would not involve--although we would not necessarily eliminate that, at the end of the day if the fund was inadequate, you could go back. But the idea would be to get compensation to victims, give some finality and certainty to everyone.

The danger for businesses and the industry is they want certainty. Tell me what I owe, what we have to do so we can move on.

My hope is in the coming weeks we can solve that matter.

I thank the Senator from Oklahoma.

AMENDMENT NO. 2660

If I can come back to the matter before us, I thank Senator *Daschle*, the Democratic leader, on the asbestos issue, and Senator *Leahy*, among others, along with Senator *Frist* and Senator *Hatch*, who really have been doing a tremendous job in keeping everyone at the table to work at that issue. I thank several other people for their work on this proposal dealing with the outsourcing of American jobs.

Again, this is a major achievement. We never have done something like this before, but this Congress and this body is stepping to the plate and saying this continuing erosion of

jobs in this country is something the Federal Government, anyway, will be far more diligent about than we have been.

I thank Senator *Baucus* and Senator *Grassley*, the floor leaders of the Finance Committee, which has jurisdiction of the underlying bill. I particularly thank Senator *Baucus* for his support of the underlying Dodd amendment yesterday. I am very grateful to him for expressing that support and Senator *Grassley* indicating, as well, his support. I thank Senator *Coleman*, who wanted to be a cosponsor of the bill very early. I thank him for that. I thank Senator **HARRY REID** of Nevada, who is tireless in his participation on these matters all the time. He has been very helpful over the last several days, along with his staff, in getting this resolved. Senator *Corzine* of New Jersey spoke yesterday about this bill; Senator *Kennedy* of Massachusetts, who spoke with such great passion about the issue of jobs and what is happening to American workers and their families; Senator *Durbin* of Illinois, who is always eloquent on these matters; Senator *Stabenow*, from Michigan, who spoke very directly about conditions in her own State and what happens with job loss. Senator *Boxer* of California spent some time here yesterday talking about conditions in California and specifically in the agricultural sector which she cares deeply about, in watching Federal tax dollars being used to purchase agricultural products outside of the United States, thus causing job loss. She made that point very strongly yesterday and I commend her for it; Senator *Dorgan* of North Dakota, as well, for his remarks in support of this proposal; others who were cosponsors, including Senator *Mikulski*, who supported the legislation. I thank her for backing this proposal, as well.

Again, this was a very positive step. I am hoping the bill will be adopted. We will have a vote on it.

For those who think outsourcing is a good thing, then you ought to vote against this amendment. I would like your vote, but if you think outsourcing jobs in the United States with Federal taxpayer money is something we ought to continue to pursue, then you will have an opportunity to vote against this amendment. If that is an honest reflection of your views, then you ought to express them accordingly. If you feel as I and others do that we ought to be sending a message using ourselves as an example and a model and saying we ought to be trying to do better, and that is when it comes to Federal dollars here, we ought to be doing everything we can to encourage the employment of people in the United States,

for a lot of reasons, not the least of which is that you cannot continually erode the human capital in this country and expect to reconstitute it during moments of crisis or need.

If we continually erode the human capital elements and destroy, in the process, a manufacturing base, which is occurring at an incredible rate of speed--as I pointed out earlier yesterday and today, some 2.8 million jobs have been lost in the last 36 months in the manufacturing sector alone--as those jobs leave, the ability to come back and reconstitute them in a way that we may find absolutely necessary, not only for the

production of domestic products for sale at home and globally, but also in the manufacture of critical components of our defense structures--

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very shortly we could find ourselves in this century ill-prepared to meet new challenges.

So there are a lot of good reasons we ought to be concerned, not the least of which is what happens to these families when they painfully discover their job has been lost, and someone, at a fraction of their wage or salary, has been hired merely because it looks better, because it increases profitability on a quarter-to-quarter basis. We ought to be thinking in the longer term. In my view, we ought to be thinking about the coming generation and what kind of country we will leave.

So while I respect the business decisions that are made to outsource--although I disagree with many of them, I understand them--I hope business understands, for those of us in the public sector who have a broader responsibility--not just to those who are engaged in the business and their bottom line but to those who work for them as well--that we are going to try to do what we can to discourage the outsourcing of jobs where it is not necessary either for the national security needs of the Nation or because you cannot acquire these products anywhere in the United States. Certainly, we provide for exceptions in the legislation to cover those circumstances.

So, again, I think this is a major step forward. And I will be looking forward to how the administration reacts.

Let me also point out I will come back to another item in a minute as to a comment made by Senator *Inhofe*, but I hope the Dodd amendment will be voted on favorably.

Madam President, I do not know if the yeas and nays have been asked for on the Dodd amendment.

The PRESIDING OFFICER. They have not.

Mr. DODD. I ask for the yeas and nays on the Dodd amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DODD. I thank the Chair.

Madam President, let me just say, if I may--and I will be glad to yield the floor after this--according to the official arbiters of the economy, the National Bureau of Economic Research, the recession that we are still in, to some extent--although we seem to be

coming out of it--began in March of 2001, not in the first quarter of 2000. And I know my friend from Oklahoma made the point that the recession began in the last year of the Clinton administration, when, in fact, the objective observers about when the recession actually began say it was in March of 2001, a year later.

With that, Madam President, I am happy to yield the floor.

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

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

The PRESIDING OFFICER. All time has expired. The question is on agreeing to amendment No. 2660, as modified, as amended.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Louisiana (Mr. **BREAUX**), 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 further announce that, if present and voting, the Senator from Massachusetts (Mr. **KERRY**) would vote ``yea."`

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced--yeas 70, nays 26, as follows:

[Rollcall Vote No. 32 Leg.]
YEAS--70

Akaka

Allen

Baucus

Bayh

Biden

Bingaman

Bond

Boxer

Bunning

Byrd

Cantwell

Carper

Chafee

Clinton

Coleman

Collins

Conrad

Corzine

Daschle

Dayton

DeWine

Dodd

Dole

Domenici

Dorgan

Durbin

Ensign

Feingold

Feinstein

Frist

Graham (FL)

Graham (SC)

Grassley

Harkin

Hollings

Hutchison

Inhofe

Inouye

Jeffords

Kennedy

Kohl

Landrieu

Lautenberg

Leahy

Levin

Lieberman

Lincoln

McConnell

Mikulski

Miller

Murkowski

Murray

Nelson (FL)

Nelson (NE)

Pryor

Reed

Reid

Rockefeller

Santorum

Sarbanes

Schumer

Sessions

Shelby

Smith

Snowe

Specter

Stabenow

Talent

Voinovich

Wyden

Alexander

Allard

Bennett

Brownback

Burns

Campbell

Chambliss

Cochran

Cornyn

Craig

Crapo

Enzi

Fitzgerald

Gregg

Hagel

Hatch

Kyl

Lott

Lugar

McCain

Nickles

Roberts

Stevens

Sununu

Thomas

Warner

NOT VOTING--4

Breaux

Edwards

Johnson

Kerry

The amendment (No. 2660) was agreed to.

Mr. GRASSLEY. Madam President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

END