



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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## Grassley Urges Senate to Move Charitable Giving Bill

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today tried to bring up the charitable giving tax incentives bill on the Senate floor but received an objection from a member of the Democratic leadership, leaving the legislation stalled in the Senate. The text of Grassley’s floor statement follows.

Mr. President:

I rise to speak on the CARE Act. The CARE Act is the President’s initiative to strengthen the work of charities in this country by providing greater incentives for giving to nonprofits. Recent newspaper accounts have noted that charitable giving has declined this year. Clearly, the President is right to seek additional tax benefits for charitable giving.

I cannot improve upon the Minority Leader’s own assessment at the time the CARE Act was passed by the Senate where he stated: “This legislation, the CARE Act, expands our nation’s capacity to respond to the needs of its citizens who need help.”

These are fine words. Unfortunately, these words have not been translated into action. The Finance Committee passed the CARE Act on February 27th and the full Senate on April 9th. The other body passed the CARE Act earlier this fall. However, the Senate has been prevented from going to conference on the CARE Act. The other side has repeatedly blocked efforts to take the traditional step of going to conference with the House to resolve outstanding matters and turn the President’s good goals into law.

While there have been many arguments and claims made by the other side of why we cannot go to conference on the CARE Act, they seem to have now settled on one – that the CARE Act is not going forward because of concerns that Democrat conferees from the Senate will be able to meaningfully participate in the conference.

This is nonsense. There is nothing in the history of the CARE Act or my dealings with the other side that would give them cause to suggest that they have justification to be concerned that they will be shut out.

The CARE Act has at all times been a bipartisan effort, beginning with Senators Santorum and Lieberman – the primary sponsors of the CARE Act. In addition, I have worked closely with Senator Baucus on this matter as well as all the members of the other side. Many of the provisions in this bill are due to priorities and concerns voiced by the minority.

I think it is fair to say that as chairman, I have gone further than anyone in working with and listening to the other side on matters that are of concern not only in the CARE Act, but in all legislation considered by the Finance Committee. The relationship between Senator Baucus and me of working cooperatively is too well-known for the leadership on the other side to ignore.

I intend that tradition of bipartisanship to continue in a conference on the CARE Act. In fact, let me make it clear. I give my word that all conferees from the Senate will meaningfully participate in the conference, and I'm confident that we will come back from conference with a bill that will enjoy the similar strong bipartisan support enjoyed by the CARE Act when it first passed the Senate in April.

I cannot make a stronger statement or commitment. To reject it is to suggest that the minority leadership does not trust me or Senator Baucus to we will continue our tradition of working in a bipartisan spirit. I cannot believe the minority leadership harbors such a view.

So if that is the true reason – concern that Senate Democrats will not be able to meaningfully participate -- I have given my word that that will not be the case. So we should now be able to go forward with conference on the legislation that the minority leader stated: "will get meaningful aid to organizations and institutions that are equipped to help those who need help the most."

I am worried that even though I've addressed the stated reason, we will still not see movement on the CARE Act, because of the unspoken reasons.

Mr. President, I can only guess these reasons, but some are whispered in the hallways.

It's been discussed widely in the media that many people "hate" President Bush. I fear that this hatred is being translated into stopping the President's signature initiative of strengthening our charitable arena.

The sad thing is that the zeal to keep the President from having a "win" will mean as well noted by the minority leader "fewer meals for the hungry. Fewer beds for the homeless. Fewer safe havens for battered wives and children." I think this most unfortunate. When I questioned President Clinton's AmeriCorps program I did not seek to end it, I sought to reform it. I thought that President Clinton had a right to a small program for which he had campaigned so aggressively. President Bush deserves the same courtesy of allowing these tax incentives for charitable giving to go through.

I'm also concerned that overlooked is that the CARE Act contains many other provisions that members are stopping. Let us not forget that the CARE Act is paid for with the most sweeping efforts to stop tax shelters in a generation. Those who stop the CARE Act are certainly being cheered by the hucksters selling tax shelters.

In addition, the CARE Act also now includes legislation that will provide tax relief for our military as well as low-income families with children. I've never seen such hand-wringing in this chamber as has been the case regarding the need to pass military tax relief and the expanded child credit for low-income families. Now that we have a chance to have these matters go to conference on a bill that has a real chance of becoming law, we are stopped by the minority leadership.

I'm worried that what is desired by some is an issue – not a solution to the child credit for low-income families and tax relief for military personnel.

Mr. President, let me close by saying I've addressed the other side's stated concerns. I've given my personal commitment that they will be meaningful participants in the conference of the CARE Act. If that is their only reason, then I have put that to rest. If they continue to object, I fear it is for a small reason, a petty reason, a reason that puts partisanship before the welfare of those most in need. If that is the case I can only state that I am saddened and certainly disappointed by the other side.

Mr. President, I ask for unanimous consent that the Senate call up H.R. 7, strike all after the enacting clause and insert the text of the Senate-passed bill S. 476, that the bill be read a third time and that the Senate request a conference with the House and that the chair be allowed to appoint conferees on H.R. 7 and proceed to conference with the House.