

(c) DEFINITIONS.—For purposes of this section—

(1) QUALIFIED TAX COLLECTION CONTRACT.—The term “qualified tax collection contract” shall have the meaning given such term under section 6306(b) of the Internal Revenue Code of 1986.

(2) DOLLAR VALUE CATEGORY.—The term “dollar value category” means the dollar ranges of accounts for collection as determined and assigned by the Secretary under section 6306(b)(1)(B) of the Internal Revenue Code of 1986 with respect to a qualified tax collection contract.

(3) SEVERELY DISABLED INDIVIDUAL.—The term “severely disabled individual” means—

(A) a veteran of the United States armed forces with a disability of 50 percent or greater—

(i) determined by the Secretary of Veterans Affairs to be service-connected; or

(ii) deemed by law to be service-connected; or

(B) any individual who is a disabled beneficiary (as defined in section 1148(k)(2) of the Social Security Act (42 U.S.C. 1320b–19(k)(2))) or who would be considered to be such a disabled beneficiary but for having income or resources in excess of the income or resources eligibility limits established under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), respectively.

Mr. NELSON of Nebraska. Mr. President, I ask unanimous consent that Senator COLLINS be added as an original cosponsor.

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

Mr. NELSON of Nebraska. Mr. President, I call up my amendment at the desk and ask for its immediate consideration.

In October 2004, Congress enacted the American Jobs Creation Act of 2004, Public Law 108–357, providing for outsourcing by the Internal Revenue Service, IRS, of collection of unpaid and past due Federal income taxes. The bidding process for the initial contracts is currently underway. Eventually, after full implementation of the program, it is estimated that these contracts will create up to 4,000 well paying private-sector jobs.

The amendment that Senator DEWINE and I are offering today would establish a preference under the debt collection contracting program for contractors who meet certain threshold criteria relating to employment of disabled veterans and other severely disabled persons. The amendment further requires that at least a specified percentage of the individuals employed by the contractor to provide debt collection services under the contract with the IRS qualify as disabled veterans or severely disabled persons.

If Federal employees conducted the same tax collection activities, current law would give preferences to disabled veterans in filling those Federal jobs. In addition, if other persons with severe disabilities were employed by the Federal Government in those jobs, those disabled persons would benefit from the Federal Government's long history of nondiscrimination and policies of promoting job opportunities for the disabled.

Despite multiple Federal programs, benefits offered thorough a variety of

agencies, and various tax incentives, unemployment rates for persons with disabilities, PWDs, are extremely high. The 2000 Census estimated that there were 31 million working-age Americans with disabilities, with an unemployment rate of 70–80 percent. Today, there are 2.6 million veterans receiving service-connected benefits, including disability benefits with an additional 340,000-plus applications pending by other veterans.

By enacting legislation to allow the IRS to outsource debt collection, Congress certainly did not intend to curtail the national commitment to creating meaningful job opportunities for disabled veterans and other severely disabled persons. Indeed, the contracts which the IRS will soon execute with private-sector debt collection companies provide a unique opportunity for the Federal government to stimulate creation of well-paying jobs for disabled veterans and other persons with severe disabilities.

To realize this opportunity, however, Congress must act to assure that existing Federal employment preferences for disabled veterans and Federal policies promoting opportunities for other severely disabled persons are carried forward as a part of the IRS's contracting criteria. My amendment, that I am happy to be offering with Senator DEWINE, achieves this goal.

Our amendment would establish a preference for companies that currently employ a minimum of 50 disabled veterans or persons with severe disabilities, who also must be capable of fulfilling the task. Once the IRS award is made, the debt collection contractor would be required to ensure that 35 percent of the workforce fulfilling the contract be new hires that are persons or veterans with disabilities.

Under this amendment, a minimum of 140 full-time equivalent jobs, also known as FTE jobs, would be created for PWDs at third-party debt collection agencies contracted to collect certain past dues income taxes. An FTE job is equivalent to one (1) 40-hour job or two (2) 20-hr weekly employees or four (4) 10-hour per week employees. These jobs are often part-time; 140 FTEs could translate into close to 300 part-time positions for disabled individuals.

This amendment would not only help to alleviate the current unemployment rate of PWDs, it would also generate substantial savings. These jobs pay anywhere from \$19,000 annually up to \$40,000 annually and can include health and 401(k) benefits. Even at the low end, this income level is too high to qualify for supplemental security income-disability insurance benefits. Thus, individuals in these programs who take these jobs will no longer require government benefit subsidies from SSI or DI, even if otherwise qualified. Over a 5-year period, the SSI/DI savings are estimated to be \$69-\$75 million.

To qualify under this amendment, a company must hire 50 PWDs. If 10 com-

panies do this, the net result is employment of 500 PWDs who currently do not have jobs. If 20 companies participate, 1,000 PWDs would be gainfully employed. The savings realized with 1,000 PWDs no longer needing SSI/DI benefits could be as high as \$344 million.

The IRS debt collection program is already established. The provisions in this amendment offer the added benefit of more jobs for disabled veterans and the reduction of Federal benefit program costs.

We owe it to our service men and women to improve their futures in any way we can. We have the opportunity to not only show our support for our disabled veterans, but to also show the severely disabled that we believe in them and in their abilities.

I urge my fellow Senators to support this amendment, to support our veterans, and to support the severely disabled.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 2650

Mr. FEINGOLD. Mr. President, how much time do I have remaining on my amendment?

The PRESIDING OFFICER. The Senator from Wisconsin has 8 minutes remaining.

Mr. FEINGOLD. I note how pleased I am that the Senator from Colorado, Mr. SALAZAR, is a cosponsor of this amendment.

I yield 2 minutes to the Senator from Illinois who is also a cosponsor of my amendment.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. OBAMA. Mr. President, I rise today to speak in favor of the amendment offered by Senator FEINGOLD. I am pleased to be a cosponsor of the amendment.

In recent years, the philosophy in Washington has been that you can spend without consequence or sacrifice. That we can fight a war in Iraq and a war on terror, protect our homeland, provide our citizens with Medicare and Social Security, and maintain our domestic priorities, all while cutting taxes for the wealthy and funding every local project there is.

If you are wondering how Congress pays for all this, it doesn't. Instead, billions of dollars are borrowed from other countries and put on a credit card for our children to pay off. Yet, when it comes time to pay these bills, no one can seem to agree on any tax cuts to defer or any programs to cut.

Every family knows that it is one thing to use a credit card; it is another thing to keep spending money you don't have. You have to pay as you go, which is a rule most Americans live by.

Washington once did too, until the White House and my colleagues on the other side of the aisle abandoned it to push through the President's tax breaks.

This attempt to pass \$60 billion in tax breaks despite record breaking