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House of Representatives

The House met at 10 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

You, Lord God, are before us as the radiance of the stars. One bright beam of Your spirit can illumine the mind and heart of any human. And so You call some of Your people to lead others through the difficult times of any dark day and become light to the nations.

Be with the Members of the House of Representatives today. They have great aspirations for achieving what is good for this Nation and desires to formulate laws and policies that will strengthen the Union. But temper their hopes with sincere humility before one another and before the people who truly govern.

To achieve justice is to live rightly in Your sight and simply accomplish Your Holy Will. To legislate for others does not ask for scholarship, but rather the boldness to act out of the wisdom that comes from a compassionate heart.

For You alone, Lord, are the fulfillment of the law and all the prophets, now and forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Florida (Mr. KELLER) come forward and lead the House in the Pledge of Allegiance.

Mr. KELLER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 335. Concurrent resolution honoring and praising the National Association for the Advancement of Colored People on the occasion of its 97th anniversary.

The message also announced that pursuant to Public Law 106–170, the Chair, on behalf of the Majority Leader, after consultation with the Ranking Member of the Senate on Finance, announces the appointment of the following individual to serve as a member of the Ticket to Work and Work Incentives Advisory Panel: Katie Beckett of Iowa.

The message also announced that pursuant to Public Law 68–541, as amended by Public Law 102–246, the Chair, on behalf of the Majority Leader, in consultation with the Democratic Leader, appoints John Medveckis, of Pennsylvania, as a member of the Library of Congress Trust Fund Board for a term of five years.

PARLIAMENTARY INQUIRY

Mr. SNYDER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman from Arkansas may state his inquiry.

Mr. SNYDER. Mr. Speaker, under the rules that are adopted for action in the House today, a very restrictive rule was adopted by the Rules Committee not allowing certain amendments in order, including an amendment by the senior-most Democrat on the House Armed Services Committee, Mr. SKELTON, the number two man in our leadership, Mr. HOYER, and others.

Under the rules of the House, I know that rule can be modified by the Rules Committee if it meets again. May it also be modified by unanimous consent as this day progresses to allow other amendments to be considered during the defense bill by this great Nation during a time of war?

The SPEAKER. The House by unanimous consent could modify the rule governing consideration of the bill.

Mr. SNYDER. Thank you, Mr. Speaker. I hope that occurs fairly early this morning.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. There will be five 1-minute speeches on each side.

LONE STAR VOICE: DIANNE ROWLAND

(Mr. POE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POE. Mr. Speaker, Dianne Rowland of Houston has written me about the illegal invasion into the United States. She writes, ''I just heard that the Border Patrol is providing information to the Mexican Government on the location of the Minutemen. Obviously, the Mexican Government then relays that information to the illegals, since Mexico wants to transfer their problems to us.

''Stop the spying and reporting on the Minutemen. During World War II, would we have notified Japan or the Germans where we had Civil Air Patrol stations? I think not. This isn't any different, only we don't yet have a declared war with Mexico. However, it is apparent that we do have a war between the government and the American people.

''Leave the Minutemen alone. They are the only people I trust on the border. They are providing a service free of charge and doing a job that you, the government, can't do and refuse to do. They are not breaking any laws, but feeding information to Mexico should be against the law.''

Mr. Speaker, is our government at war with our own country? This Nation has the obligation to protect our borders, and those who play the role of Benedict Arnold and help Mexico to illegally invade the United States should be held publicly accountable and dealt with by the American public. And that's just the way it is.

WALL STREET IGNORES MAIN STREET

(Mr. KUCINICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KUCINICH. Mr. Speaker, the Dow Jones will hit a record and the Nation's economists will be doing their hosannas, but who profits when factories and businesses are closed in the United States and cheap goods made by no-rights, no-benefits, low-wage Chinese workers flood our markets?

We have an $804 billion trade deficit. Hello?

Since 1982, $4.5 trillion in assets have been transferred from American to foreign owners. Hello?

Wall Street thumps their golden tub for the Wal-Marts and the cigarette-peddling Altrias while record numbers of Americans are laid off, file bankruptcy, lose their homes, their health care benefits, their retirement and savings, and in some cases, their families. Why do we celebrate Wall Street when Wall Street does not celebrate Main Street?

Wall Street makes a killing while gas prices soar, health care costs skyrocket, and food prices increase. We need a new way to measure our economy, as in how many people are working at good-paying jobs and have job security, and how many have health and retirement benefits.

Let us create economic progress for all in America, not just for a privileged few.

AMNESTY IS NOT THE ANSWER

(Mr. KELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KELLER. Mr. Speaker, the most controversial issue in this illegal immigration debate is amnesty. Opponents say it rewards illegal behavior. Supporters say it is not amnesty because they pay a $2,000 fine. Who is right?

Well, consider this analogy. Somebody robs a bank and gets away with $1 million. Our government tells him he can keep the money, but we expect him to pay a $2,000 fine.

Now apply that to illegal immigration. A person breaks our laws by sneaking across the border. They then commit a felony by using a fake Social Security card to get a job. Our government tells them they won't be prosecuted; rather, they can remain in this country and apply for citizenship as long as they pay a $2,000 fine.

In both cases, the bank robber and the illegal alien get to retain the benefit of their illegal behavior merely by paying a small fine. Common sense and history tell you that rewarding illegal behavior will only encourage more of it. After granting amnesty to illegals 20 years ago, we have gone from 3 million illegals to 11 million illegals. Our government has been fooled once by this amnesty argument, let us not be fooled again.

□ 1015

MCALLEN-EDINBURG-PHARR REGION OF TEXAS

(Mr. HINOJOSA asked and was given permission to address the House for 1 minute.)

Mr. HINOJOSA. Mr. Speaker, this week, the business periodical INC.com named the McAllen-Edinburg-Pharr region in my congressional district in Texas as its second hottest mid-size metropolitan area in the country.

When I first came to Congress nearly 10 years ago, this area was one of the poorest, economically deprived and most neglected regions of the country. It was plagued with three decades of double digit unemployment rates. I made it one of my primary goals to help curb these trends, and I am thankful to have seen that dream come true in 2006.

Today, the area is booming. The population has increased by 48 percent in 10 years. Creation of new jobs is up substantially, and the unemployment rate is now below 8 percent. Children are graduating from high school and accessing higher education, and more students are seeking advanced college degrees. I have seen the increase in Federal resources, investments in human capital and infrastructure. Thanks to business investment, job training programs and open markets, McAllen, Edinburg, and Pharr are models of achievement for the rest of the country.

The successes experienced in this region are the results of a collaborative effort by community leaders and a tremendous amount of hard work.

I congratulate all those involved in so many of the projects, conversations and planning that we had along the way. We must continue our collaborative efforts to improve the quality of life in South Texas.

OUR THRIVING ECONOMY

(Ms. FOXX asked and was given permission to address the House for 1 minute.)

Ms. FOXX. Mr. Speaker, yesterday, House Republicans took action to block tax increases on working families, seniors and small businesses by voting to pass the Tax Increase Prevention and Reconciliation Act of 2005. It was an honor to join my colleagues in working to help every American family keep more of their hard-earned money. After all, Republicans know that individual households know how to spend their own money much better than the Federal Government does.

Tax relief, along with other pro-growth policies, is helping the U.S. economy grow at a fiery pace. Recently, the U.S. Department of Commerce reported that the U.S. gross domestic product, GDP, grew 4.8 percent in the first quarter of this year. Our economy has created more than 5 million good-paying jobs since August 2003, and the unemployment is lower than the average of the 1960s, 1970s, 1980s, and 1990s.

Despite the Democrats' efforts to paint a gloomy picture, Americans are reaping the benefits of our tax cuts and are thoroughly enjoying the success of our economic boom.

GAO PTSD REPORT RELEASE

(Mr. MICHAUD asked and was given permission to address the House for 1 minute.)

Mr. MICHAUD. Mr. Speaker, I rise to make my colleagues aware of a GAO study being released today.

GAO studied services at the Department of Defense and the VA to help identify and treat veterans of Operations Enduring and Iraqi Freedom who may be at risk for Post-Traumatic Stress Disorder.

GAO found only 22 percent of personnel who were at risk for PTSD were referred by DOD providers for further evaluation.

When 78 percent who were at risk do not get referrals, then this is clear the assessment system is not working. Health assessment and reassessment are absolutely the right thing to do, and I applaud DOD for these programs.

But if we are not confident that those who need further evaluation will actually receive it, what purpose does it serve?

We need early assessment, diagnosis and counseling to prevent the effects of PTSD. This Congress needs to press both DOD and VA to do a better job in helping veterans with PTSD and other mental health issues.

HONORING NORFOLK'S TOP COPS

(Mrs. DRAKE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. DRAKE. Today, the Fraternal Order of Police will honor two of Norfolk's own as part of their annual ceremony honoring the Nation's ''top cops.'' Investigators Judy Hash and Earl Killmon will be recognized for their contributions in disrupting a violent drug ring and bringing a suspected cop killer to justice. What began as an investigation into the murder of a North Carolina police chief during a routine traffic stop quickly began to provide leads to individuals distributing cocaine, marijuana and ecstasy and committing acts of violence stretching over State lines.

After a 2-year investigation and thousands of man-hours on the part of Investigators Hash and Killmon, 14 drug- and violence-related arrests have been made and a cop killer now sits behind bars.

It is a privilege for me to honor the accomplishments of these outstanding members of my hometown police force on the House floor today. Because of their dedicated service of these two top cops and thousands of police officers throughout our Nation, our streets are safer for our families. For that we are all eternally grateful.

EXTENDING THE MEDICARE PART D DEADLINE

(Mr. BISHOP of New York asked and was given permission to address the House for 1 minute.)

Mr. BISHOP of New York. Mr. Speaker, with only 5 days before the deadline to sign up for the Medicare drug benefit, only 9 percent of eligible New Yorkers have voluntarily signed up for it.

Why such low enrollment? Could it be that seniors have to choose among 47 plans that keep changing? It is a daunting task to tackle a moving target.

Could it be that a third of the calls answered by Medicare operators result in inaccurate information or none at all? Could there be a more clear-cut case for extending the sign-up deadline?

Clearly, the President disagrees. To him, the ''D'' in part D stands for ''deadline.'' But he is not a senior or a disabled American who needs and deserves more time and for whom ''D'' stands for disaster.

After holding dozens of town hall meetings over the past 6 months, I join with my colleagues today in calling upon the Republicans to extend the deadline, penalty free, through the end of the year.

For nine of 10 eligible New Yorkers who haven't chosen a plan yet, but must pick from among 47 plans, another 6 months will go a long way toward helping them choose a plan that is right for them.

REPUBLICANS CREATE OPPORTUNITIES

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, since 2003, the Bush tax cuts have helped all Americans by creating over 5.2 million jobs, reducing the unemployment rate to the lowest average in three decades, and growing the economy at a record pace. Thanks to the Home Builders Association, there is record homeownership.

Although Democrats have seen American families benefit from lower taxes, they continue to obstruct opportunities. Yesterday, House Democrats stuck to their tax-and-spend strategy.

When the House considered the tax reductions yesterday, 185 Democrats voted against this critical legislation. By voting against this bill, they clearly signaled their support for raising taxes on American families, American small businesses, and American investors.

Fortunately, House Republicans voted for this legislation so that Americans, not the Federal Government, have control over their hard-earned incomes. By passing this bill, we have helped create and ensure that our economy continues to grow, creating opportunities.

In conclusion, God bless our troops, and we will never forget September 11.

VIETNAM HUMAN RIGHTS DAY

(Ms. LORETTA SANCHEZ of California asked and was given permission to address the House for 1 minute.)

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today to highlight the ongoing struggle for freedom and democracy in Vietnam. As we observe Vietnam Human Rights Day, it is clear that the struggle is far from over.

The most basic freedoms we enjoy, the freedom of speech, the freedom of the press, the freedom of assembly, the freedom of religion, these are not available in Vietnam.

Last month, 116 Vietnamese citizens signed an ''Appeal For Freedom of Political Association,'' and 118 citizens signed a Manifesto on Democracy and Freedom For Vietnam.

But the government crackdown began almost immediately with raids, detainments, harassment, and abuse. Those who signed these documents placed themselves and their families and their friends at a great risk for a greater good.

What a compelling reminder that while the freedoms we enjoy are not universal, the thirst for freedom most certainly is.

I urge my colleagues to speak out on behalf of these brave men and women who continue to fight for the very basic human liberty through peaceful and nonviolent methods.

MOTION TO ADJOURN

Mr. SNYDER. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the motion to adjourn offered by the gentleman from Arkansas (Mr. SNYDER).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SNYDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 31, nays 366, not voting 35, as follows:

[Roll No. 137]

YEAS—31

Allen
Baird
Brown, Corrine
Capuano
Clay
Crowley
Doggett
Filner
Frank (MA)
Grijalva
Hastings (FL)
Honda
Jackson-Lee (TX)
Johnson, E. B.
Lowey
McDermott
Miller, George
Nadler
Napolitano
Neal (MA)
Obey
Otter
Sánchez, Linda T.
Sanchez, Loretta
Schakowsky
Stark
Taylor (MS)
Towns
Wasserman Schultz
Waters
Waxman

NAYS—366

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Baca
Bachus
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown-Waite, Ginny
Burgess
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Cardin
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Costello
Cramer
Crenshaw
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Doyle
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holt
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jenkins
Jindal
Johnson (CT)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren, Zoe
Lucas
Lungren, Daniel E.
Lynch
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McGovern
McHenry
McHugh
McKeon
McKinney
McMorris
McNulty
Meehan
Meeks (NY)
Melancon
Mica
Michaud

Millender-McDonald	Rahall	Smith (WA)
Miller (FL)	Ramstad	Snyder
Miller (MI)	Rangel	Sodrel
Miller (NC)	Regula	Solis
Miller, Gary	Rehberg	Spratt
Mollohan	Reichert	Stearns
Moore (KS)	Renzi	Strickland
Moore (WI)	Reyes	Stupak
Moran (KS)	Reynolds	Sullivan
Murtha	Rogers (AL)	Sweeney
Musgrave	Rogers (KY)	Tancredo
Myrick	Rogers (MI)	Tanner
Neugebauer	Rohrabacher	Tauscher
Ney	Ros-Lehtinen	Taylor (NC)
Northup	Ross	Terry
Norwood	Rothman	Thomas
Nunes	Roybal-Allard	Thompson (CA)
Nussle	Royce	Thompson (MS)
Oberstar	Ruppersberger	Thornberry
Olver	Ryan (OH)	Tiahrt
Ortiz	Ryan (WI)	Tiberi
Osborne	Ryun (KS)	Tierney
Owens	Sabo	Turner
Pallone	Salazar	Udall (CO)
Pascrell	Sanders	Udall (NM)
Pastor	Schiff	Upton
Paul	Schmidt	Van Hollen
Payne	Schwartz (PA)	Visclosky
Pearce	Schwarz (MI)	Walden (OR)
Pelosi	Scott (GA)	Walsh
Pence	Scott (VA)	Wamp
Peterson (MN)	Sensenbrenner	Watson
Peterson (PA)	Serrano	Watt
Petri	Sessions	Weiner
Pickering	Shadegg	Weldon (FL)
Pitts	Shaw	Weldon (PA)
Platts	Shays	Weller
Poe	Sherman	Westmoreland
Pombo	Sherwood	Whitfield
Pomeroy	Shimkus	Wicker
Porter	Shuster	Wilson (NM)
Price (GA)	Simmons	Wilson (SC)
Price (NC)	Simpson	Wu
Pryce (OH)	Skelton	Young (FL)
Putnam	Slaughter	
	Smith (NJ)	

NOT VOTING—35

Andrews	Holden	Radanovich
Burton (IN)	Hyde	Rush
Cardoza	Jefferson	Saxton
Conyers	Johnson (IL)	Smith (TX)
Cubin	Kennedy (RI)	Souder
Delahunt	Lipinski	Velázquez
Dingell	Mack	Wexler
Drake	McIntyre	Wolf
English (PA)	Meek (FL)	Woolsey
Evans	Moran (VA)	Wynn
Ford	Murphy	Young (AK)
Hinchey	Oxley	

□ 1052

Messrs. SULLIVAN, KELLER, MELANCON, KUCINICH, RUPPERSBERGER, BUTTERFIELD, POE, GINGREY and Ms. CARSON of Indiana changed their vote from ''yea'' to ''nay.''

Mr. HONDA and Mr. CROWLEY changed their vote from ''nay'' to ''yea.''

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. JOHNSON of Illinois. Mr. Speaker, on rollcall No. 137 I was unavoidably detained. Had I been present, I would have voted ''nay.''

Mr. MURPHY. Mr. Speaker, I was unavoidably detained prior to rollcall 137 this morning and was not able to vote. Had I been present, let the RECORD reflect that I would have voted ''no'' on rollcall 137.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 5122, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2007

Mr. COLE of Oklahoma. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 811 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 811

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for further consideration of the bill (H.R. 5122) to authorize appropriations for fiscal year 2007 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2007, and for other purposes.

SEC. 2. (a) Notwithstanding clause 11 of rule XVIII, no further amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution and amendments en bloc described in section 3 of this resolution.

(b) Each amendment printed in the report of the Committee on Rules shall be considered only in the order printed in the report (except as specified in section 4 of this resolution), may be offered only be a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment (except that the chairman and ranking minority member of the Committee on Armed Services each may offer one pro forma amendment for the purpose of further debate on any pending amendment), and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

(c) All points of order against amendments printed in the report of the Committee on Rules or amendments en bloc described in section 3 of this resolution are waived.

SEC. 3. It shall be in order at any time for the chairman of the Committee on Armed Services or his designee to offer amendments en bloc consisting of amendments printed in the report of the Committee on Rules accompanying this resolution not earlier disposed of. Amendments en bloc offered pursuant to this section shall be considered as read, shall be debatable for 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services or their designees, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional Record immediately before the disposition of the amendments en bloc.

SEC. 4. The Chairman of the Committee of the Whole may recognize for consideration of any amendment printed in the report of the Committee on Rules accompanying this resolution out of the order printed, but not sooner than 30 minutes after the chairman of the Committee on Armed Services or a designee announces from the floor a request to that effect.

SEC. 5. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Oklahoma (Mr. COLE) is recognized for 1 hour.

Mr. COLE of Oklahoma. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Mr. COLE of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to revise and extend their remarks, and to insert tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. COLE of Oklahoma. Mr. Speaker, on Wednesday, the Rules Committee met and reported a second rule for consideration of the House Report for H.R. 5122, the Fiscal Year 2007 National Defense Authorization Act.

Mr. Speaker, this rule is a structured rule and provides for further consideration of the bill, H.R. 5122. It makes in order only those amendments printed in the Rules Committee report accompanying the resolution and amendments en bloc described in section 3 of the resolution.

The rule provides that amendments printed in the report shall be considered only in the order printed in the report, except as specified in section 4 of the resolution, may be offered only by a Member designated in the report, and shall be considered as read.

It provides that each amendment printed in the report shall be debatable for the time specified in the report, equally divided and controlled by a proponent and an opponent, shall not be subject to amendment, except that the chairman and ranking minority member of the Committee on Armed Services each may offer one pro forma amendment for the purpose of further debate on any pending amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

Mr. Speaker, the rule waives all points of order against amendments printed in the report and those amendments en bloc as described in section 3 of the resolution. Additionally, it authorizes the chairman of the Committee on Armed Services, or his designee, to offer amendments en bloc consisting of amendments printed in the Rules Committee report not earlier disposed of, which shall be considered as read, shall be debatable for 20 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services or their designees, and shall not be subject to amendment or demand for division of the question in the House or the Committee of the Whole.

□ 1100

The rule provides that the original proponent of an amendment included in such amendments en bloc may insert a statement in the CONGRESSIONAL RECORD immediately before the disposition of the amendments en bloc.

The rule also allows the Chairman of the Committee of the Whole to recognize for consideration any amendment printed in the report out of the order printed, but not sooner than 30 minutes after the Chairman of the Armed Services Committee or his designee announces from the floor a request to that effect. Lastly, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, today I rise in support of this rule and the underlying legislation. Yesterday, I believe we had a good discussion about the importance of the underlying legislation, and the rule passed overwhelmingly. The same facts that were true yesterday remain so today.

Mr. Speaker, I am particularly proud about the way the rules for the fiscal year 2007 National Defense Authorization Act have been structured. Let's have a minute to review the facts here. The underlying legislation had broad bipartisan agreement, passing the committee by a vote of 60–1.

Between the subcommittee and the full committee, the Armed Services Committee passed 75 amendments, 36 of those by Republican authors, 38 by Democrats, and one bipartisan amendment. Out of the 100 amendments submitted to the Rules Committee, we made 31 in order, 15 Republican, 13 Democrats and two bipartisan.

In addition, six amendments were incorporated into the manager's amendment.

Today, we may well hear that the amendment process was arbitrary and unfair, but the facts do not support the claims. This legislation proceeded through regular order. We will have a vigorous discussion today, and the amendments in order will allow either side to improve and perfect the defense authorization further.

As usual, minority rights are protected by allowing a motion to recommit with or without instructions. This process has been open, thorough and fair. While not every amendment was made in order, all were considered. Only nine of the 60-odd amendments that were not included were actually raised by the minority for consideration in the Rules Committee.

Mr. Speaker, yesterday I spoke about the importance of four long-term challenges relating to national security and how this bill addresses them. Additionally, I drew attention to the fact that our deployed servicemen and women rely on this legislation to directly support their efforts in our Global War on Terror.

Nothing said today will change these facts. Today is really the day we should be focused on uniting as Americans and supporting our troops in the field. No one piece of legislation is ever perfect. Today is no exception. But today we have a very good piece of legislation that was crafted in a bipartisan way through regular order.

At the end of this debate, the House will have considered over 30 percent of all submitted amendments on the floor. The others were previously considered at the committee level. There are no irregularities here.

While we will no doubt have some spirited disagreements on some amendments, including some not brought to the floor, this bill is, at its core, an example of bipartisan cooperation and consensus.

The Members of the minority who serve on the House Armed Services Committee have praised the committee chairman, the gentleman from California (Mr. HUNTER) for its inclusiveness and have said that the legislation we are considering today deserves to pass. When all is said and done, it will pass by an overwhelming bipartisan majority. That is something in which this House, the American people and, more importantly, our men and women in uniform can take pride.

Mr. Speaker, realizing the facts surrounding the fiscal year 2007 National Defense Authorization Act, I urge the support of the rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, listening to my colleague's remarks, he certainly made it clear how proud he was of the bipartisanship in that committee. And so should we all be.

But all bipartisanship ended when this came to the Rules Committee. Of course it was an overwhelming vote. They have nine members, we have four. The tragedy here is that major amendments that Democrats wanted were not allowed to be heard today, very important things that we want to do.

For example, the ranking member, Mr. SKELTON, was denied an amendment. The minority whip, Mr. HOYER, was denied an amendment. And so, Mr. Speaker, through you, I want to ask Mr. COLE if he will grant me a unanimous consent request so that I can amend H. Res. 811 and add several important Democratic amendments not allowed under this restrictive rule.

Mr. Speaker, as you know, when Speaker HASTERT was in the chair, he said by unanimous consent that we can easily do this. The amendments we want to add back are: A Skelton amendment that helps military families with prescription drug costs; an Israel amendment that calls for religious sensitivity by our military chaplains; an important Hoyer amendment on alternative energy; a Capps amendment to be able to defend her district against a nongermane provision in the bill; and a McGovern amendment to close down the School of the Americas.

I ask if he will yield me that time.

The SPEAKER pro tempore. Does the gentleman from Oklahoma yield to the gentlewoman from New York for the purpose of a unanimous consent request?

Mr. COLE of Oklahoma. No, Mr. Speaker, I do not. Those matters can be dealt with on a motion to recommit.

MOTION TO ADJOURN

Ms. SLAUGHTER. Then because of the unfairness of this and the importance of this, and because this country is at war, and because you have shut out major debate on this bill, I move the House do now adjourn.

The SPEAKER pro tempore. The gentlewoman reserves her time. A motion to adjourn is not debatable.

The question is on the motion to adjourn offered by the gentlewoman from New York (Ms. SLAUGHTER).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 68, noes 336, answered ''present'' 1, not voting 27, as follows:

[Roll No. 138]

AYES—68

Ackerman	Frank (MA)	Obey
Allen	Grijalva	Olver
Baird	Hastings (FL)	Otter
Berkley	Honda	Owens
Berman	Israel	Pascrell
Berry	Jackson-Lee (TX)	Pastor
Blumenauer	Johnson, E. B.	Pelosi
Boehlert	Jones (OH)	Rush
Brown, Corrine	Lantos	Sabo
Capps	Larsen (WA)	Sánchez, Linda T.
Capuano	Lee	Schakowsky
Carson	Lewis (GA)	Slaughter
Case	Lowey	Solis
Clay	Lynch	Stupak
Cleaver	Maloney	Taylor (MS)
Conyers	Markey	Towns
Costa	McDermott	Velázquez
Crowley	McNulty	Wasserman Schultz
DeGette	Miller (NC)	Waters
Delahunt	Miller, George	Watson
Dingell	Nadler	Waxman
Doggett	Napolitano	
Engel	Neal (MA)	
Filner		

NOES—336

Abercrombie	Boehner	Cantor
Aderholt	Bonilla	Capito
Akin	Bonner	Cardin
Alexander	Bono	Carnahan
Andrews	Boozman	Carter
Baca	Boren	Castle
Bachus	Boswell	Chabot
Baker	Boucher	Chandler
Baldwin	Boustany	Chocola
Barrett (SC)	Boyd	Clyburn
Barrow	Bradley (NH)	Coble
Bartlett (MD)	Brady (PA)	Cole (OK)
Barton (TX)	Brady (TX)	Conaway
Bass	Brown (OH)	Cooper
Bean	Brown (SC)	Costello
Beauprez	Brown-Waite, Ginny	Cramer
Becerra	Burgess	Crenshaw
Biggert	Burton (IN)	Cubin
Bilirakis	Butterfield	Cuellar
Bishop (GA)	Calvert	Culberson
Bishop (NY)	Camp (MI)	Cummings
Bishop (UT)	Campbell (CA)	Davis (AL)
Blackburn	Cannon	Davis (CA)
Blunt		Davis (FL)

Davis (KY)	Kelly	Pryce (OH)
Davis (TN)	Kennedy (MN)	Putnam
Davis, Jo Ann	Kildee	Radanovich
Davis, Tom	Kilpatrick (MI)	Rahall
Deal (GA)	Kind	Ramstad
DeFazio	King (IA)	Rangel
DeLauro	King (NY)	Regula
Dent	Kingston	Rehberg
Diaz-Balart, L.	Kirk	Reichert
Diaz-Balart, M.	Kline	Renzi
Dicks	Kolbe	Reyes
Doolittle	Kucinich	Reynolds
Doyle	Kuhl (NY)	Rogers (AL)
Drake	LaHood	Rogers (KY)
Dreier	Langevin	Rogers (MI)
Duncan	Larson (CT)	Rohrabacher
Edwards	Latham	Ros-Lehtinen
Ehlers	LaTourette	Ross
Emanuel	Leach	Rothman
Emerson	Levin	Roybal-Allard
English (PA)	Lewis (CA)	Royce
Eshoo	Lewis (KY)	Ruppersberger
Etheridge	Linder	Ryan (OH)
Everett	LoBiondo	Ryan (WI)
Farr	Lofgren, Zoe	Ryun (KS)
Fattah	Lucas	Salazar
Ferguson	Lungren, Daniel E.	Sanders
Fitzpatrick (PA)	Manzullo	Schiff
Flake	Marchant	Schmidt
Foley	Marshall	Schwartz (PA)
Forbes	Matheson	Schwarz (MI)
Fossella	Matsui	Scott (GA)
Foxx	McCarthy	Scott (VA)
Franks (AZ)	McCaul (TX)	Sensenbrenner
Frelinghuysen	McCollum (MN)	Serrano
Gallegly	McCotter	Sessions
Garrett (NJ)	McCrery	Shadegg
Gerlach	McGovern	Shaw
Gibbons	McHenry	Shays
Gilchrest	McHugh	Sherman
Gillmor	McIntyre	Sherwood
Gingrey	McKeon	Shimkus
Gohmert	McKinney	Shuster
Gonzalez	McMorris	Simmons
Goode	Meehan	Skelton
Goodlatte	Meek (FL)	Smith (NJ)
Gordon	Meeks (NY)	Smith (WA)
Granger	Melancon	Snyder
Graves	Mica	Sodrel
Green (WI)	Michaud	Spratt
Green, Al	Millender-McDonald	Stark
Green, Gene	Miller (FL)	Stearns
Gutierrez	Miller (MI)	Strickland
Gutknecht	Miller, Gary	Sullivan
Hall	Mollohan	Sweeney
Harman	Moore (KS)	Tancredo
Harris	Moore (WI)	Tanner
Hart	Moran (KS)	Tauscher
Hastings (WA)	Murphy	Taylor (NC)
Hayes	Murtha	Terry
Hayworth	Musgrave	Thomas
Hefley	Myrick	Thompson (CA)
Hensarling	Neugebauer	Thompson (MS)
Herger	Ney	Thornberry
Herseth	Northup	Tiahrt
Higgins	Norwood	Tiberi
Hinojosa	Nunes	Tierney
Hobson	Nussle	Turner
Hoekstra	Oberstar	Udall (CO)
Holden	Ortiz	Udall (NM)
Holt	Osborne	Upton
Hooley	Pallone	Van Hollen
Hostettler	Pallone	Visclosky
Hoyer	Paul	Walden (OR)
Hulshof	Payne	Walsh
Hunter	Pearce	Wamp
Inglis (SC)	Pence	Watt
Inslee	Peterson (MN)	Weiner
Issa	Peterson (PA)	Weldon (PA)
Jackson (IL)	Petri	Weller
Jenkins	Pickering	Westmoreland
Jindal	Pitts	Wexler
Johnson (CT)	Platts	Wicker
Johnson (IL)	Poe	Wilson (NM)
Johnson, Sam	Pomeroy	Wilson (SC)
Jones (NC)	Porter	Wolf
Kanjorski	Price (GA)	Wu
Kaptur	Price (NC)	Young (AK)
Keller		Young (FL)

ANSWERED ''PRESENT''—1

Lipinski

NOT VOTING—27

Buyer	Feeney	Istook
Cardoza	Ford	Jefferson
Davis (IL)	Fortenberry	Kennedy (RI)
DeLay	Hinchey	Knollenberg
Evans	Hyde	Mack
Moran (VA)	Saxton	Weldon (FL)
Oxley	Simpson	Whitfield
Pombo	Smith (TX)	Woolsey
Sanchez, Loretta	Souder	Wynn

□ 1128

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. KNOLLENBERG. Mr. Speaker, on rollcall No. 138 I was unavoidably detained. Had I been present, I would have voted "no."

Mr. FORTENBERRY. Mr. Speaker, on rollcall no. 138 I was unavoidably detained. Had I been present, I would have voted "no."

PERSONAL EXPLANATION

Mr. HYDE. Mr. Speaker, on May 11, 2006, I was absent for the following procedural votes. Had I been present, I would have voted:

Rollcall No. 137, on motion to adjourn, "nay";

Rollcall No. 138, on motion to adjourn, "nay."

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 5122, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2007

The SPEAKER pro tempore. The Chair would remind Members that Mr. COLE of Oklahoma has 24 minutes remaining and Ms. SLAUGHTER of New York has 28 minutes remaining.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, every day the thousands of men and women who are based in the United States and elsewhere protect our borders, defend our national security, and ensure our peace of mind. Many of them have been deployed around the world, to Iraq and elsewhere. They have performed their duties with honor and I want them to know that we have the highest regard and respect for them.

□ 1130

The men and women of our Armed Forces have entered into a sacred covenant with this Nation. They have pledged to place their lives on the line for us, and in return, we have promised to give them the tools they need to fulfill their promise and the respect worthy of someone willing to make the ultimate sacrifice for this country.

The underlying legislation for this rule represents the embodiment of our commitment to the troops, and while I know the overall bill enjoys bipartisan support, including mine, I must point out that this morning I believe the leadership of this body has betrayed that covenant.

It seems that just 1 week after passing a so-called reform bill with no teeth, the majority is back to their same old tricks, arrogantly preventing debate and consideration of critical measures that improve the bill and the lives of the people serving this Nation.

They even prevented the distinguished ranking member of the Armed Services Committee, Mr. SKELTON, from offering an amendment to his own defense bill. The Skelton amendment would have prevented the copays for medication for our military and their families from going up, which they will if this bill is passed without the Skelton amendment, but the Republican leadership refused to make it in order.

For those Americans who are not familiar with the Rules Committee, and I expect that is most of them, and how it works, what that effectively means is that a select few in the Republican leadership have decided what the entire Congress and the entire Nation and what the men and women in uniform will get. They decided that on their own, without even a vote on the House floor, without the debate and consideration of this full body.

Given the rhetoric we hear on this floor every day about the troops and how important they are, I feel compelled to ask my friends in the majority to justify how in less than 24 hours after they approved $70 billion in tax cuts for the wealthy, how they could refuse to allow us to even consider a measure to improve the health care of our troops and their families. We owe our troops more respect than this.

It is for similar reasons that many of my Democratic colleagues and I are concerned with section 590 of this bill. The section removes a long-standing requirement in our military code that requires chaplains to exhibit a level of tolerance, compassion and understanding towards the religious diversity of the soldiers to whom they administer counsel. Can you imagine that, Mr. Speaker? We are taking away the idea that they should serve with tolerance, compassion and understanding; it was too inflammatory.

I should say, Mr. Speaker, that I am confident our chaplains have both the sense and the respect for their fellow soldiers to do this and to do it willingly. But why would this majority lower that standard and expect anything less from our chaplains, as they clearly do?

We have soldiers of every faith and no faith fighting for us under the American flag. They all deserve our respect, particularly in moments of great despair or need. Is this majority so arrogant as to suggest that they should micromanage how a chaplain administers faith on a battlefield? I can think of few things more offensive or absurd.

My friend, Mr. ISRAEL, offered an amendment to the bill that would have corrected the problem, restoring the requirement that all chaplains demonstrate sensitivity, respect and tolerance, but Mr. ISRAEL's amendment was tossed out the window, along with common sense on this issue. It has been forbidden by the leadership from even being considered on the floor today.

As was an amendment from Representatives TIERNEY and LEACH which

would have established a Truman-like commission, which we have been trying for 2 years to do, one designed to ferret out corruption and incompetence in our military contracting; and for some reason, the majority of this House does not want to look where all that money is missing in Iraq.

Despite the fact that the same measure has passed the House numerous times, and despite the fact that it is the clear will of this body that this commission be created and despite the fact that the word ''incompetence'' has become the most apt description of this administration, a select few in this leadership made these decisions for all of us that we would not even consider that amendment today, an amendment which, were it enacted, would allow us to go looking for the $9 billion in taxpayer money that this administration has literally lost in the war in Iraq.

There are many more amendments to this bill that the leadership refused to allow us to consider today, and because they are making decisions for all of us and for the American people without their consent, they decided we would not be allowed to consider Mr. MARKEY's amendment which would prevent your tax dollars from being used to torture people in the name of the United States of America. I know that makes all of us proud that we are saying that we are going to go ahead and allow torture.

I never thought I would see the day in this country when we would compromise our core values so horribly, and to do so without our consent is unconscionable.

The question my fellow Americans should be asking themselves is ''why.'' Why will the Republican leadership not allow the free flow of ideas that are supposed to be the hallmark of our government?

I think we are all beginning to see how the rigidity of their agenda, the narrow focus of their concern and their obsession with control are not only damaging their own political future, but are deeply damaging the Nation.

Even though the complicated challenges we face no longer seem to fit the Republicans' narrow set of solutions, they march onward in lockstep with their unyielding and ineffective agenda, but reality seems to be playing out much differently than their program allows for.

Tax cuts for the rich cannot save the world and it cannot save Americans. Preventing Americans from talking about an idea does not make it go away, and the ends do not always justify the means. Democrats and the rest of America have already opened their eyes to these realities. Why does the Republican leadership not open theirs?

Mr. Speaker, I reserve the balance of my time.

Mr. COLE of Oklahoma. Mr. Speaker, I yield myself such time as I may consume.

I want to begin, if I may quickly, by reminding my friends on the other side of the aisle the basic nature of this bill.

It was a very bipartisan bill. It was universally praised as being bipartisan by Members of both parties. In particular, Chairman HUNTER was singled out for operating inclusively, in a bipartisan manner.

There were 88 amendments offered in the House Committee on Armed Services. Seventy-five of those passed. Of those passed, 38 were Democrats, 36 were Republican, one was bipartisan. There were over 100 amendments submitted to the Rules Committee. Of those, 31 were made in order, an additional six were dealt with in the manager's amendment. Only eight amendments were brought up for reconsideration in the Rules Committee by the minority.

Now, I understand that not everybody is pleased with every aspect of the bill, but to characterize the bill as anything other than bipartisan, and bipartisan in process, I think is to not recognize the nature of the process we have gone through.

With respect to Mr. SKELTON's amendment, nobody in this House, I can assure you, respects Mr. SKELTON more than I do. I have served with him on his committee. I publicly praised him yesterday, and that praise is fully and well deserved. He is one of the distinguished Members of our body.

I do point out his amendment was, in fact, considered in the House Committee on Armed Services. It did fail. There were bipartisan members for it and bipartisan against it, although it was largely a party-line vote.

At some point you have to ask yourself, why do we have committees, if not to make these decision? When a matter is dealt with fully by a committee, who are well-versed in it, I think that should carry heavy weight in determining whether or not we move on and consider a particular amendment on the floor; and in this case, I think that was thoroughly vetted and thoroughly discussed although, of course, my friends still have the opportunity to include that provision in a motion to recommit.

Let me conclude by just quickly going on and going through some of the things that were included in TRICARE.

Under the bill that was fashioned by our distinguished chairman and ranking member, working in a bipartisan fashion in the House Armed Services Committee, H.R. 5122 will prohibit until December 31, 2007, the Department of Defense's ability to increase TRICARE Prime, Standard and TRICARE Reserve Select cost shares.

H.R. 5122 calls for an independent analysis to determine the appropriate cost-sharing formula for the TRICARE program.

H.R. 5122 zeros out the costs for generic and formulary prescriptions for participants in the TRICARE pharmacy and mail order program.

H.R. 5122 also adds $735 million to the Defense Health Program to restore funding cuts included in the DOD budget request in anticipation of increased beneficiary cost shares which, as mentioned, H.R. 5122 prohibits.

H.R. 5122 includes TRICARE coverage for forensic examinations following sexual assaults and domestic violence.

H.R. 5122 provides TRICARE coverage for anesthesia and hospital costs for dental care provided to young children and to mentally or physically challenged beneficiaries.

I say this simply to make the point that we have had several years, frankly, where this committee has worked diligently to improve the TRICARE system to enhance the benefits available to our men and women.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. HUNTER), the distinguished chairman of the Armed Services Committee.

Mr. HUNTER. Mr. Speaker, I want to thank the gentleman from Oklahoma for his great work on behalf of the men and women who wear the uniform and for his work on this bill, and all the members for the work on this bill.

I just say to my great colleague from Missouri (Mr. SKELTON), we did put this bill together in a bipartisan fashion, and we did entertain this amendment in the House Committee on the Armed Services. And the point is that we came out of the committee with a very carefully crafted bill in which we are trying to incentivize military families to use mail order; and so we took down the cost of mail order pharmaceuticals to guess what, zero; both generic and formulary drugs down to zero. They do not pay a dime.

Now they win when they get these prescriptions through the mail, and the taxpayers win because the costs are much less. That means you do not even have the cost of transportation to go down to pick up that particular prescription. So we took those down to zero.

The other thing we did that was a remarkable thing, that really completed this transition of recognizing the National Guard, is we moved the availability of TRICARE not just to National Guardsmen, who heretofore were given TRICARE for an extended period of time before they mobilized and for an extended period of time after they mobilized, but we then moved it to all National Guardsmen who are drilling reservists, all National Guardsmen, and with only a copayment of 28 percent of the costs.

So this is a monumental bill that has moved billions of dollars of medical benefits to these great people who wear the uniform of the United States.

Let me just say to my colleagues, this is a bipartisan bill. The gentleman from Oklahoma is absolutely right. We did all the right things, and that is why it passed by a vote of 60–1.

No one has more respect for the gentleman from Missouri than myself. We did consider his amendment in the committee, and the provision that his amendment dealt with is a part of this balance of trying to move people to

buy their pharmaceuticals through the mail, because if they buy them through the mail, it does not cost them a dime. For that reason, I think the committee bill is an excellent bill.

It is tough to get to less than zero, and I would hope that everyone would simply support this bill, let us move ahead, let us get it to conference, and let us do the right thing for the men and women who wear the uniform.

I thank the gentleman for yielding.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. HOYER), the minority whip.

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I thank the gentlewoman from New York.

Mr. Speaker, this morning I want to express my deep disappointment that the Rules Committee declined to make my amendment concerning one of the most vital national security issues facing our Nation, our continued dependence on foreign sources of oil, in order.

As Jim Woolsey, the former CIA director, stated, ''The future of our economic and national security is more than ever coupled to our energy policy.'' That is why I believe this amendment would have been so appropriate on this bill.

Let me stress, the amendment that I offered, along with Congressman BART GORDON as well as MARK UDALL, who is on the floor with us right now, was decidedly nonpartisan. It was not offered in an attempt to gain short-term political advantage. It was offered in an attempt to encourage this body to focus on the national security implications of our continued addiction to oil, of which the President spoke in his State of the Union, and to suggest practical methods to address that addiction.

Let me add, when I testified before the Rules Committee on Tuesday, I was pleased with the serious discussion of this amendment, as well as the virtually unanimous support of the concept of this amendment. There was no opposition stated by any member of the committee on either side of the aisle.

In short, this amendment called for three things. First, it would have authorized $250 million for the Advanced Research Projects Agency-Energy, or ARPA–E, within the Department of Energy.

□ 1145

ARPA–E would encourage and support our best and brightest researchers and scientists to develop cutting-edge technology necessary to make America energy independent.

Second, the amendment would have required the Secretary of Defense, in consultation with the Secretary of Energy and the Director of National Intelligence, to study and report to Congress on the national security implications of our increasing demand for foreign oil.

Finally, the amendment would have increased the funds available for the Defense Energy Support Center which buys and manages oil and other energy supplies for the military service, the largest user of petroleum in our country.

It also would have increased the funds available for the Advanced Power Technology Office which promotes the increased use of fuel cells, electric hybrids and hydrogen for military and homeland defense vehicles and equipment.

These proposals would have been paid for by shifting more than $300 million in excess funds from the $9.1 billion proposed for ballistic missile defense programs. I refer to them as ''excess'' because the staff says they cannot be spent in fiscal year 2007.

Let me conclude by saying that it is imperative that the Members address this vital issue. I am pleased that Mr. SKELTON, Mr. SPRATT and other members were supportive.

Energy independence must be addressed in a serious, thoughtful manner. When we put our minds to something, in my opinion, Americans can solve any of the problems that confront them. Now, more than ever, we must focus on addressing our addiction to foreign sources of oil.

I want to say in closing that I deeply regret that this important issue was not allowed to come to the floor. I understand that portions of this, only a portion, was considered in the committee, but surely the issue of addiction to petroleum products, which our President has talked about, is worthy of bringing to this floor, and I urge that it be done.

I oppose this rule because I believe it has been restrictive to the detriment of our national security and democracy in this House.

Mr. COLE of Oklahoma. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Speaker, let me say to my good friend who just spoke and talked about the need to shore up energy supplies for our country, I agree with him totally. And I agree with the idea that we should not have to rely on that lifeline of petroleum coming out of the Middle East, which has security ramifications.

Let me say to my friend that opening up a piece of land that is as big as a third of the United States, that is, Alaska, a third of the size of the continental United States, would go a long way toward doing that. The amount of petroleum that we could be getting from one of our own States within our own boundaries without having to depend on that lifeline would accrue to the national security.

I say to the gentleman, I think it is a sad thing that the majority of his party has not seen fit to do that. We are pursuing lots of alternative forms of energy, but one problem with this particular amendment is, it would take the money out of missile defense. I know the gentleman is worried about the prospect of ballistic missiles that are being tested by countries in the Middle East, that are being tested to ranges that will include Israel, for example, and at some point, certain locations in the United States.

So there are two aspects to these amendments. One is what you do; and the other is where you pull the money from. The other part of that story is where you pull the money from.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Maryland.

Mr. HOYER. We had a very thoughtful discussion about what you have raised as alternative sources of energy in our own country, or alternative sources for petroleum products in our own country. A full discussion. I think that is a worthy discussion.

I do not think the amendment that I offered in any way negates that discussion or negates the importance of having that debate. I agree with the gentleman.

With respect to the source of funding, the staff discussed it. We believe in the $9.1 million in 2007 this sum cannot be spent because of practical reasons, as the gentleman probably knows, and I think his staff agrees because we worked with his staff and with Mr. SKELTON and Mr. SPRATT to ensure that we were not undermining because as you know, I have been supportive of the defense system.

We believe this is such a critical issue. And as I said, the President raised the addiction. We have to transfer not only the price that the consumer is paying, which is affected by the lack of alternatives to petroleum products, and therefore, those producers of petroleum products throughout the world have us as a captive consumer and we do not have price flexibility, but also in terms of the price at the pump for our consumers.

So both from a national security standpoint and an economic standpoint, I think this was the way to go.

Mr. HUNTER. Mr. Speaker, reclaiming my time, I think that is a thoughtful statement. I think that what we have seen, regrettably, from the gentleman's party, from the Democrat side, has been a series of ''noes'' to initiatives that would have increased the supply of petroleum.

The amount of increase in petroleum that we have undertaken in the last 4 or 5 years would have, by the projections I have seen, have been made up by oil which could have come from, for example, Alaska which is a third of the size of the United States.

So when the gentleman's party effectively closed down Alaska for supplying petroleum, a large piece of Alaska for supplying petroleum from the northern sector, that deprived us of an enormous supply of petroleum which would have had a direct effect on the price at the pump.

Further, the gentleman knows it takes about 10 years to permit a refinery. The gentleman is an expert in this. The gentleman knows the way we get low prices in this country for any commodity is competition.

That means if you are baking bread on one side of the street for $2 a loaf, and I come across from the other side of the street and I can bake it for a buck a loaf, I win and the consumers win. If you takes you 10 years to get a permit for your bakery, you never get into the competition and the price of bread never comes down.

And if it takes you 10 years to permit a refinery because of environmental restrictions that the Democratic Party will not let go of, you never see that oil coming on line and you never see that competition from another refinery. It is a debate.

But on the point of funding, the idea that you can just harvest a third of a billion dollars out of missile defense and that is not going to have any effect on the program because you think that money is not needed right now, we will have other parts of the program, the missile defense program, that needs more money. As the gentleman knows, when you have hundreds of programs, some of them need money, some of them can give up money at any given time.

The idea that this missile defense, which is necessary to protect both our troops in theater, who have been fired upon and killed in some cases by low-end ballistic missiles, like the Scuds that were used against us in the first Gulf War, and countries like Israel that need to have defense that see their neighbors right now developing ballistic missiles that will come in high and fast into those countries; the idea of forcing our Members to choose between defending their troops and having a new technological program on petroleum innovations, in my estimation, this is something that is a subject for judgment. We have exercised our judgment.

I think we have done a good job in the committee. I think we have put together a good bill in the committee. It passed out 60–1. I think that is testament to the fact that we have a balanced package and we need to move forward.

Mr. HAYES. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from North Carolina.

Mr. HAYES. Mr. Speaker, I thank the gentleman for yielding.

I would like to add the additional point on the committee's bipartisan and very enthusiastic and aggressive effort to do everything we could for the troops, the advantage to the position on drugs. Not only is the copay zero on mail order drugs, but when you get your pharmaceuticals through the mail, the recipient can get a 90-day supply instead of a 30-day supply. So there are several advantages there.

Again, it is a reflection of Mr. SKELTON's, Mr. HUNTER's, and the committee's desire in a bipartisan fashion to do everything that we possibly and reasonably can for the troops.

Ms. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri (Mr. SKELTON), the ranking member of the Committee on Armed Services and a hero of mine.

Mr. SKELTON. Mr. Speaker, my fellow Missourian, Mark Twain, once said, ''The more you explain it to me, the more I don't understand it.'' And that is where we are on this rule; in particular not allowing some amendments, including my amendment which would be very helpful to the families of those in uniform, to be in order. Thus, I rise in strong opposition to the rule.

Let me speak about my amendment first. It reduces the copay of the servicemembers and their families for prescription drugs. Currently, there is a $3 copay charge for generic drugs and a $9 copay for name-brand drugs. Under the bill, it zeros out mail-order orders, which is fine in some cases, but increases the generic drugs to $6, and increases name brand to $16.

You have to say that is not a lot, but if you are a corporal with three children that get sick and you have to multiply the $16 times one or two or three times when you have serious illness in your family, it is going to cost an awful lot more. That is why it is important that we do our very best to take care of the troops.

This is not brain surgery. This is helping the troops in some small, positive, decent way.

And, you know, this amendment was not made in order.

I have to compliment the bipartisanship of the base bill. I am proud of it. Chairman HUNTER did a good job in working on that, and we worked our will on some of the amendments, including the one I offered.

It only lost by two votes, 28 for it and 30 against it. What is wrong with taking that measure up on the floor of the House of Representatives and letting us work our will for the troops, for the young people, particularly for that private first class, that sergeant, that corporal that might have a family that needs help?

You say, well, they can do it by mail order.

If your child is really sick or has the flu or it is over a long weekend, you are not going to get anything by mail order. You are going to go down to the drugstore and you are going to pay through the nose, just as this bill is requiring.

All we want to do is help the young folks; this is a way we can do it. And if the amendment is voted down, the will of the House has worked its way. I would do my best to convince every Member of this body to vote for it.

So I think what we need to do is to go back to the Rules Committee and ask them to allow the Skelton amendment to be made in order.

There are other amendments that should have been looked at. Mr. ISRAEL has one that deals with chaplains that is very, very evenhanded. Mr. HOYER has one, as well as Mr. UDALL and Mr. MCGOVERN and some other Members, regarding energy, that should be looked at.

But I speak mainly in favor of my proposal. Rather than charging additional money to these young troops should they have a sick child or a sick spouse, let us reduce it back to where it was. That is not difficult. In the process say, hey, thank you for the job you are doing rather than let us stick you for a few more dollars to pay to the drug companies. That is not right.

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That is not right. That is not the way we want to treat these young folks. Let us do all we can to help them. And this is one way. Let us at least vote on it. I will speak in favor of it. I would hope that many people on the other side of the aisle would not only speak for it, but would vote for it. It is a good amendment. I dare you to put it on the calendar for us to vote. That is what we need to do so we can say fully and fairly to the young folks, we have done our best for you.

Mr. COLE of Oklahoma. Mr. Speaker, I yield myself such time as I may consume.

If I may, again, I want to thank my good friend from Missouri. There is nobody who cares more about men and women that wear the uniform of the United States than Mr. SKELTON.

I do wish to point out again the amendment was considered by the full House Armed Services Committee. It did not succeed.

I also want to point out again we made considerable progress in TRICARE, many millions of dollars spent.

And, finally, something which maybe many Members may not be aware of because they don't serve on that committee, active duty family members actually get most of their prescriptions free from military hospitals. Only 11 percent of prescriptions are obtained through a TRICARE retail pharmacy. So we are really not talking about a great deal of money. And we have a study authorized in this legislation under way to look at what the appropriate distribution of the cost of these types of items should be. I actually think the House Armed Services Committee has gone a very long way in trying to address this very, very important issue; and I have no doubt we will revisit it next year.

Mr. Speaker, I yield 1 minute to my good friend, the chairman of the House Armed Services Committee, Mr. HUNTER.

Mr. HUNTER. Mr. Speaker, I just wanted to, once again, echo my great respect for my partner on this committee, the gentleman from Missouri (Mr. SKELTON), and just offer that one thing we have done in this package is to take down the cost of pharmaceutical drugs to zero for those enlisted

families if they simply get them through the mail; and they can now get a 90-day supply rather than a 30-day supply, and that is what we are trying to incentivize them to do. It is better for them. They have got no cost of transportation to go pick up their medicine, and it is better for the taxpayers. And that is the direction that we are trying to take our military families.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), a member of the Rules Committee.

Mr. MCGOVERN. Mr. Speaker, last night, once again, the majority on the Rules Committee had an opportunity to demonstrate that this House is capable of debating the many important issues relevant to the defense authorization bill. But once again, they turned their backs to a full and open debate.

Once again, the majority on the Rules Committee had an opportunity to demonstrate that Members of the minority and their concerns will be treated with respect. But once again, the majority on the Rules Committee showed that courtesy, respect, and collegiality are not part of their vocabulary.

Mr. Speaker, when a bill has a provision that directly affects another Member's district and that Member wishes to offer an amendment to debate the consequences of such a provision, simple courtesy requires that the amendment should be made in order. Yet last night, the gentlewoman from California, Congresswoman CAPPS, was denied her right to speak and act on behalf of her constituents and to have her amendment made in order to strike from the bill the section that prohibits the National Park Service from carrying out the 1997 court-ordered settlement that stops trophy hunting on Santa Rosa Island.

Twice the distinguished chairman of the Armed Services Committee was asked whether he had any problems with Mrs. CAPPS offering her amendment, and he said he did not.

I respect the chairman of the Armed Services Committee, and I appreciate the work that he and the ranking member, Mr. SKELTON, have done together. But if the chairman had no objection, and I have the transcript here, then why did the Rules Committee have an objection to this?

Of the 100 amendments submitted to the Rules Committee for consideration, scarcely a third of those were allowed to be debated under yesterday's rule and this rule. This morning, this rule makes 23 amendments in order, 10 of which are bipartisan amendments or offered by Democrats; and of those 10, four simply seek reports or studies.

Meanwhile, as we have heard, the Rules Committee denied the ranking member of the House Armed Services Committee, the most honorable and most distinguished congressman, IKE SKELTON, the right to debate the only amendment he submitted to the Rules Committee. That amendment would have let this House debate whether or not to reduce drug copayments for military families.

What a horrific show of disrespect, not only to Mr. SKELTON, but to our military families who sacrifice every single day for our Nation. It is wrong.

And if Republicans want to increase drug copayments for our military families, then make your case. But on our side of the aisle we believe the opposite, and at least there should have been a debate and a vote on this matter.

If Members want to know what is wrong with this House, why civility has been lost in this House, why this House can no longer be described in any sense of the word a deliberative body, you only have to look at the rule for the defense authorization bill.

The majority picks and chooses what will be debated, ignores substantive amendments, and rejects even the ranking member the right to offer important amendments.

In addition to rejecting the amendments offered by Ranking Member SKELTON and Congresswoman CAPPS, the majority of the Rules Committee decided this House isn't the place to debate accountability in Iraq, again denying debate on a bipartisan amendment submitted by Mr. TIERNEY to establish a Truman Commission on Iraq.

It has decided that this is not the place to debate nonproliferation issues. A bipartisan amendment was denied that was coordinated by Mr. ANDREWS; that this isn't the place to talk about alternative energy resources and research and the applications within the military. They denied Mr. HOYER and Mr. UDALL their amendments.

This is not the place, according to the majority of the Rules Committee to talk about religious tolerance. They denied the amendment by Mr. ISRAEL.

Or this is not the place to talk about torture. They denied an amendment by Mr. MARKEY.

These are not frivolous matters, Mr. Speaker. They are profound matters affecting our national defense and the health and the safety of our military personnel and their families. We read and we hear about them every day in the news. We are asked about these issues by our constituents, and this House should have had an opportunity to openly debate each one of them.

But not in this House. Not under this leadership.

So I urge my colleagues to reject this rule. Let us have a genuine debate on one of the few bills that comes before this House where all of these amendments are germane. Let us return democracy to the U.S. House of Representatives.

Mr. COLE of Oklahoma. Mr. Speaker, I yield myself such time as I may consume.

I just wish to quickly point out, again, the record which seems to get lost in the rhetoric: 88 amendments considered in the House Armed Services Committee, 75 accepted; 100 amendments dealt with by the Rules Committee, 31 brought to the floor; six others dealt with during the manager's amendment.

If my friends had their way, it wouldn't matter how many times amendments were defeated along the way. Every single one would come to the floor of the House of Representatives. If we were going to operate that way, we simply could do away with the committee system all together and simply operate by Committee of the Whole. I don't think that makes good sense.

So we are very pleased with the manner in which this bill has been dealt with. Members of both sides have regarded it as a very bipartisan piece of legislation. I will make a prediction it is going to pass with an overwhelmingly bipartisan vote.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, let me take just a moment to say to my friend from Oklahoma that when the Democrats were in charge here we would take up to 2 weeks in the Rules Committee looking at the defense bill which was almost always open because we all recognized the importance and that is where we spend the money. We didn't rush bills out the door in those days, and I long for them.

Mr. Speaker, I yield 1½ minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I rise in strong opposition to this rule.

Yesterday, I spoke about a provision in the defense bill that has nothing to do with helping our troops and everything to do with congressional hubris.

This provision would kick the public off Santa Rosa Island, a part of the Channel Islands National Park.

Mr. SNYDER and I have an amendment to strike that provision, but the Republicans on the Rules Committee have decided the House just won't vote on it.

This provision affects a national park in my congressional district. There have been no hearings on it. DOD didn't ask for it. Park Service flat out opposes it.

Yet, it is in the bill with no discussion, no opportunity to let the House decide whether it is a good idea or not to kick taxpayers off the land that they spent $30 million for.

I can only assume the Republican leadership is afraid to have a debate on this. And I don't blame them, in a sense. This provision is a travesty. They should be embarrassed.

They might have to explain why the public should be kicked off this island so a privately run, extremely lucrative trophy-hunting operation can continue in a national park.

This all started when the chairman of the committee said he was driving down the highway, saw the island, thought that hunting in the national park was a good idea.

End of debate.

He first defended his proposal as a way to help veterans hunt. When that didn't fly, it was to protect the animals.

Mr. Speaker, this absurd provision is indefensible, and a vote on it should win; and that is why there will be no vote on it.

So as Members consider how to vote on this rule, I would ask them to think about the national parks in their district and offer them this advice: don't let the chairman take a drive in your district; he might come up with better uses than letting the public visit their own national park, and then you would be down here in my place trying to keep our national parks open.

I oppose this rule. I ask the House to vote ''no'' and save itself from this embarrassment.

Mr. COLE of Oklahoma. Mr. Speaker, just for the record, I would love to have the chairman take a drive in my district any day. We have Fort Sill Army Post, Tinker Air Force Base, and he loves soldiers, so that is fine by me.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from California (Mr. THOMPSON), a Vietnam veteran and Purple Heart recipient.

(Mr. THOMPSON of California asked and was given permission to revise and extend his remarks.)

Mr. THOMPSON of California. Mr. Speaker and Members, it is not only disappointing but it is truly mystifying to me to know why it is the amendment that I offered would not be made in order. I think everybody is in agreement that we need to do everything that we possibly can to better protect the men and women who are serving in uniform in Iraq.

Everybody knows that the insurgent attacks are up in Iraq. They are up from last year. They are up from the year before. And the fact that those who recruit those insurgents can claim that we are there as occupiers to control the flow of Iraqi oil is a very powerful recruitment tool.

My amendment merely is a sense of Congress that says we are not there to control the Iraqi oil. Let's send a strong message to those who are subject to recruitment. Let's send a strong message to all of those who think that this is oil motivated. Let's let them know that we are not there for the oil.

Why would anyone on the Republican side of the aisle have a problem with sending that message? We need to send it. We need to send it now.

We need to go back and fix this bill to be able to consider, not only my amendment, but the other good amendments that were before us. And we need to make sure that everybody knows it is not about the oil, and do everything we can to protect our men and women serving in uniform.

Mr. COLE of Oklahoma. Mr. Speaker, I simply point out to my friends on the other side of the aisle that all of these matters can be dealt with in a motion to recommit. I would invite them to do that.

I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Colorado (Mr. UDALL).

(Mr. UDALL of Colorado asked and was given permission to revise and extend his remarks.)

Mr. UDALL of Colorado. Mr. Speaker, I also rise in opposition to this rule. As the ranking member pointed out, let us debate and vote on the Skelton, Andrews, Israel, Hoyer, Gordon and Udall amendments.

Earlier, the chairman and the ranking member had an important discussion about oil production. It was a legitimate debate. But the purpose of the Hoyer amendment is to focus on alternative fuel production.

We all share support for the missile defense program. But it is the largest single weapons research and development program in the DOD at $10 billion. We are asking for $63 million to include an alternative fuels production initiative in the Department of Defense so that we can move closer to energy independence. Energy independence equals energy security. That means national security.

Mr. Speaker, I can think of nothing more important to us today than breaking our addiction to foreign oil and making sure that we are secure in the long run, and the American people understand the importance of this initiative.

Let's reject this rule and include these important amendments in the debate that is forthcoming, give the whole House a chance to vote and express its will.

Mr. Speaker, I rise to voice my strong objection to this rule. This was the second chance for the Rules Committee Republicans to get it right, but they got it wrong again.

The rule allows debate on some important amendments but leaves out the most crucial ones. The rule essentially prevents an airing of key issues—and consequently reflects poorly on this body and does a disservice to the American people.

In his testimony before the Rules Committee, Armed Services Committee Ranking Member SKELTON expressed strong support for a number of amendments that would strengthen the bill (and strengthen real security for all Americans.)

Among them were his own, an amendment to lower the increased retail pharmacy co-payment fees for military families; an amendment offered by Mr. ANDREWS and others to increase funding for nonproliferation programs; and an amendment by Mr. ISRAEL to require that chaplains demonstrate sensitivity, respect, and tolerance toward servicemembers of all faiths. None of these amendments was made in order.

Mr. SKELTON also expressed strong support for an amendment on energy security that I offered and a similar one that I offered with my colleagues Mr. HOYER and Mr. GORDON.

But even as Americans struggle to afford near-record high gas prices, Republicans refused to allow debate on these amendments to increase funding for alternative fuels programs at the Department of Defense. America's addiction to oil from any source means that our security is vulnerable and will continue to be until we have the vision to look beyond the oil wells. I'm very disappointed that the Republican leadership doesn't see this as a priority.

Another amendment not made in order was one offered by Mrs. CAPPS and Mr. SNYDER to strike language in the bill prohibiting the National Park Service from carrying out a 1997 court-ordered settlement agreement that requires the shutdown of a private trophy hunting operation on Santa Rosa Island, part of the Channel Islands National Park. There have been no hearings on this issue, the National Park Service is opposed to it, and DoD has not requested it. The Republican leadership should have allowed debate on this amendment.

Many more amendments worthy of House consideration were not made in order. This means that the bill we will debate today on the House floor will not address some of the key challenges affecting our military and our policies in Iraq and Afghanistan.

Mr. Speaker, this rule stifles debate, and I cannot support it.

Mr. COLE of Oklahoma. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. INSLEE).

(Mr. INSLEE asked and was given permission to revise and extend his remarks.)

Mr. INSLEE. Mr. Speaker, this is the most pathetic rule since I have been here, and I am not the only one who believes this. Last weekend I was on a walk. I met an old friend of mine who told me his son, as we were speaking, was landing in Mosul, Iraq with the United States Army. And my friend and his wife were raising their grandson, a 2-year-old because this soldier is a single parent.

And while he is over there fighting with courage, this House doesn't have the courage to debate Iraq. And every single amendment that was offered that would offer a strategic vision that questions George Bush's decisions in Iraq was denied.

□ 1215

The Abercrombie amendment to say we should have some plan to leave by 2010, denied. The Cardin amendment to have some plan, denied.

This House basically today has said it is only going to do one thing and that America should do only one thing, and that is trust the eminent judgment of President George Bush, who is apparently infallible, unquestionable, and nothing that this U.S. Congress should challenge.

My friend begs to differ, whose son landed in Mosul. This House should challenge George Bush on Iraq. We should have a debate on it. We should not ignore it. While our soldiers have courage enough to fight, we ought to have courage enough to fight George Bush's misguided policies in Iraq.

Mr. COLE of Oklahoma. Mr. Speaker, it is good to see my good friend from Washington again. We actually visited Iraq together. I know how strongly he feels about this issue. I respect that. I would also point out, though, that we have discussed Iraq on many occasions in this House. We have in the past, we will in the future.

In addition to that, again I just wanted to remind my friends of the simple numbers: 88 amendments considered by the House Armed Services Committee, 75 accepted, about evenly split; 100 amendments proposed to the Rules Committee, 31 accepted, 6 considered or incorporated in the manager's amendment. Frankly, all the other matters where folks are disappointed or have a different point of view can be dealt with in a motion to recommit. I suspect they will be.

The reality is, we have had a very bipartisan process. We agree on 98 or 99 percent of the issues that will be incorporated, I suspect, on the final vote.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. ISRAEL).

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind persons in the gallery that they are guests of the House of Representatives and that it is inappropriate under the rules of the House to show either approval or disapproval of speeches given on the House floor.

Mr. ISRAEL. Mr. Speaker, I don't think I need 1½ minutes to make my point. I think this is rather clear and rather simple.

I was in Iraq about 3 weeks ago when a bipartisan delegation was sent to urge the leaders of the Iraq Government to show respect and tolerance for their different faiths and create a unity government.

This rule explicitly rejects respect and tolerance for servicemembers of different faiths in our own military. I offered an amendment that sought common ground, that preserved in its entirety every single word that the majority had in with respect to allowing and ensuring the right of military chaplains to pray in accordance with the dictates of their conscience.

Every word of the Republican language was in, and then I added this simple statement, ''and shall behave with sensitivity, respect, and tolerance towards servicemembers of all faiths.''

Who could be against sensitivity, respect and tolerance to servicemembers of all faiths? The Rules Committee majority, which wouldn't even allow us to debate my amendment, which wouldn't even allow us to vote on that amendment.

Who could be against national security that depends on unit cohesion and allowing our local commanders to make fundamental personnel decisions and ensure good order and discipline? The Rules Committee majority, which wouldn't even allow us to debate that amendment or listen to those military guidelines.

People talk a good game around here about family values. But when it comes time to vote on family values, they won't vote on family values in our military. They talk a good game about a strong military and security, but when the time comes, won't listen to our commanders.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. ISRAEL. I yield to the gentleman from Missouri.

Mr. SKELTON. I commend the gentleman for his effort. I can think of no faith that would disagree with the wording that you have proposed. I think it is just too bad that it was not allowed to be put in order, because I think it would have received more than a substantial vote in this House.

Mr. ISRAEL. I thank the gentleman.

I will remind my colleagues that every faith talks about the importance of respect and tolerance for one another. Unfortunately, this Congress has chosen to reject those values by not even allowing us to discuss them when it comes to our own military.

Mr. COLE of Oklahoma. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from California (Mr. HUNTER), the chairman of the Armed Services Committee.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding. No one has more respect for the gentleman from New York than I. I just want to remind my colleagues that we had a vote on the gentleman's amendment in committee, and we did put it in, and it was an amendment to a provision that we put into the bill that was, I thought, an excellent provision; I think, most members of the committee agreed.

I think that is reflected by the 60–1 vote that ultimately discharged the bill, agreed with, that was what it said, that chaplains of all faiths, all faiths, would be allowed to pray according to the dictates of their own conscience.

Now, I know you can add a word or two or a comma or a change of phrase, and the effect of a small group of words can have 60 different interpretations by various members of the committee.

But the provision that we left with, because I think there has been a concern that we have commanders, I think there is concern that chaplains be allowed to pray according to the dictates of their own conscience. We asserted in a positive statement that they would be able to do that.

That was something I think most members agreed with. In fact, they did agree with it on a bipartisan basis. The gentleman offered a change to that, and that was rejected. So I just want my colleagues to know that we thought, and I think today, that a statement that says that all chaplains, no matter what faith, are able to pray according to the dictates of their own conscience. It is a statement of fairness and serves the military well.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, the 9/11 Commission said that a quantity of highly enriched uranium about the size of a grapefruit, if it were used to make a bomb that could be put in a van that could be driven into lower Manhattan, could level lower Manhattan by a nuclear weapon.

Where you would you find this enriched uranium?

There are 106 reactors in the former Soviet Union that use highly enriched uranium. Forty-two of them are being converted to the kind of uranium that can't be used to make a bomb. Sixty-four of them are still in operation today. Sixty-four of them are still a potential source of that bomb that could level lower Manhattan.

We had an amendment that said for every $1,000 we are going to spend on the ballistic missile defense program, let us take $3 out of every $1,000 and spend it on cleaning up and shutting down those 64 reactors in the former Soviet Union. Do you think we should or not?

This House won't get to make that decision because this amendment is not in order. If you ever need a reason to oppose this rule, there is your reason.

Mr. COLE of Oklahoma. Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time.

May I inquire if my colleague has more?

Mr. COLE of Oklahoma. No, I am prepared to close.

PARLIAMENTARY INQUIRY

Mr. SNYDER. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. SNYDER. Mr. Speaker, under the rules of the House, as I understand it, yesterday Mrs. DAVIS of California's amendment under consideration of the defense bill was in order, even though it had been considered in committee.

I assume that there was no rule prohibiting the consideration of that amendment yesterday; is that correct?

The SPEAKER pro tempore. The gentleman is correct.

Mr. SNYDER. And so when we hear this discussion today, we have heard it now with Mr. SKELTON's amendment, we have heard it with Mr. ISRAEL's amendment, that because they were considered in the House Armed Services Committee, there is no rule prohibiting their consideration during consideration of the bill on the House floor today; is that correct?

The SPEAKER pro tempore. The gentleman is correct. That is a matter for debate on the rule, as to how it proposes to treat particular proposed amendments.

Mr. SNYDER. Further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. SNYDER. The suggestion has been made that these amendments that have not been made in order for debate and discussion today be put in the form of a motion to recommit. Under the rules of the House, whatever motion to recommit is offered, is it accurate to say that there will be 5 minutes allotted to the proponent of that motion to recommit?

The SPEAKER pro tempore. The gentleman is correct. The standing rules provide for 5 minutes of debate in support of a motion that includes instructions.

Mr. SNYDER. So if the decision is made by our side to try to combine 10 amendments that have been denied discussion on this floor today into a motion to recommit, that would work out to an average of 30 seconds to discuss nuclear proliferation, 30 seconds to discuss the pharmacy amendment, 30 seconds to discuss the policy of chaplains.

Is that an accurate description of the rules of the House, Mr. Speaker?

The SPEAKER pro tempore. While the Chair can't engage hypothetical questions, the gentleman is correct that there are 5 minutes of debate in support of a motion to recommit.

Mr. SNYDER. Mr. Speaker, I appreciate your patience and conduct today.

Ms. SLAUGHTER. Mr. Speaker, I will be asking Members to vote ''no'' on the previous question. If the previous question is defeated, I will amend the rule to allow the House to consider the Skelton amendment on prescription drug copayments for members of the military and their families.

This amendment was offered in the Rules Committee last night, but was defeated on a 4–8 straight party line vote.

I ask unanimous consent to insert the text of the amendment and extraneous materials immediately prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. SLAUGHTER. Mr. Speaker, the amendment seeks to reduce proposed increases in copayments for military families back to current cost shares.

As the war in Iraq drags on and on, we continue to ask more and more of the brave men and women who serve in our military. They are asked to sacrifice everything, from their own lives to the health and livelihoods of their families. These families are already struggling paycheck to paycheck just to make ends meet.

Maybe the increase in the copayments don't seem like much to the wealthy Americans who were rewarded by Republicans yesterday with a hefty five-figure tax break but, they sure make a significant break in the budgets of low- and moderate-income families with children.

Mr. Speaker, not only is Ranking Member SKELTON one of the most distinguished and respected Members of the House, he is also an expert on military personnel. To deny him the opportunity to even offer this responsible amendment is simply outrageous. Even those who don't support his amendment ought to have the courage to vote whether or not to help our soldiers and their families pay for medicine.

I want to emphasize that a ''no'' vote will not block the defense authorization bill and will not affect any of the other amendments that are in order under this rule, but a ''no'' vote will allow us to debate and vote on the Skelton amendment.

Vote ''no'' on the previous question.

Mr. Speaker, I yield back the balance of my time.

Mr. COLE of Oklahoma. Mr. Speaker, we have had a good chance to debate the issues in the process today. After this debate, I am convinced that the process worked as it should. There can be no debating the basic facts. The House Armed Services Committee considered 88 amendments; 75 of those amendments, 38 Democrat, 36 Republican, one bipartisan, were incorporated into the legislation.

The House Rules Committee received over 100 amendments; 31 of those were made in order. They were about evenly balanced between the two parties. An additional six were incorporated into the manager's amendment. Numerous minority amendments were accepted and moved through regular order. The ranking members of the subcommittees and the full House Armed Services Committee all support the underlying legislation.

Ultimately, there can be no dispute that the process followed for this legislation was fully the regular order. It was fair and protected minority rights.

I think that we should focus, as we come to the conclusion of this debate, on what unites us instead of what divides us. The fact is that we agree on both sides of the House with 97 or 98 percent of what is in the actual legislation.

This is actually a model of bipartisan cooperation, a consensus, despite some of the rhetoric that we have here today. To that end, Mr. Speaker, I urge support for the rule and the underlying legislation.

Mr. LARSON of Connecticut. Mr. Speaker, I rise today in strong opposition to this rule for consideration of H.R. 5122, the Fiscal Year 2007 National Defense Authorization Act.

There is no doubt that the bill before us today authorizes critical funding and programs for our troops, our Nation, and my home state of Connecticut. It authorizes billions for weapons systems vital to our Nation's security, such as the F–22A, Joint Strike Fighter and C–17 aircraft. It provides critical health care access to our National Guard and reserve by expanding their access to the TRICARE program and rejecting most of the Pentagon's proposed hike in TRICARE fees. For our men and women in Iraq, it authorizes billions for IED protection, body armor, up-armored Humvees and other equipment that will help keep them safe.

By most accounts, this bill appears to have been considered in a bipartisan manner by the House Armed Services Committee. Protecting and providing for our men and women in uniform is one of our most important duties as elected representatives. It should not and must not be a partisan issue.

It is therefore unfortunate that this bill has been brought to the floor by the majority leadership under a restrictive rule that prevents the House to considering several important and pragmatic amendments offered by Democrats that would have greatly contributed to our debate and this bill.

Today we are not allowed to consider the amendment by the ranking member of the Armed Services Committee, Mr. SKELTON, which would have blocked a provision increasing pharmacy cost-share fees for our troops, their families, and military retirees. While rejecting most of the President's proposed fee increases for TRICARE, this bill increases the co-pay for generic drugs from $3 to $9, and the co-pay for brand name drugs from $6 to $16. These proposed increases may not amount to much on paper, but they add up to real money for a military family relying on their TRICARE coverage for their health care and prescription drug needs.

The last thing we should be doing in this bill is increasing the burdens placed on military families at a time when their loved ones are being routinely and repeatedly deployed abroad. Getting by is hard enough these days for these families, and increasing the costs for their health care is unacceptable. Despite wide opposition to TRICARE fee increases, a handful of Republicans on the rules committee last night denied this House the opportunity to consider the Skelton amendment on its merits and allow a straight up or down vote.

In addition, this rule blocks consideration of several other measures that address critical aspects of our national security. For example, an amendment that would have addressed the security implications of our dependence on foreign oil by expanding resources for the development of alternative energy sources, such as fuel cells, at the Defense and Energy departments was blocked. An amendment establishing a Truman Commission-style committee to investigate billions in contract abuses in Iraq will not see the light of day on the floor. A provision that would help to restore our reputation in the world by denying the use of taxpayer funds for the use of torture will not be debated. Finally, an important proposal to increase funding for one of our most critical national security challenges—the proliferation of nuclear weapons—was denied consideration today.

Mr. Speaker, the national security challenges we face today, and will face in the future, are simply too important to be left subject to partisan politics. It is unfortunate that this rule fails to reflect the cooperation and bipartisanship on these issues that our troops and our nation expect and deserve.

The material previously referred to by Ms. SLAUGHTER is as follows:

PREVIOUS QUESTION ON H. RES. 811 RULE FOR H.R. 5122, FY07 DEPARTMENT OF DEFENSE AUTHORIZATION

At the end of the resolution, add the following:

''SEC. 6. Notwithstanding any other provision of this resolution the amendment specified in section 7 shall be in order as though

printed after the amendment numbered 23 in the report of the Committee on Rules if offered by Representative SKELTON of Missouri or a designee. That amendment shall be debatable for 60 minutes equally divided and controlled by the proponent and an opponent.

SEC. 7. The amendment referred to in section 6 is as follows:

AMENDMENT TO H.R. 5122, AS REPORTED, OFFERED BY MR. SKELTON OF MISSOURI

In section 731 (relating to TRICARE pharmacy program cost-share requirements), insert before ''Paragraph (6)(A)'' the following: ''(a) COST-SHARE REQUIREMENTS.—''.

In such section, add at the end the following:

(b) REFUND OF PHARMACY COSTS.—

(1) AUTHORITY.—The Secretary of Defense may pay an eligible covered beneficiary a refund, subject to the availability of appropriations for such refunds, consisting of the difference between—

(A) the amount the beneficiary pays for costs incurred during fiscal year 2007 under cost-sharing requirements established by the Secretary under section 1074g(6)(A)(B)(ii) of title 10, United States Code, as amended by subsection (a); and

(B) the amount the beneficiary would have paid during such fiscal year if the cost sharing with respect to agents available through retail pharmacies were $3 for generic agents and $9 for formulary agents.

(2) COSTS COVERED.—The refunds under paragraph (1) are available only for costs incurred by eligible covered beneficiaries during fiscal year 2007.

(3) ELIGIBLE COVERED BENEFICIARY.—In this section, the term ''eligible covered beneficiary'' has the meaning provided in section 1074g(f) of title 10, United States Code.

(4) REGULATIONS.—The Secretary shall prescribe regulations to implement this subsection not later than October 1, 2006.

(c) FUNDING.—Of the amounts authorized to be appropriated under title XV of this Act, $290,000,000 is authorized for the purposes of the refund authorized under subsection (b)(1).

___

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Republican majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution * * * [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual: Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule * * * When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mr. COLE of Oklahoma. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 223, nays 192, not voting 17, as follows:

[Roll No. 139]

YEAS—223

Aderholt	Boehner	Campbell (CA)
Akin	Bonilla	Cantor
Alexander	Bonner	Capito
Bachus	Bono	Castle
Baker	Boozman	Chabot
Barrett (SC)	Boustany	Chocola
Bartlett (MD)	Bradley (NH)	Coble
Barton (TX)	Brady (TX)	Cole (OK)
Bass	Brown (SC)	Conaway
Beauprez	Brown-Waite, Ginny	Crenshaw
Biggert	Burgess	Cubin
Bilirakis	Burton (IN)	Culberson
Bishop (UT)	Buyer	Davis (KY)
Blackburn	Calvert	Davis, Jo Ann
Blunt	Camp (MI)	Davis, Tom
Boehlert		Deal (GA)
DeLay	Johnson, Sam	Porter
Dent	Jones (NC)	Price (GA)
Diaz-Balart, L.	Keller	Pryce (OH)
Diaz-Balart, M.	Kelly	Putnam
Doolittle	Kennedy (MN)	Radanovich
Drake	King (IA)	Ramstad
Dreier	King (NY)	Regula
Duncan	Kingston	Rehberg
Ehlers	Kirk	Reichert
Emerson	Kline	Renzi
English (PA)	Knollenberg	Reynolds
Everett	Kolbe	Rogers (AL)
Feeney	Kuhl (NY)	Rogers (KY)
Ferguson	LaHood	Rogers (MI)
Fitzpatrick (PA)	Latham	Rohrabacher
Flake	LaTourette	Ros-Lehtinen
Foley	Leach	Royce
Forbes	Lewis (CA)	Ryan (WI)
Fortenberry	Lewis (KY)	Ryun (KS)
Fossella	Linder	Saxton
Foxx	LoBiondo	Schmidt
Franks (AZ)	Lucas	Schwarz (MI)
Frelinghuysen	Lungren, Daniel E.	Sensenbrenner
Gallegly	Mack	Sessions
Garrett (NJ)	Manzullo	Shadegg
Gerlach	Marchant	Shaw
Gibbons	McCaul (TX)	Shays
Gilchrest	McCotter	Sherwood
Gillmor	McCrery	Shimkus
Gingrey	McHenry	Shuster
Gohmert	McHugh	Simmons
Goode	McKeon	Simpson
Goodlatte	McMorris	Smith (NJ)
Granger	Mica	Sodrel
Graves	Miller (FL)	Souder
Green (WI)	Miller (MI)	Stearns
Gutknecht	Miller, Gary	Sullivan
Hall	Moran (KS)	Sweeney
Harris	Murphy	Tancredo
Hart	Musgrave	Taylor (NC)
Hastings (WA)	Myrick	Terry
Hayes	Neugebauer	Thomas
Hayworth	Ney	Thornberry
Hefley	Northup	Tiahrt
Hensarling	Norwood	Tiberi
Herger	Nunes	Turner
Hobson	Nussle	Upton
Hoekstra	Osborne	Walden (OR)
Hostettler	Otter	Walsh
Hulshof	Oxley	Wamp
Hunter	Paul	Weldon (FL)
Hyde	Pearce	Weldon (PA)
Inglis (SC)	Pence	Weller
Issa	Petri	Whitfield
Istook	Pickering	Wicker
Jenkins	Pitts	Wilson (NM)
Jindal	Platts	Wolf
Johnson (CT)	Pombo	Young (AK)
Johnson (IL)		Young (FL)

NAYS—192

Ackerman	Crowley	Honda
Allen	Cuellar	Hooley
Andrews	Cummings	Hoyer
Baca	Davis (AL)	Inslee
Baird	Davis (CA)	Israel
Baldwin	Davis (FL)	Jackson (IL)
Barrow	Davis (IL)	Jackson-Lee (TX)
Bean	Davis (TN)	Johnson, E. B.
Becerra	DeFazio	Jones (OH)
Berkley	DeGette	Kanjorski
Berman	Delahunt	Kaptur
Berry	DeLauro	Kildee
Bishop (GA)	Dicks	Kilpatrick (MI)
Bishop (NY)	Dingell	Kind
Blumenauer	Doggett	Kucinich
Boren	Doyle	Langevin
Boswell	Edwards	Lantos
Boucher	Emanuel	Larsen (WA)
Boyd	Engel	Larson (CT)
Brady (PA)	Eshoo	Lee
Brown (OH)	Etheridge	Levin
Brown, Corrine	Farr	Lewis (GA)
Butterfield	Filner	Lipinski
Capps	Frank (MA)	Lofgren, Zoe
Capuano	Gonzalez	Lowey
Cardin	Gordon	Lynch
Carnahan	Green, Al	Maloney
Carson	Green, Gene	Markey
Case	Grijalva	Marshall
Chandler	Gutierrez	Matheson
Clay	Harman	Matsui
Cleaver	Hastings (FL)	McCarthy
Clyburn	Herseth	McCollum (MN)
Conyers	Higgins	McDermott
Cooper	Hinchey	McGovern
Costa	Hinojosa	McIntyre
Costello	Holden	McKinney
Cramer	Holt	

McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wynn

NOT VOTING—17

Abercrombie
Cannon
Cardoza
Carter
Evans
Fattah
Ford
Jefferson
Kennedy (RI)
Moore (WI)
Peterson (PA)
Poe
Smith (TX)
Tauscher
Westmoreland
Wilson (SC)
Wu

□ 1252

Messrs. BERMAN, WYNN and BLUMENAUER changed their vote from ''yea'' to ''nay.''

Mr. KING of New York changed his vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

Stated against:

Ms. MOORE of Wisconsin. Mr. Speaker, on rollcall No. 139. I was unavoidably detained. Had I been present, I would have voted "no."

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 226, noes 195, not voting 11, as follows:

[Roll No. 140]

AYES—226

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—195

Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wynn

NOT VOTING—11

Abercrombie
Cardoza
Carter
Evans
Ford
Frelinghuysen
Jefferson
Kennedy (RI)
Peterson (PA)
Smith (TX)
Wu

□ 1308

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HUNTER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5122.

The SPEAKER pro tempore (Mr. KUHL of New York). Is there objection to the request of the gentleman from California?

There was no objection.

NOTICE TO ALTER ORDER OF CONSIDERATION OF AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 5122, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2007

Mr. HUNTER. Mr. Speaker, pursuant to section 4 of House Resolution 811, as the chairman of the Armed Services Committee, I request that during further consideration of H.R. 5122 in the Committee of the Whole, and following consideration of en bloc packages numbers one and two, the following amendments be considered in the following order:

Amendment No. 8 printed in House Report 109–461;

Amendment No. 15 printed in House Report 109–461;

Amendment No. 16 printed in House Report 109–461;

Amendment No. 6 printed in House Report 109–461;

Amendment No. 7 printed in House Report 109–461;

Amendment No. 9 printed in House Report 109–461;

Amendment No. 13 printed in House Report 109–461;

Amendment No. 10 printed in House Report 109–461;

Amendment No. 22 printed in House Report 109–461;

Amendment No. 18 printed in House Report 109–461;

Amendment No. 11 printed in House Report 109–461;

Amendment No. 12 printed in House Report 109–461;

Amendment No. 14 printed in House Report 109–461;

Amendment No. 23 printed in House Report 109–461;

Amendment No. 21 printed in House Report 109–461.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2007

The SPEAKER pro tempore. Pursuant to House Resolution 811 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 5122.

□ 1310

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5122) to authorize appropriations for fiscal year 2007 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2007, and for other purposes, with Mr. LATOURETTE (Acting Chairman) in the chair.

The Clerk read the title of the bill.

The Acting CHAIRMAN. When the Committee of the Whole rose on Wednesday, May 10, 2006, amendment No. 8 printed in House Report 109–459 by the gentleman from Minnesota (Mr. GUTKNECHT) had been disposed of and the request for a recorded vote on amendment No. 4 printed in that report by the gentlewoman from Texas (Ms. JACKSON-LEE) had been postponed.

Pursuant to House Resolution 811, no further amendment to the committee amendment shall be in order except those printed in House Report 109–461 and amendments en bloc described in section 3 of that resolution.

Each amendment printed in the report shall be offered only in the order printed in the report, except as specified in section 4 of the resolution, may be offered only by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent of the amendment, except that the chairman and ranking minority member of the Committee on Armed Services each may offer one pro forma amendment for the purpose of further debate on any pending amendment, and shall not be subject to a demand for division of the question.

It shall be in order at any time for the chairman of the Committee on Armed Services or his designee to offer amendments en bloc consisting of amendments printed in the report not earlier disposed of. Amendments en bloc shall be considered read, shall be debatable for 20 minutes, equally divided and controlled by the chairman and ranking minority member or their designees, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

The original proponent of an amendment included in amendments en bloc may insert a statement in the CONGRESSIONAL RECORD immediately before disposition of the amendments en bloc.

The Chairman of the Committee of the Whole may recognize for consideration of any amendment printed in the report out of the order printed, but not sooner than 30 minutes after the chairman of the Committee on Armed Services or a designee announces from the floor a request to that effect.

AMENDMENTS EN BLOC OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer amendments en bloc.

The Acting CHAIRMAN. The Clerk will designate the amendments en bloc.

Amendments en bloc offered by Mr. HUNTER printed in House Report 109–461 consisting of amendment No. 1; amendment No. 2; amendment No. 4; and amendment No. 19.

AMENDMENT NO. 1 OFFERED BY MR. BACA

The text of the amendment is as follows:

At the end of subtitle B of title III (page 67, after line 8), add the following new section:

SEC. 316. REPORT REGARDING SCOPE OF PERCHLORATE CONTAMINATION AT FORMERLY USED DEFENSE SITES.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing the results of a study of the scope of perchlorate contamination at Formerly Used Defense Sites. As part of the report, the Secretary shall identify the military installations or contractors that may have stored perchlorate or products containing perchlorate.

AMENDMENT NO. 2 OFFERED BY MR. CASTLE

The text of the amendment is as follows:

At the end of subtitle C of title VIII (page 295, after line 20), insert the following new section:

SEC. 815. AWARD AND INCENTIVE FEE CONTRACT STANDARDS.

(a) REQUIREMENT TO DEVELOP AND ISSUE STANDARDS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall develop and issue—

(1) standards that link award and incentive fees to desired program outcomes, such as meeting cost, schedule, and capability goals;

(2) standards that identify the appropriate approving official level involved in awarding new contracts utilizing award and incentive fees;

(3) guidance on when the use of rollover is appropriate in terms of new contracts utilizing award and incentive fees;

(4) performance measures to evaluate the effectiveness of award and incentive fees as a tool for improving contractor performance and achieving desired program outcomes; and

(5) guidance for the development of a mechanism to capture award and incentive fee data and to share proven award and incentive fee strategies with appropriate contracting and program officials at the Department of Defense.

(b) DEFINITION.—In this section, the term ''rollover'' means the process of moving unearned available award and incentive fees from one evaluation period to a subsequent evaluation period, thereby providing the contractor with an additional opportunity to earn that previously unearned award or incentive fee.

(c) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the status and effectiveness of developing the standards required under subsection (a) for award and incentive fee contracts.

(d) SENSE OF CONGRESS.—It is the sense of Congress that award and incentive fees should be used to motivate excellent contractor performance and that such fees should not be awarded for below-satisfactory performance.

AMENDMENT NO. 4 OFFERED BY MR. TOM DAVIS OF VIRGINIA

The text of the amendment is as follows:

At the end of subtitle B of title XXVIII (page 499, after line 15), add the following new section:

SEC. 2826. DEFENSE ACCESS ROAD PROGRAM.

Section 2837 of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3522) is amended—

(1) in subsection (a), by inserting ''and transit systems'' after ''that roads''; and

(2) in subsection (b)—

(A) by striking ''and'' at the end of paragraph (1); and

(B) by striking paragraph (2) and inserting the following new paragraphs:

''(2) to determine whether the existing surface transportation infrastructure, including roads and transit at each installation identified under paragraph (1) is adequate to support the increased traffic associated with the increase in the number of defense personnel described in that paragraph; and

''(3) to determine whether the defense access road program adequately considers the complete range of surface transportation options, including roads and other means of transit, necessary to support the national defense.''.

AMENDMENT NO. 19 OFFERED BY MR. SCHIFF

The text of the amendment is as follows:

At the end of title X (page 393, after line 23), add the following new section:

SEC. 1041. REPORT ON DEPARTMENT OF DEFENSE RESPONSE TO THREAT POSED BY IMPROVISED EXPLOSIVE DEVICES.

(a) REPORT REQUIRED.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report regarding the status of the threat posed by improvised explosive devices (in the section referred to as ''IEDs'') and describing efforts being undertaken to defeat this threat. Supplemental reports shall be submitted every 90 days thereafter to account for every incident involving the detonation or discovery of an IED since the previous report was submitted. Reports shall be transmitted in an unclassified manner with a classified annex, if necessary.

(b) JOINT IED DEFEAT ORGANIZATION AND RELATED OFFICES.—The reports required by subsection (a) shall provide the following information regarding the Joint IED Defeat Organization and all other offices within the Department of Defense and the military departments that are focused on countering IEDs:

(1) The number of people assigned to the Joint IED Defeat Organization and the related offices.

(2) The major locations to which personnel are assigned and organizational structure.

(3) The projected budget of the Joint IED Defeat Organization and the related offices.

(4) The level of funding required for administrative costs.

(c) EXISTING THREAT AND COUNTER MEASURES.—The reports required by subsection (a) shall include the following information regarding the threat posed by IEDs and the countermeasures employed to defeat those threats:

(1) The number of IEDs being encountered by United States and allied military personnel, including general trends in tactics and technology used by the enemy.

(2) Passive countermeasures employed and their success rates.

(3) Active countermeasures employed and their success rates.

(4) Any evidence of assistance by foreign countries or other entities not directly involved in fighting United States and allied forces in Iraq and Afghanistan.

(5) A list and summary of data collected and reports generated by the Department of Defense and the Armed Forces on counter-IED efforts in Iraq and Afghanistan and other fronts in the Global War on Terrorism.

(d) RESEARCH, DEVELOPMENT, TESTING, AND EVALUATION OF NEW COUNTERMEASURES.—The reports required by subsection (a) shall include the following information regarding research, development, testing, and evaluation of new active and passive countermeasures and impediments to those efforts:

(1) The status of any and all efforts within the Department of Defense and the Armed Forces to research, develop, test, and evaluate passive countermeasures and active countermeasures and to speed their introduction into units currently deployed overseas.

(2) Impediments to swift introduction of promising new active countermeasures.

(e) INTERDICTION EFFORTS.—To the extent not previously covered in another section of the reports required by subsection (a), the reports shall identify any and all other offices within the Department of Defense or the Armed Forces that are focused on interdicting IEDs, together with the personnel and funding requirements specified in subsection (b) and the success of such efforts. For purposes of this subsection, interdiction includes the development of intelligence regarding persons and locations involved in the manufacture or deployment of IEDs and subsequent action against those persons or locations, including efforts to prevent IED emplacement.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from California (Mr. HUNTER) and the gentleman from Missouri (Mr. SKELTON) each will control 10 minutes.

The Chair recognizes the gentleman from California.

Mr. HUNTER. Mr. Chairman, Mr. BACA's amendment requires the Department of Defense to study the scope of perchlorate contamination at formerly utilized defense sites.

Mr. CASTLE's amendment implements GAO's recommendations to cut down and award an incentive fee spending waste by requiring the Department to develop a strategy for linking incentives to specific outcomes such as meeting costs, schedule and capability goals. It also establishes guidance for improving the effectiveness of award and incentive fees, and ensures that appropriate approving officials are overseeing these decisions. The Department would be required to report to Congress on the status and effectiveness of these new standards.

□ 1315

The amendment offered by Mr. DAVIS is the defense access road amendment; and this program, which is known as the DAR program, currently allows DOD to pay for road projects made necessary by DOD actions, and this amendment would allow DOD to consider transit projects as part of DAR as well.

Mr. SCHIFF's amendment directs the Secretary of Defense to submit to Congress a series of regular reports on the threat to American personnel posed by IEDs, improvised explosive devices, as well as action being taken to interdict IEDs and to develop more effective active and passive countermeasures. The first report would be due 30 days after enactment, the subsequent reports every 90 days thereafter. Reports would be unclassified, with a classified annex if necessary.

Mr. Chairman, the committee supports these amendments, and let me just say with respect to the last amendment, that the committee works every day on the IED issue, and we communicate with DOD every day on operations and on the development of the countermeasure systems that we are currently undertaking to rush to the battlefield. So I very much appreciate the gentleman's concern. I think that IEDs, and I am sure he shares this concern, are an instrument of choice now by terrorists, and this is probably the most compelling challenge facing us in the warfighting theaters and in the global war against terror right now.

We work this issue every single day. We have got a new package of equipment that we are moving out, and we have added $109 million to this countermeasure fund this year. We are going to try to move that up, even if we have to move money out of the various services, and we are going to work this problem every day. So I invite the gentleman to work with us and work with our staff, and I think these reports will be value added to the process. I thank the gentleman from California for his work.

Mr. Chairman, I reserve the balance of my time.

Mr. SKELTON. Mr. Chairman, I rise in support of this en bloc amendment, and I yield 2 minutes to the gentleman from California (Mr. SCHIFF).

(Mr. SCHIFF asked and was given permission to revise and extend his remarks.)

Mr. SCHIFF. Mr. Chairman, I want to thank the chairman and the ranking member for working with me on this amendment, and I in particular want to thank you for all of your diligence in making sure that we have the best equipment and that the Pentagon is doing everything else possible to interdict and to defend against these improvised explosive devices.

We have all been to the funerals of our constituents that were lost in Iraq and Afghanistan. Most of them have been lost through improvised explosive devices. I think it is the number one cause of American deaths in Iraq, and I think three out of the four families that I have gotten to know that have lost loved ones in Iraq were killed by IEDs. They have been responsible for 38 percent of all U.S. deaths in Iraq, including those from non-hostile causes, for every month since May of 2005. Through Sunday, IEDs caused 790 American deaths in Iraq, representing a third of all U.S. fatalities since the start of the war.

Clearly, the Iraqi insurgents have learned to adapt to U.S. defensive measures by using bigger, more sophisticated and better concealed bombs. In the first few months of the insurgency, IEDs were often little more than crude pipe bombs that used old-fashioned wire detonators. Now they are sometimes made with multiple artillery shells, Iranian explosives, and rocket propellant. Gone are the days of wire detonators that were easy to spot. IEDs are now detonated by cell phones or a garage door opener and other devices. They range in size from massive explosives capable of destroying 5-ton vehicles to precision-shaped charges that tear through armored vehicles.

IEDs have also become, unfortunately, a greater problem in Afghanistan where, according to analysts, Taliban and al Qaeda forces have been studying the lessons learned by the insurgents in Iraq. Over the past several months, American and NATO forces have been the victim of roadside bombs that previously we had just seen in Iraq.

So, Mr. Chairman, to the chairman of the committee and the ranking member, I very much look forward to working with you on this issue. I appreciate your willingness to work on this amendment.

Mr. HUNTER. Mr. Chairman, I yield myself such time as I may consume.

I thank the gentleman for his contribution, and let me just lay out some of things that we are doing because I think this area is so important for us. Included in the base bill, the gentleman from Missouri and myself and our great members of the committee on both sides of the aisle worked out, we added $109.7 million for jammers. Jammers are very important in this IED business because these improvised explosive devices are largely detonated remotely.

As the gentleman knows, few of them, some of them, are detonated by wires that are connected to detonators, and you may have an insurgent hiding 20, 30, 40, 50 yards from the roadside or from the dismounted U.S. military unit and he detonates it with a clacker or a detonation device in the style that has been utilized by militaries up to the last several years ago.

The other detonation device, and one that is now the device of choice, is a remote detonation, and that detonation

allows a person, the insurgent, to be many yards away, far away from the particular avenue that he is ambushing. In many cases, he does not even need to have a weapon. He may be lost in a crowd, and he waits for a convoy to line up on a particular lamp post or other object, and he blows this device, which may be a 152-millimeter artillery round by using this remote detonation capability. Without getting into the classified areas, there are a number of remote detonation capabilities, and what we are trying to do is to direct our countermeasures to be able to jam those detonations.

So we have put a lot of extra money in. The administration has a lot of money in, but we have put in more. We have been working on equipment packages with them, and the key is to move this stuff through the training ranges here, the testing ranges, quickly into the field; and I can assure the gentleman we are really going to be working on this. So I thank him so much for his focus on this important area, and we will work together.

Mr. Chairman, I reserve the balance of my time.

Mr. SKELTON. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. BACA).

(Mr. BACA asked and was given permission to revise and extend his remarks.)

Mr. BACA. Mr. Chairman, first of all, I would like to thank the gentleman from California (Mr. HUNTER) and, of course, the gentleman from Missouri (Mr. SKELTON) too, as well, and I would like to also thank Congressman DREIER, Congressman LEWIS, and Congressman POMBO in helping us work with this simple amendment that basically asks the Department of Defense to require a study of the perchlorate contamination at formerly utilized defense sites, otherwise known as FUDS.

The amendment also requires an assessment of what military installations or contractors have stored perchlorate. This study will help us have a national understanding of this problem that has so far been seen in our region.

Southern California, the Bay Area, Massachusetts, Michigan, New Hampshire, are only a few of the regions affected. Is this happening in your State?

Cities and counties across the country are closing their groundwater wells due to perchlorate contamination. From most accounts, 90 percent of perchlorate in water comes from a Federal source, primarily from former military sites and other Department of Defense installations.

This volatile organic compound is a rocket fuel additive that has been found to be harmful to thyroid function. 319 groundwater wells are impacted in California alone, with 78 of them in my district; and 186 sources in San Diego, Riverside, and Orange Counties have been impacted.

Several States throughout the county are now waking to a similar problem and are also seeing similar effects in their areas.

Perchlorate does not just affect the drinking water supply, but our food supplies as well. So it does affect supplies. It has been reported in lettuce in the Imperial Valley which relies on the Colorado River for irrigation, and perchlorate has been found in milk.

Hardworking families living in the United States with large military and aerospace facilities are not at fault and should not have to pay for a federally created problem.

Many communities cannot afford costly toxic cleanups, and the alternative is no better. Cities are being forced to raise water rates to outrageous levels, forgo dust control on highways to meet clean air requirements, and to truck in water from other regions.

For the 43rd Congressional District of California and many other districts throughout the country, the Federal Government needs to step up and take responsibility. That is basically what we are asking is just the Federal Government to take responsibility and do a study.

We need to fully understand the scope of the problems so we can protect our children and protect the elderly from this dangerous health risk.

The House of Representatives has already twice passed a bill I introduced, H.R. 18, the Southern California Ground Remediation Act, which authorized $50 million for groundwater remediation, including perchlorate. Meanwhile, the Senate has not allowed this bill to become law. It is clear my colleagues in the House support this measure.

But our communities cannot wait any longer. That is why I have introduced this amendment to study the perchlorate contamination legacy from FUDS. This is required to advance the body of research already under way.

Ultimately, we must remember that this is a federally created problem; and, hence, the solution must be Federal as well.

Mr. HUNTER. Mr. Chairman, I just want to say to my colleague from California that he has brought an excellent amendment to the floor here, and this is certainly something that does require action, justifies action by the Federal Government, and we totally support his amendment on this side.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise to offer this amendment to help States all across the Nation deal with the dynamic affects of BRAC can have on their local communities. In my district alone we will incur the single largest loss and gain in the most recent round of BRAC. We will have roughly 23,000 positions vacated out of DoD leased space in Arlington, Virginia and roughly the same number of jobs added to Fort Belvoir, Virginia.

While we give warm welcome to the additional jobs coming to Fort Belvoir we must ensure that we are able to continue to observe our smart growth principles. The transportation infrastructure in the vicinity of Fort Belvoir/Southern Alexandria sector is already overburdened and inadequate. It is important that DoD has a wide array of tools at its disposal in order to work with our local community to help absorb the affects of such a massive growth.

The Defense Access Road (DAR) program currently allows DoD to pay for road projects made necessary by DoD actions. My amendment would simply allow DoD to consider transit projects as part of the Defense Access Road program as well. It does not force DoD to enforce a blanket policy because I know each community has its own specific needs and a one size fits all is simply not appropriate. Some communities could use more roads and others could use buses.

Mr. Chairman, I know my district was not the only one effected by BRAC. My amendment is important to every State across the Nation that was affected by BRAC or any other DoD action that will significantly impact their local communities. I have already received a call from the North Carolina's Governor's office supporting this effort.

Mr. Chairman, in closing I would like to thank Chairman HUNTER, Senator WARNER, and JIM MORAN for working with me to make this amendment a reality. I urge an ''aye'' vote.

Mr. HUNTER. Mr. Chairman, I yield back the balance of our time.

Mr. SKELTON. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from California (Mr. HUNTER).

The amendments en bloc were agreed to.

AMENDMENTS EN BLOC OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer amendments en bloc.

The Acting CHAIRMAN. The Clerk will designate the amendments en bloc.

Amendments en bloc offered by Mr. HUNTER printed in House Report 109–461 consisting of amendment No. 3; amendment No. 5; amendment No. 17; and amendment No. 20.

AMENDMENT NO. 3 OFFERED BY MR. CHABOT

The text of the amendment is as follows:

At the end of subtitle D of title VI (page 229, after line 16), insert the following new section:

SEC. 644. SENSE OF CONGRESS CONCERNING ELIGIBILITY OF CERTAIN ADDITIONAL DEPENDENT CHILDREN FOR ANNUITIES UNDER MILITARY SURVIVOR BENEFIT PLAN.

It is the sense of Congress that eligibility for a surviving child annuity in lieu of a surviving spouse annuity under the military Survivor Benefit Plan for a child of a member of the Armed Forces dying while on active duty should be extended so as to cover children of members dying after October 7, 2001 (the beginning of Operation Enduring Freedom), rather than only children of members dying after November 23, 2003.

AMENDMENT NO. 5 OFFERED BY MR. TOM DAVIS OF VIRGINIA

The text of the amendment is as follows:

At the end of subtitle D of title XXVIII (page 504, after line 7), add the following new section:

SEC. 2844. MODIFICATIONS TO LAND CONVEYANCE AUTHORITY, ENGINEERING PROVING GROUND, FORT BELVOIR, VIRGINIA.

(a) CONSTRUCTION OF SECURITY BARRIER.—Section 2836 of the Military Construction Authorization Act for Fiscal Year 2002 (division B of Public Law 107–107; 115 Stat. 1314),

as amended by section 2846 of the Military Construction Authorization Act for Fiscal Year 2006 (division B of Public Law 109–163; 119 Stat. 3527), is further amended—

(1) in subsection (b)(4), by striking ''$3,880,000'' and inserting ''$4,880,000''; and

(2) in subsection (d)—

(A) in paragraph (1), by inserting after ''Virginia,'' the following: ''and the construction of a security barrier, as applicable,''; and

(B) in paragraph (2), by inserting after ''Building 191'' the following: ''and the construction of a security barrier, as applicable''.

(b) AUTHORITY TO ENTER INTO ALTERNATIVE AGREEMENT FOR DESIGN AND CONSTRUCTION OF FAIRFAX COUNTY PARKWAY PORTION.—Such section 2836 is further amended—

(1) in subsection (b)—

(A) by amending paragraph (1) to read as follows:

''(1) except as provided in subsection (f), design and construct, at its expense and for public benefit, the portion of the Fairfax County Parkway through the Engineer Proving Ground (in this section referred to as the 'Parkway portion');''; and

(B) in paragraph (2), by inserting after ''C514'' the following: '', RW–214 (in this section referred to as 'Parkway project')'';

(2) by redesignating subsection (f) as subsection (g);

(3) by inserting after subsection (e) the following new subsection:

''(f) ALTERNATE AGREEMENT FOR CONSTRUCTION OF ROAD.—(1) The Secretary of the Army may, in connection with the conveyance authorized under subsection (a), enter into an agreement with the Commonwealth providing for the design and construction by the Department of the Army or the United States Department of Transportation of the Parkway portion and other portions of the Fairfax County Parkway off the Engineer Proving Ground that are necessary to complete the Parkway project (in this subsection referred to as the 'alternate agreement') if the Secretary determines that the alternate agreement is in the best interests of the United States to support the permanent relocation of additional military and civilian personnel at Fort Belvoir pursuant to decisions made as part of the 2005 round of defense base closure and realignment under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

''(2) If the Secretary of Defense certifies that the Parkway portion is important to the national defense pursuant to section 210 of title 23, United States Code, the Secretary of the Army may enter into an agreement with the Secretary of Transportation to carry out the alternate agreement under the Defense Access Road Program.

''(3) The Commonwealth shall pay to the Secretary of the Army the costs of the design and construction of the Parkway portion and any other portions of the Fairfax County Parkway off the Engineer Proving Ground designed and constructed under the alternate agreement. The Secretary shall apply such payment to the design and construction provided for in the alternate agreement.

''(4) Using the authorities available to the Secretary under chapter 160 of title 10, United States Code, and funds deposited in the Environmental Restoration Account, Army, established by section 2703(a) of such title and appropriated for this purpose, the Secretary may carry out environmental restoration activities on real property under the jurisdiction of the Secretary in support of the construction of the Parkway portion.

''(5) The alternate agreement shall be subject to the following conditions:

''(A) The Commonwealth shall acquire and retain all necessary right, title, and interest in any real property not under the jurisdiction of the Secretary that is necessary for construction of the Parkway portion or for construction of any other portions of the Fairfax County Parkway off the Engineer Proving Ground that will be constructed under the alternate agreement, and shall grant to the United States all necessary access to and use of such property for such construction.

''(B) The Secretary shall receive consideration from the Commonwealth as required in subsections (b)(2), (b)(3), and (b)(4) and shall carry out the acceptance and disposition of funds in accordance with subsection (d).

''(6) The design of the Parkway portion under the alternate agreement shall be subject to the approval of the Secretary and the Commonwealth in accordance with the Virginia Department of Transportation Approved Plan, dated June 15, 2004, Project #R000–029–249, PE–108, C–514, RW–214. For each phase of the design and construction of the Parkway portion under the alternate agreement, the Secretary may—

''(A) accept funds from the Commonwealth; or

''(B) transfer funds received from the Commonwealth to the United States Department of Transportation.

''(7) Upon completion of the construction of the Parkway portion and any other portions of the Fairfax County Parkway off the Engineer Proving Ground required under the alternate agreement, the Secretary shall carry out the conveyance under subsection (a). As a condition of such conveyance carried out under the alternate agreement, the Secretary shall receive a written commitment, in a form satisfactory to the Secretary, that the Commonwealth agrees to accept all responsibility for the costs of operation and maintenance of the Parkway portion upon conveyance to the Commonwealth of such real property.''; and

(4) in subsection (g), as redesignated by paragraph (2), by inserting ''or the alternate agreement authorized under subsection (f)'' after ''conveyance under subsection (a)''.

AMENDMENT NO. 17 OFFERED BY MR. RYAN OF OHIO

The text of the amendment is as follows:

At the end of subtitle C of title II (page 50, after line 23), insert the following new section:

SEC. 2__. HIGH ALTITUDE AIR SHIP PROGRAM.

Within the amount provided in section 201 for Research, Development, Test, and Evaluation, Air Force—

(1) $5,000,000 is available for the High Altitude Air Ship Program; and

(2) the amount provided for the Space Based Space Surveillance System is reduced by $5,000,000.

AMENDMENT NO. 20 OFFERED BY MS. SLAUGHTER

The text of the amendment is as follows:

At the end of title V (page 193, after line 20), insert the following new section:

SEC. 5xx. INCLUSION IN ANNUAL DEPARTMENT OF DEFENSE REPORT ON SEXUAL ASSAULTS OF INFORMATION ON RESULTS OF DISCIPLINARY ACTIONS.

Section 577(f)(2)(B) of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375; 118 Stat. 1927) is amended by inserting before the period at the end the following: ''and the results of the disciplinary action''.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from California (Mr. HUNTER) and the gentleman from Missouri (Mr. SKELTON) each will control 10 minutes.

The Chair recognizes the gentleman from California.

Mr. HUNTER. Mr. Chairman, I yield myself such time as I may consume. Let me offer the description of the amendments.

Mr. CHABOT's amendment expresses a sense of Congress that the spouses of armed services members who have died between October 7, 2001, and November 23, 2003, should be permitted to have the option of assigning their SBP payments, their survivor payments, to their children.

Mr. DAVIS' amendment is another defense access road amendment. This amendment would allow DOD to consider transit projects, as well, as part of the DAR, the Defense Access Road program.

Mr. RYAN of Ohio's amendment authorizes $5 million for the High Altitude Airship program. The HAA is designed to be an uninhabited, long-endurance, platform for carrying forward-based sensors and a wide range of other BMD payloads that will enable continuous over-horizon communication. It would also provide wide-area surveillance and protection without interruption or the risk associated with manned aircraft. The offsets are $5 million from the Space Based Space Surveillance program, and this is another tool for sensor and surveillance capability.

The amendment offered by Ms. SLAUGHTER requires the Department of Defense to include the number of disciplinary actions as part of the annual report on sexual assault in the military.

So those are brief definitions or descriptions of these amendments.

Mr. Chairman, I reserve the balance of our time.

Mr. SKELTON. Mr. Chairman, I yield myself such time as I may consume.

Let me say I support this second en bloc series of amendments on behalf of my colleagues, in particular Mr. RYAN and Ms. SLAUGHTER, who have amendments within this en bloc package.

Mr. RYAN's amendment in this adds money for High Altitude Airship, and it moves it to the Air Force.

Ms. SLAUGHTER's amendment includes the number of disciplinary actions as part of the annual report on sexual assaults within the military.

Those as well as the others, Mr. CHABOT's and Mr. DAVIS' amendments, do meet with our support and approval and I intend to support them, and I urge my colleagues to do the same.

Mr. Chairman, I reserve the balance of my time.

□ 1330

Mr. HUNTER. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. Mr. Chairman, I thank Chairman HUNTER for his hard work, not just this year but over the years working on behalf of our men and

women in uniform who serve us so well all around the globe. He, of course, is a Vietnam veteran himself and has seen action and knows exactly what he is talking about. I commend him for his work in this area.

In November of 2003, President Bush signed into law the National Defense Authorization Act of 2004. This legislation allowed spouses of active duty personnel killed after November 23, 2003, the option of signing their military survivor benefit plan, the SBP payments, over to their child or children so they could receive the payment without being subject to SBP dependency indemnity compensation, or DIC, the offset.

Unfortunately, this option is not currently available to spouses of soldiers killed from the time period beginning October 7, 2001, which was the start of operations in Iraq and Afghanistan, until November 23, 2003, when the legislation was actually passed. There are approximately 400 families who are adversely affected by this glaring omission.

One such family who lives in my district is Shauna Moore and her 3-year-old daughter, Hannah. Their loving husband and father, Army Sergeant Benjamin Moore, was fatally shot during a rifle-training exercise at Fort Hood, Texas, in February, 2003, while preparing for deployment to Iraq. It is through these unfortunate circumstances that I have had the chance to meet and talk with Shauna Moore and hear her story.

So today I am offering an amendment that expresses the sense of Congress that the widows and widowers of these 400 brave American soldiers who gave their lives in defense of our freedoms do not remain the forgotten few.

If accepted, I am hopeful that this amendment is the start of a process by which we may allow these 400 spouses and their families to obtain the option of assigning their SBP payments to their children, just as those whose spouses died after November 23, 2003, have been given the opportunity to do.

I believe this is the least we can do for families and people like Shauna and Hannah Moore who have already had to deal with the tragedy of losing a loved one. They should not be penalized solely because their loved one made the ultimate sacrifice protecting our country after the start of the Afghanistan and Iraq wars but before November 23, 2003, when that particular legislation passed. These are 400 families that should not be forgotten. I believe my colleagues will support this.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. CHABOT. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I want to thank the gentleman for bringing this to our attention. There are no more important citizens than those who defend our freedom and carry our flag; and right there with them are their family members.

I think this is an excellent amendment, and the committee supports it fully.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise to offer this amendment in an attempt to resolve deadlocked negotiations between the State of Virginia and the Army. For years now, the completion of the Fairfax County Parkway, a major parkway in my district, has been held hostage to complications with building through the Engineering Proving Ground. The Engineering Proving Ground was a former military airfield which has environmental concerns that are inherent of its history.

Empirical data has shown the Engineering Proving Ground is suitable for road construction. My amendment simply allows the State of Virginia and the Army the authority they need to negotiate a sensible and environmentally sound solution to complete the parkway. It allows the Army to enter into a special agreement with the State of Virginia. This agreement would authorize the State of Virginia to fund projects on the Engineering Proving Ground while allowing the Army to maintain control of the project.

I was Chairman of the Fairfax County Board back when we completed the largest section of the Fairfax County Parkway and was proud to see the road come to near completion. However, a number of years have gone by since and it is truly frustrating to all northern Virginians not to have the small portion of the parkway through the Engineering Proving Ground completed at this time.

In addition, due to the most recent round of BRAC, Northern Virginia will gain over 23,000 jobs in the Fort Belvoir area. This is equivalent to gaining four major bases—was the single largest BRAC addition in the country. Completing the Fairfax County Parkway is a critical step in setting the infrastructure we need to help assuage the welcome, but massive growth.

In closing I would like to thank Chairman HUNTER, Senator WARNER, and JIM MORAN for working with me to make this amendment a reality. I urge an aye vote.

Mr. CASTLE. Mr. Chairman, I rise to offer a simple, but much needed amendment to the legislation before us today.

In an effort to encourage defense contractors to perform at the highest level possible, the Department of Defense often gives its contractors the opportunity to collectively earn billions of dollars through monetary incentives known as award and incentive fees.

Unfortunately, the Department's acquisition process has at times run into problems such as dramatic cost increases, late deliveries, and significant performance shortfalls—wasting billions of dollars in critical funding.

Last month, the Government Accountability Office (GAO) reported that the Pentagon's current award and incentive fee practices do not hold contractors accountable for achieving desired outcomes and routinely undermine efforts to motivate contractor performance.

In its study, GAO noted that the Department regularly gives defense contractors multiple opportunities to earn incentive fees for work that at times only meets minimum standards and has wasted billions of dollars as a result of this incredibly flawed process.

The Pentagon has concurred with GAO's recommendations for improving this system, and while the Department's acknowledgment of the problem is an important step forward, the effectiveness of these changes will ultimately be determined by how well GAO's recommendations are implemented.

My amendment would ensure Congress performs appropriate oversight and would require the Department to develop a strategy for linking incentives to specific outcomes. such as meeting cost, schedule, and capability goals. It would also makes certain that appropriate approving officials are overseeing these decisions.

Cost increases and business management weaknesses damage our government's ability to provide our men and women in the military with the resources that keep us safe.

While we obviously have a lot of work ahead of us to improve the efficiency of military spending, I believe this amendment is a simple way to make certain that award and incentive fees are being used to maximize our return on investment and provide American soldiers with vital capabilities at the best value for the taxpayer.

Ms. SLAUGHTER. Mr. Chairman, I am pleased to have the opportunity to offer this very important amendment requiring the Department of Defense (DoD) to provide the results of all disciplinary actions in their annual report on sexual assault.

As part of the DoD Authorization bill in FY 2004, the DoD is required to submit annual reports on sexual assaults involving members of the Armed Forces.

This past March, DoD issued its second annual report. The military criminal investigation organizations received nearly 2,400 reports of alleged cases of sexual assault involving members of the Armed Forces—a significant increase from 1,700 cases reported in 2004.

Of the nearly 2,400 allegations, less than 1,400 cases were actually investigated—91 received non-judicial punishments, 18 were discharged in lieu of court-martial, 62 had administrative actions taken against them, and 79 offenders had been court-martialed.

However, while this annual report has been helpful in presenting the full scope of this growing problem, it fails to provide a complete understanding of how sexual assault cases are prosecuted in the military.

It does not include the results of all disciplinary actions, including Article 15s and convictions. For example, of the 79 courts-martial issued in 2006, we have no idea how many resulted in convictions.

Mr. Chairman, DoD's response to sexual assault in the military deserves more scrutiny. And as Members of Congress, it is our responsibility to provide this oversight.

In order for us to effectively address this serious problem, evaluations must be based on facts and statistics.

By including the results of all disciplinary actions in the annual report, we will have a more complete, transparent understanding of how DoD is addressing the problem of sexual assault in military.

We owe it to the men and women in uniform defending our freedom to ensure that justice is served when they find themselves victims of sexual assault.

I want to thank the Chairman for working with me on this amendment, and I urge my colleagues to support its passage.

Mr. BROWN of Ohio. Mr. Chairman, today, the House will consider an amendment offered by Congressman TIM RYAN, who represents the city of Akron, Ohio with me.

The Ryan amendment will restore $5 million in the 2007 Defense Authorization bill for the High Altitude Airship (HAA) Program. The HAA is being built at the Lockheed Martin Airdock in Akron.

The HAA is an unmanned lightweight vehicle, which will operate above the jet stream to deliver continuous over-horizon communication. In position, an airship will survey a 600-mile diameter area without the risks associated with manned aircrafts.

The HAA will be used for missile defense, but also to provide border surveillance and emergency communication tools to improve homeland security.

This project is expected to create close to 100 jobs, protect more than 500 current jobs, and bring some $130 million in technology development investments to the Akron area.

I am proud to support the HAA Program. It positions Summit County at the heart of the development of this national security technology and will strengthen Ohio's economic base.

Though I wish the House Armed Services Committee had authorized full funding for the HAA, the Ryan amendment provides an opportunity to keep this critical initiative moving forward.

I appreciate the Chairman's support in this effort and urge all of my colleagues to join me in voting for the Ryan amendment.

Mr. SKELTON. Mr. Chairman, I yield back the balance of my time.

Mr. HUNTER. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. All time for debate has expired.

The question is on the second set of amendments en bloc offered by the gentleman from California (Mr. HUNTER).

The amendments en bloc were agreed to.

AMENDMENT NO. 6 OFFERED BY MR. DENT

Mr. DENT. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 printed in House Report 109–461 offered by Mr. DENT:

Page 427, line 14, insert '', in coordination with the Secretary of Homeland Security,'' after ''Secretary of Defense''.

Page 427, line 15, insert ''–Homeland Security'' after ''Homeland Defense''.

Page 427, line 21, insert ''–Homeland Security'' after ''Homeland Defense''.

Page 427, after line 24, insert the following new paragraph (2) (and redesignate existing paragraphs accordingly):

(2) the Department of Homeland Security;

Page 428, line 7, insert ''–Homeland Security'' after ''Defense''.

Page 428, line 19, insert ''and the Department of Homeland Security'' after ''Defense''.

Page 429, line 1, insert ''and the Secretary of Homeland Security'' after ''Defense''.

Page 429, line 13, insert ''and in coordination with the Secretary of Homeland Security'' after ''Defense''.

Page 429, line 22, insert ''–Homeland Security'' after ''Homeland Defense''.

Page 430, line 10, insert ''or the Department of Homeland Security'' after ''Defense''.

Page 431, line 4, insert '', in coordination with the Secretary of Homeland Security,'' after ''Secretary of Defense''.

Page 431, line 11, insert ''–Homeland Security'' after ''Homeland Defense''.

Page 431, line 18, insert ''–Homeland Security'' after ''Homeland Defense''

The Acting CHAIRMAN. Pursuant to House Resolution 811 the gentleman from Pennsylvania (Mr. DENT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I yield myself such time as I may consume.

First, I thank Chairman HUNTER and the ranking member, Mr. SKELTON, for their leadership on this very important piece of legislation.

I rise today to offer an amendment to title XIV to H.R. 5122 that would ensure that the Department of Defense and the Department of Homeland Security work together as part of a homeland defense-homeland security technology transfer consortium to facilitate the transfer of viable DOD technologies in order to enhance the homeland security capabilities of Federal, State, and local first responders.

The Department of Defense has been a leading developer of technology for years, and some of the innovations it has pioneered may have outstanding homeland security applications. These types of technologies include: unmanned aerial vehicles, UAVs; ground sensors which help authorities monitor activities over vast expanses of terrain; biometric identification technologies which can assist in the creation of tamper-proof identity cards; radiological detectors which can monitor the transport of nuclear and other potentially dangerous materials; and sophisticated surveillance equipment, examples of which include night vision goggles and microwave and infrared imaging gear.

While these technologies have been helpful to our warfighters overseas, the Federal, State and local agencies charged with protecting us here at home could also make good use of these kinds of products. Unfortunately, the process of transferring these technologies from the military to the civilian sector has been a bit slow.

As a member of the Homeland Security Committee, I would like first responders and other appropriate authorities to have quicker access to and to make good use of these technologies.

Accordingly, my amendment would provide for the creation of a homeland defense-homeland security technology transfer consortium that would facilitate this transfer. It specifically calls for the inclusion of the Department of Homeland Security, which is already in the process of developing and utilizing many of these technologies that I have just described.

Within this consortium, it also brings State and local first responders into the deliberative process. The consortium will be involved in integrating new technologies into appropriate first responder exercises, in promoting interoperability, and, of course, in identifying and developing those defense technologies that have the most promising applications for homeland security.

By facilitating these kinds of transfers, Federal, State, and local agencies can work better together and can function more efficiently and the homeland can be safer.

I thank Chairman HUNTER and the ranking member, Mr. SKELTON, for their leadership on this issue.

Mr. Chairman, I reserve the balance of my time.

Mr. REYES. Mr. Chairman, I ask unanimous consent to claim the time in opposition, even though I am not opposed to the amendment as stated.

The Acting CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. REYES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as a veteran of 26½ years of working with the Border Patrol, I understand and appreciate the necessity of Mr. DENT's amendment that requires close cooperation between the Secretary of Defense and the Secretary of the Department of Homeland Security.

More than ever today, post-9/11 and with the many different challenges that we face with the potential of another strike against our country, it is critical, it is imperative that we continue to urge both the Department of Defense and the Department of Homeland Security to do as much as possible to cooperate, share information, and provide a unified front and protection for our country.

This is a way of ensuring that we codify that cooperation by expressly putting it into the legislation that this cooperation take place. It is critical. It is vital; and based on my experience where there has been a tremendous amount of cooperation traditionally between the Department of Defense and agencies such as the Border Patrol, for Border Patrol operations on the border itself, I believe that this is a good amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. DENT. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. HUNTER), the distinguished chairman of the Committee on Armed Services.

Mr. HUNTER. Mr. Chairman, it is especially appropriate to be able to follow the gentleman from El Paso, Mr. REYES, who was in my estimation the greatest Border Patrol chief in the history of our country. He did a tremendous job under very challenging odds.

I remember working with him long before he became a Representative in the most southern areas of Texas and then ultimately up in the El Paso area. One thing that challenged him and challenged us in San Diego in more recent times was tunneling. Of course, detection of tunnels is something that the military engages in every now and

then, and that is a good example of candidate technologies for sharing of technology between DOD and the Department of Homeland Security.

Likewise, surveillance sensors, it has always been a pleasure to go down with the gentleman from El Paso, go down to his district with Joint Task Force 6 and look at that interaction. And I really appreciate Mr. DENT coming up with this amendment that will move to mesh these technologies and make sure that when the American taxpayers pay for the development of something that will accrue to the benefit of our security, that it gets shared and gets moved across what is sometimes kind of a bright line between the military and the Department of Homeland Security.

You have done a great job and thank you for bringing this amendment to our attention. We support it fully.

Mr. DENT. Mr. Chairman, I yield myself such time as I may consume.

I thank everybody involved for their support for this amendment. Its interdisciplinary approach is most appropriate. This transfer technology consortium is long overdue. As has been stated several times already, there is so much technology coming out of the Department of Defense that needs to be shared with the homeland security. Of course, this will also make its way down to our first responders, State and local first responders.

Mr. REYES. Mr. Chairman, I yield myself such time as I may consume.

Building on the comments of my good friend and my chairman, I can attest to all of the cooperation, having spent 26½ years in the Border Patrol, to all of the cooperation since the creation of Joint Task Force 6, which was headquartered in my district, now Joint Task Force North. The number of projects and programs that the Department of Defense provides support to both State, local, and Federal agencies, and in specific consortium projects such as building roads, building infrastructure support such as strategic fencing in certain parts of the border area, that greatly acts as a barrier and as a force multiplier for our Border Patrol agents.

So there are many, many things that the Department of Defense is doing and has done that provide that kind of support to the Department of Homeland Security, formerly Border Patrol and INS.

I know in the next amendment we are going to be debating the issue of giving the Secretary the flexibility to send troops on the border, and I just want to state here in anticipation of leading the debate on that issue, as a Member that represents a border district, we do not need troops on the border. Sufficient support is already coming from the Department of Defense. The reality of this is there are other things that I will address at that time that we could be doing and that we should have done as a result of the law that we passed in 1986.

Mr. Chairman, I appreciate the opportunity to support Mr. DENT in his amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. DENT. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. All time for debate has expired.

The question is on the amendment offered by the gentleman from Pennsylvania (Mr. DENT).

The amendment was agreed to.

AMENDMENT NO. 8 OFFERED BY MR. GOODE

Mr. GOODE. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 printed in House Report 109–461 offered by Mr. GOODE:

At the end of subtitle C of title X (page ____, after line ____), add the following new section:

SEC. 1026. ASSIGNMENT OF MEMBERS OF THE ARMED FORCES TO ASSIST BUREAU OF CUSTOMS AND BORDER PROTECTION AND UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT.

(a) ASSIGNMENT AUTHORITY OF SECRETARY OF DEFENSE.—Chapter 18 of title 10, United States Code, is amended by inserting after section 374 the following new section:

''§ 374a. Assignment of members to assist border patrol and control

''(a) ASSIGNMENT AUTHORIZED.—Upon submission of a request consistent with subsection (b), the Secretary of Defense may assign members of the Army, Navy, Air Force, and Marine Corps to assist the Bureau of Customs and Border Protection and the United States Immigration and Customs Enforcement of the Department of Homeland Security—

''(1) in preventing the entry of terrorists, drug traffickers, and illegal aliens into the United States; and

''(2) in the inspection of cargo, vehicles, and aircraft at points of entry into the United States to prevent the entry of weapons of mass destruction, components of weapons of mass destruction, prohibited narcotics or drugs, or other terrorist or drug trafficking items.

''(b) REQUEST FOR ASSIGNMENT.—The assignment of members under subsection (a) may occur only if—

''(1) the assignment is at the request of the Secretary of Homeland Security; and

''(2) the request is accompanied by a certification by the Secretary of Homeland Security that the assignment of members pursuant to the request is necessary to respond to a threat to national security posed by the entry into the United States of terrorists, drug traffickers, or illegal aliens.

''(c) TRAINING PROGRAM REQUIRED.—The Secretary of Homeland Security and the Secretary of Defense, shall establish a training program to ensure that members receive general instruction regarding issues affecting law enforcement in the border areas in which the members may perform duties under an assignment under subsection (a). A member may not be deployed at a border location pursuant to an assignment under subsection (a) until the member has successfully completed the training program.

''(d) CONDITIONS OF USE.—(1) Whenever a member who is assigned under subsection (a) to assist the Bureau of Customs and Border Protection or the United States Immigration and Customs Enforcement is performing duties pursuant to the assignment, a civilian law enforcement officer from the agency concerned shall accompany the member.

''(2) Nothing in this section shall be construed to—

''(A) authorize a member assigned under subsection (a) to conduct a search, seizure, or other similar law enforcement activity or to make an arrest; and

''(B) supersede section 1385 of title 18 (popularly known as the 'Posse Comitatus Act').

''(e) ESTABLISHMENT OF ONGOING JOINT TASK FORCES.—(1) The Secretary of Homeland Security may establish ongoing joint task forces if the Secretary of Homeland Security determines that the joint task force, and the assignment of members to the joint task force, is necessary to respond to a threat to national security posed by the entry into the United States of terrorists, drug traffickers, or illegal aliens.

''(2) If established, the joint task force shall fully comply with the standards as set forth in this section.

''(f) NOTIFICATION REQUIREMENTS.—The Secretary of Homeland Security shall provide to the Governor of the State in which members are to be deployed pursuant to an assignment under subsection (a) and to local governments in the deployment area notification of the deployment of the members to assist the Department of Homeland Security under this section and the types of tasks to be performed by the members.

''(g) REIMBURSEMENT REQUIREMENT.—Section 377 of this title shall apply in the case of members assigned under subsection (a).''.

(b) COMMENCEMENT OF TRAINING PROGRAM.—The training program required by subsection (c) of section 374a of title 10, United States Code, shall be established as soon as practicable after the date of the enactment of this Act.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 374 the following new item:

''374a. Assignment of members to assist border patrol and control''.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from Virginia (Mr. GOODE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia.

□ 1345

Mr. GOODE. This is an amendment that we have addressed in the past. This amendment would authorize but not mandate the Secretary of the Department of Homeland Security, working with the Secretary of the Department of Defense, to utilize troops, if necessary, to protect our borders in peace time in a nonemergency situation.

The gentleman from Texas, who had a long and distinguished career with the Border Patrol, indicates that we don't need troops on the border now. I would certainly say that the massive invasion from Mexico into this country on a daily basis that reaches thousands upon thousands in numbers day after day and month after month and year after year, we need something. And just having this authority, in my opinion, would enhance our border security so that it could be utilized in peace time in a nonemergency situation to supplement the Border Patrol and other efforts to secure our borders.

I reserve the balance of my time.

Mr. REYES. Mr. Chairman, I rise in opposition to the Goode amendment.

The Acting CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. REYES. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, this is the amendment that I rise in opposition to that I was talking about in the previous conversation. Every year we debate this issue, irrespective of the cooperation that is ongoing, has been ongoing for many, many years from the Department of Defense, that provides technical expertise, that provides construction support, that provides technical support, that provides, even on a limited basis, operational specialized support on that border.

The reality of this amendment is that it is very expensive. It provides authority to the Department of Defense that already exists with the President of the United States should an emergency come up or an emergency exist. It is a bad idea because we need trained, experienced professionals on that border. That border is way too dangerous for us to be sending troops that are trained primarily for combat into a law enforcement situation, understanding that that capability is in reserve, because the President of the United States has that authority.

So I would hope that we would stop bringing these kinds of amendments, because they really are not useful and are counterproductive to our enforcement presence on the border.

I reserve the balance of my time.

Mr. GOODE. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I appreciate the difference of opinion in the people's House. I listened with great interest to my friend from Texas. Indeed, when this question was before the House on prior occasions, at least a couple of times in my time in this Congress, I sided with my friend from Texas.

And yet, we have been overtaken by current events and a literal admonition from the Constitution of the United States, article IV, section 4: ''The United States shall guarantee to every State in this Union a republican form of government, and shall protect each of them against invasion.''

Mr. Chairman, my colleagues, regrettably, in my home State of Arizona, especially along the width and breadth of our southern border, our Nation is being invaded. And not only is it those coming to our country illegally seeking work, the sad fact is, according to the Department of Homeland Security, in the year 2004, 650 people from nations of a ''national security interest'' to the United States, in other words, enemies of this Nation, at least 650, crossed the border illegally.

It has been documented in my State that nightly between 6,000 and 6,500 attempt to gain illegal access to the United States of America. Some within that group are people who intend our Nation harm.

People say we are in a nonemergency situation. Mr. Chairman, my colleagues, I say quite the opposite is true. I say, and I believe Members of this House and the American Nation as a whole understand, that in many areas, our borders, sectors of our borders, have essentially devolved into de facto war zones.

''Yes'' to this amendment. ''Yes'' to dealing with this emergency. ''Yes'' to our military on the border. ''Yes'' to stopping this invasion.

Mr. REYES. Mr. Chairman, I yield 1 minute to my friend and former sheriff, who represents a border district, Congressman ORTIZ.

(Mr. ORTIZ asked and was given permission to revise and extend his remarks.)

Mr. ORTIZ. Mr. Chairman, this is very simple. The Department of Defense says, Goode amendment, we don't need it.

Under present law, the Homeland Security Secretary can call the Secretary of Defense and state that, you know, he needs troops. It is very, very simple because under existing law, it says he can request of the Secretary of Defense assistance from the Armed Forces.

In fact, in 2002, the Secretary of Defense authorized such support on a reimbursable basis to organizations formerly components of the Department of Justice and Department of the Treasury and currently components of the Department of Homeland Security. So why do we want something else that we don't need?

Not only that, do you know that they will have to spend more money that the Department of Defense doesn't have to train?

Oppose this amendment, and when we come to the wall I would just hate for one day for the President of Mexico to come down and say, Mr. President, tear down this wall.

Our servicemen/women are spread too thin.

This is never a good idea, but certainly not in a time of war . . . to put soldiers in a new, civilian role . . . which has previously resulted in accidental deaths.

This damages our readiness.

I have been a law enforcement officer, and served in the Army. We are talking about two vastly different things—protecting the borders—and using the military in law enforcement.

This new war includes a host of fronts, including law enforcement for domestic interests related to terrorists who try to cross our borders.

I've led efforts for more border security: our investment should be in Border Patrol officers and detention beds to hold the OTMs—Other Than Mexicans—we now routinely release into the general population.

Even if we caught every single illegal immigrant crossing our border, we would still have no place to hold them, and we would be forced to release them—as we are doing now.

We should be focused on the need for professional law enforcement officers/intelligence associated with knowing who is coming across our borders . . . and providing funds to hold them.

Mr. GOODE. Mr. Chairman, I yield myself 30 seconds.

In response to what the gentleman from Texas was saying, we are talking about the authorization for troops to be on the border in nonemergency situations. If you allow troops on the border in nonemergency situations, you will see lawsuits, litigations and potential for liability for anything that happens along the border involving those troops.

We need to secure America and authorize troops in peace time in nonemergency situations along the border.

Mr. REYES. Mr. Chairman, it is now my pleasure to yield 1 minute to my colleague from Laredo, Congressman CUELLAR, also representing a border district.

Mr. CUELLAR. Mr. Chairman, I respectfully disagree with Mr. GOODE. I understand why he wants to protect the border, but being from the border, I understand that the military already provides technical support, construction of roads, clearing of brush; but they do have a very different mission from the Border Patrol.

What we need to do is keep in mind that the Border Patrol's mission is to enforce immigration law. What we need is a smart, tough, border security policy, not the military, and certainly not a wall, but more technology and more Border Patrol agents.

Being from the border, I understand what we need to work on, and I would ask the House to please consider the Members from the border that do live there and live there on a daily basis.

Mr. GOODE. Mr. Chair, I yield myself the remaining time.

There can be no question that in this country, at this time, we have a huge problem along the southern border. As the Congressman from Arizona indicated, we are being massively invaded every day by hundreds and thousands of persons. Drug smugglers are among this number. Persons from terrorist countries are among this number. We need to use every tool we possibly can to address this situation. We need to authorize troops on the border in peace time, and we need some rough and tough people down there to get this situation straight because it is certainly not straight today.

Stand up for preserving the integrity of the United States of America and vote ''yes'' for troops on the border.

Mr. REYES. Mr. Chairman, it is very clear, every year we come to the floor and we talk tough about putting troops on the border. It is expensive. The Department of Defense already has that authority. The President can direct it at any time based on whatever situation he is made aware of.

One of the things that I would like to tell my colleagues is that we are often here talking about issues and about problems and providing solutions. One of the things, an observation that I will

make about us is that oftentimes we are very hypocritical about the things that we say versus the things that we do in the people's House.

In 1986, we passed employer sanctions to address the pull factor in the issue of illegal immigration and immigration reform. This Congress failed to fund employer sanctions, failed to fund the very vehicle that would have addressed the pull factor.

For the last 10 years that I have been in Congress, we have been debating troops on the border. I would say to my good friend from West Virginia, my good friend from Arizona, my good friend from California, if we are interested in controlling the border, if we are truly interested in doing a good job for the American people, then let's fund employer sanctions. And short of that, let's fund H.R. 98, which gives us a fraud-proof Social Security card and a system where employers would be accountable. You would eliminate the pull factor. We wouldn't need to have this useless debate on troops on the border.

Vote ''no'' on the Goode amendment.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. GOODE).

The question was taken; and the Acting Chairman announced that the ayes appeared to have it.

Mr. REYES. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia will be postponed.

AMENDMENT NO. 15 OFFERED BY MS. MILLENDER-MCDONALD

Ms. MILLENDER-MCDONALD. Mr. Chairman, I offer an amendment.

The Acting Chairman: The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 printed in House Report No. 109–461 offered by Ms. MILLENDER-MCDONALD:

At the end of title X (page 393, after line 23), insert the following new section:

SEC. ___. DETERMINATION OF DEPARTMENT OF DEFENSE INTRATHEATER AND INTERTHEATER AIRLIFT AND SEALIFT MOBILITY REQUIREMENTS.

(a) DETERMINATION OF REQUIREMENTS.—The Secretary of Defense, as part of the 2006 Mobility Capabilities Study, shall determine Department of Defense mobility requirements as follows:

(1) The Secretary shall determine intratheater and intertheater airlift mobility requirements and intratheater and intertheater sealift mobility requirements (all stated in terms of million ton miles per day) for executing each scenario that was modeled in the 2005 Mobility Capabilities Study and each scenario that is modeled in the 2006 Mobility Capabilities Study.

(2) The Secretary shall determine intratheater and intertheater airlift mobility requirements and intratheater and intertheater sealift mobility requirements (all stated in terms of million ton miles per day) for executing the National Military Strategy with a low acceptable level of risk, with a medium acceptable level of risk, and with a high acceptable level of risk, for each of the following:

(A) Major combat operations.

(B) The Global War on Terrorism.

(C) Baseline security posture operations.

(D) Homeland defense and civil support operations.

(E) Special operations missions.

(F) Global strike missions.

(G) Strategic nuclear missions.

(b) REPORT.—Not later than February 1, 2007, the Secretary of Defense shall submit to the congressional defense committees a report providing the mobility requirements determined pursuant to subsection (a). The report shall set forth each mobility requirement specified in paragraph (1) or (2) of that subsection.

(c) MOBILITY CAPABILITIES STUDIES.—For purposes of this section:

(1) The term ''2006 Mobility Capabilities Study'' means the studies conducted by the Secretary of Defense and the Joint Staff during 2006 as a follow-on to the 2005 Mobility Capabilities Study.

(2) The term ''2005 Mobility Capabilities Study'' means the comprehensive Mobility Capabilities Study completed in December 2005 and conducted through the Office of Program Analysis and Evaluation of the Department of Defense to assess mobility needs for all aspects of the National Defense Strategy.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentlewoman from California (Ms. MILLENDER-MCDONALD) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I rise today to ask support of my colleagues for this amendment that I am offering which calls for the Secretary of Defense to include as part of the 2006 update of the Mobility Capability study, a comprehensive analysis of future air lift and sea lift mobility requirements.

This study would examine both the strategic and intratheater mobility requirements with full consideration of all aspects of the national security strategy, and will analyze low, medium, and high risk alternatives.

The new analysis will be delivered to Congress by February 4, 2007.

One would ask why this study is important. There has not been a study that examines our Nation's air lift requirements since prior to 9/11.

□ 1400

Contrary to past mobility studies, the most recent study analyzed only the capabilities of the current programmed airlift fleet, but it did not analyze the Nation's airlift requirements. There is a big difference between studying capabilities and studying requirements when prescribing future airlift force level recommendations.

DOD's definition of a military requirement is an established need justifying the timely allocations of resources to achieve a capability to accomplish approved military objectives, missions or tasks, all called operational requirements. Now translated into layman's terms, this means one cannot effectively allocate resources to achieve a given capability, in this case airlift resources, without first knowing what the requirement is.

In 2001, our airlift fleet requirements were at 54.5 million ton-miles per day. The question that this study asks and seeks to have answered is, what is the quantitative yardstick that describes the required airlift needs. Is 54.5 million ton-miles per day enough airlift? Do we need more? The mobility capability study alone does not give us this needed information.

As we are all aware, there have been significantly more requirements pressed upon our airlift fleet over the past 5 years. The world we live in has changed a great deal. For example, we know our Nation has been attacked by terrorists. We are engaged in an ongoing global war on terrorism. Hurricane Katrina had ravaged the gulf coast region, and we have repeatedly been summoned to help with global humanitarian efforts, particularly natural disasters such as the tsunami and earthquakes. All of these occurrences have called upon our Nation's airlift resources.

Furthermore, what concerns me the most is that there does not appear to be a comprehensive approach to addressing our Nation's future airlift demands.

Last February, the Pentagon released the Quadrennial Defense Review, QDR, the 20-year blueprint of our Defense Department needs and projections. Specifically, the QDR recommended the ability to swiftly defeat two adversaries in overlapping military campaigns with the option of overthrowing a hostile government in one.

However, in the 2001 strategy, the U.S. military was to be capable of conducting operations in four regions abroad, Europe, the Middle East, the Asian littoral and Northeast Asia. But the new plan states that the past 4 years demonstrated the need for U.S. forces to operate around the globe and not only in these four regions.

Whatever that scenario is, Mr. Chairman, clearly we need more air cargo planes, and we know this by experience too. Take the C–17, an air cargo plane, for example. This air cargo plane is being flown over 167 percent over the normal hours scheduled to deliver supplies to the war theaters where most planes cannot land, as well as the many humanitarian missions in which our country is engaged.

Since 9/11/01, the C–17 has flown 59 percent or about 358,000 additional miles more than was originally scheduled. The C–17 has been on the front line of the war in Iraq and Afghanistan. Eighty percent of our airlift missions in these battlefronts are done by the C–17.

Finally, Mr. Chairman, after only 15 years in commission, the C–17 fleet just recently reached its 1 millionth flying hour. The C–17, though, is just one example, but it is an excellent one and an excellent example of how much our Nation is relying on our airlift fleet.

This study will provide a basis for determining the future of our Nation's airlift fleet. This is about providing our military with the tools to succeed, and it is about fiscal responsibility, and most importantly, it is about national security.

I ask my colleagues to support this important amendment.

I reserve the balance of my time.

Mr. SAXTON. Mr. Chairman, I rise to claim time in opposition to the amendment, even though I am not in opposition to the amendment.

The Acting CHAIRMAN (Mr. BONILLA). Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. SAXTON. Mr. Chairman, I rise in strong support of the amendment of the gentlewoman from California, and I commend her for her thoughtfulness for bringing this matter to the House in the form of an amendment.

This amendment will allow proper congressional oversight for the mobility system to ensure that our Nation's future force structure and capabilities will be able to meet the well-defined requirements that certainly exist, existed prior to September 11, 2001, and certainly exist to an even greater extent today.

Over the past few month, there have been significant changes in the Department of the Air Force's position on the necessity of purchasing additional C–17 aircraft beyond the currently contracted 180. Senior leaders of the Department of Defense have stated requirements ranging from 187 to more than 222 C–17 aircraft in the fleet.

However, the last comprehensive analysis of mobility requirements was released 5 years ago, prior to 9/11, when the global war on terror had commenced.

The underlying bill, H.R. 5122, includes provisions to authorize funding for an additional three C–17 aircraft, allow for the retirement of the 1960s vintage C–5A fleet, that has rarely lived up to its operational expectations, and set a minimum floor of 299 for strategic airlift aircraft, which is a necessity and a necessary first step in meeting our Nation's growing airlift requirements.

This amendment, directing the mobility requirements study, will enhance our ability to identify the correct future actions needed to support our Nation's airlift missions capability.

Therefore, Mr. Chairman, I fully support this amendment, and I urge all of my colleagues to do the same.

I would yield to the gentleman from California (Mr. CALVERT).

Mr. CALVERT. Mr. Chairman, I thank the gentleman for yielding me time.

I certainly want to support the gentlewoman's amendment also. Representative MILLENDER-MCDONALD's amendment is certainly one on which we should all agree. This is something that needs to be clearly defined and stated, that airlift and sealift requirements to ensure our Nation's future mobility force structure capabilities are able to meet future needs.

In this war, 70 percent of the cargo missions have been flown by C–17s. That is a 60 percent increase over the military's own prewar anticipated usage of the plane. In addition to military uses, C–17s have been used in humanitarian efforts to bring food and supplies to victims of Hurricane Katrina and to the Far East disasters there last year.

Senior leaders at the DOD can't seem to find clearly the exact number of C–17s required. The Chief of Staff of the Air Force states 187 TRANSCOM and Air Mobility Commander stated 200 C–17s are required. The former TRANSCOM commander, General Handy, whom I respect immensely, stated that 225 C–17s are required.

In addition to senior leaders of DOD, the Defense Science Board, in a report dated September 2005, raised concerns about the adequacy of the Pentagon's organic and strategic sealift and aerial tankers.

Therefore, I support this amendment so we can get on to fulfill our congressional oversight responsibility and ensure that our mobility system adequately supports current and future force structure requirements.

Mr. SAXTON. I reserve the balance of my time.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I just want to say that this comprehensive analysis is critically needed for our military might, for our strength in doing those things that are asked of us with the airlift cargo; and it is not only fiscally responsible, but it is national security.

I ask support for the amendment.

Mr. Chairman, I yield back the remainder of my time.

Mr. SAXTON. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. All time having expired, the question is on the amendment offered by the gentlewoman from California (Ms. MILLENDER-MCDONALD).

The amendment was agreed to.

AMENDMENT NO. 7 OFFERED BY MR. GOHMERT

Mr. GOHMERT. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 printed in House Report 109–461 offered by Mr. GOHMERT:

At the end of subtitle D of title XXVIII (page 504, after line 7), add the following new section:

SEC. 2844. SENSE OF CONGRESS REGARDING LAND CONVEYANCE INVOLVING ARMY RESERVE CENTER, MARSHALL, TEXAS.

It is the sense of Congress that the Secretary of the Army should consider the feasibility of conveying the Army Reserve Center at 1209 Pinecrest Drive East in Marshall, Texas, to the Marshall-Harrison County Veterans Association for the purpose of assisting the efforts of the Association in erecting a veterans memorial, creating a park, and establishing a museum recognizing and honoring the sacrifices and accomplishments of veterans of the Armed Forces.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from Texas (Mr. GOHMERT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Texas.

Mr. GOHMERT. Mr. Chairman, this is a simple amendment that expresses simply a sense of Congress that the Secretary of the Army should consider conveying the U.S. Army Reserve Center in Marshall, Texas, to the Marshall-Harrison County Veterans Association for the purpose of erecting a veterans memorial, creating a park, and converting the present building to a veterans museum to recognize and honor the accomplishments of our Armed Forces.

I have received letters, phone calls and personal visits about such a project. Harrison County, back in the 1990s, had closed a huge Army facility. There were thousands of people that lost jobs, and now BRAC has recommended closing a reserve center there.

This is not trying to undo the BRAC process whatsoever. BRAC is already closing the reserve center. What this will do is allow them to transfer this.

We have a letter from the Army indicating this should be surplus, less than 3 acres. This will allow them to have a veterans museum, a veterans center, a place veterans can go, many of whom will never have the opportunity to come here to Washington, D.C., to see the museums and see the memorials. And it will give them a chance there in East Texas where there have already been so many jobs lost because of BRAC.

This is a bipartisan issue in the county. There are Democrats and Republicans both that are urging and pushing for this, and I was proud to go ahead and bring this amendment as a sense of Congress to urge that this is something that could be done. It will help the community in an area there in east Texas.

Recruiting is up, recruiting is going well, but it further emphasizes and will give an opportunity to emphasize the importance of valor, duty, honor, country.

I would like to thank Chairman HUNTER and his committee for their hard work on this bill that will undoubtedly benefit our Armed Forces. I would ask that this amendment also be added to the bill to assist those folks there in Harrison County.

Mr. Chairman, I yield back the balance of my time.

Mr. ORTIZ. Mr. Chairman, I rise to claim the time in opposition to the amendment; however, I do not intend to vote against the amendment.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. ORTIZ. I think this is a good amendment and we accept the amendment, Mr. Chairman.

I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. GOHMERT).

The amendment was agreed to.

Mr. HUNTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have a colloquy with the gentlewoman from Colorado (Mrs. MUSGRAVE). I would yield to the gentlewoman for purposes of the colloquy.

Mrs. MUSGRAVE. Mr. Chairman, I have recently become aware that the Army is considering expansion of the Pinon Canyon Maneuver Area in Colorado. I have two concerns about this expansion plan.

First, the Army hasn't been responsive to my questions about their plans. Second, I am troubled that the Army may use eminent domain or unfriendly condemnation to acquire property in that area.

You are probably aware that I offered an amendment for today's debate that would help the farmers and ranchers in my area get information about this and would limit the powers of eminent domain, but the Rules Committee did not make that amendment in order and we can't debate it.

But I would appreciate, Mr. Chairman, your assistance in getting information on this proposal by the Army.

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I am very disappointed in the lack of response, and I hope the chairman can use the power of your committee to assist me and the rest of the Colorado delegation in this matter. Remarkably, when my office called the Army on this, they said it was ''an academic discussion.'' Thus, they refused to provide any details at all.

Mr. Chairman, I would appreciate your thoughts on this matter.

Mr. HUNTER. Mr. Chairman, will the gentlewoman yield?

Mrs. MUSGRAVE. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I appreciate the gentlewoman's concerns. First, I strongly believe that DOD should make every effort to acquire property through fair-market value purchases from willing sellers. The use of eminent domain or unfriendly condemnation should only be used as a measure of last resort in cases of compelling national security requirements.

So I would be very pleased to work with the gentlewoman as a representative of the farmers and ranchers surrounding Pinon Canyon to ensure that the Army does not use eminent domain before exhausting all other options.

Secondly, I would note that the defense bill before us today contains a provision that makes sure that Congress has oversight of DOD plans to use eminent domain, as its application is a matter of great concern to all of us.

Finally, I would be happy to work with the Colorado delegation to talk to the Army and ensure that they are very forthcoming in discussing plans for the expansion of Pinon Canyon. Having a good relationship with our communities is an important obligation of the armed services, and they should certainly sit down with their elected representatives and discuss their plans and any issues that will concern the community.

I will be happy to help the gentlewoman on this issue.

Mrs. MUSGRAVE. Reclaiming my time, I thank the chairman for your commitment to work on this issue, and I look forward to working with you.

AMENDMENT NO. 9 OFFERED BY MS. HOOLEY

Ms. HOOLEY. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 printed in House Report 109–461 offered by Ms. HOOLEY:

At the end of subtitle C of title III (page 70, after line 16), add the following new section:

SEC. 324. ARMY NATIONAL GUARD AUTHORITY TO CONTRACT AND MANAGE CH–47 HELICOPTER RESET.

The Army and the National Guard Bureau are authorized to contract with a United States contractor to perform the RESET of the CH–47 helicopters assigned to the Nevada and Oregon National Guard in order to reduce the non-operational rate of their CH–47 fleet. Costs, completion time, and maintenance capabilities shall be the major considerations in the process used by the Army and National Guard Bureau in selecting the contractor to perform the RESET activity.

AMENDMENT NO. 9, AS MODIFIED, OFFERED BY MS. HOOLEY

Ms. HOOLEY. Mr. Chairman, I ask unanimous consent that my amendment be considered in accordance with this modification.

The Acting CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

The amendment as modified is as follows:

At the end of subtitle C of title III (page 70, after line 16), add the following new section:

SEC. 324. REPORT ON CH–47 HELICOPTER RESET.

Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the congressional defense committees a report that outlines the plan of the Army to reset all CH–47 aircraft in the active and reserve components. The Secretary shall include in the report a description of the plan, the timeline, and the costs for the reset of those aircraft.

Ms. HOOLEY (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The Acting CHAIRMAN. Without objection, the modification is accepted, and, without objection, the amendment is considered as read.

There was no objection.

The Acting CHAIRMAN. The gentlewoman from Oregon is recognized for 5 minutes.

Ms. HOOLEY. Mr. Chairman, I rise today in support of this amendment, which has the support of all of my colleagues in the Oregon delegation. Our amendment, as agreed to by the chairman and the ranking member, would require the Secretary of the Army to supply Congress with a report no later than 60 days from the enactment of this act that outlines the Army's plan regarding the receipt of all CH–47 aircraft in the active and Reserve components.

I would like the record to reflect that it is my intent that this report should include a description of the Army's plan, timeline and the cost for the reset of those aircraft. I also believe that the Secretary should include the status of the current backlog and the options that currently exist to accelerate the reset program.

I want to thank Chairman HUNTER and Ranking Member SKELTON for working with us on this important issue to address our concerns. I look forward to working with them in the future to address the problems and obstacles that I anticipate will be identified in the Secretary's report regarding the reset program.

Mr. Chairman, I yield such time as he may consume to my colleague, the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I appreciate my colleague permitting me to speak on this. As she indicated, this is a bipartisan amendment sponsored by the entire Oregon House delegation.

Our interest is making sure that the men and women in our armed services have access to the best possible equipment. Currently, the efforts that have been under way overseas and at home have put a great deal of stress and strain. We have had people in the Northwest explain to us opportunities that they think are available to both save money and to improve opportunities to make sure that the equipment is recycled, brought up to par as quickly and as efficiently as possible. I think having a report from the Secretary of the Army in this fashion will help spotlight this opportunity.

We are confident that we will see real opportunities to save money while we improve the equipment that our men and women are dealing with. I appreciate the cooperation both from the Oregon delegation and from the staff on the minority and the majority in helping move forward so we have got some good information. I express my appreciation to the Chair and to the ranking member.

Mr. HUNTER. Mr. Chairman, will the gentlewoman yield?

Ms. HOOLEY. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I want to thank the gentleman and the gentlewoman for their contribution here, and just assure them we are very interested in making sure that this equipment, some of which has been wearing out pretty quickly in the desert sand in the warfighting theaters, is maintained in excellent condition, both with our great in-house resources and our depots and with the private sector, so we use all of our resources in the U.S. to make sure we have got good, sound platforms.

The committee has no objection to the amendment. We thank you for adding it to the base bill.

Mr. BLUMENAUER. Mr. Chairman, if the gentlewoman will yield further, to the extent any time is available, I appreciate the chairman's words and for emphasizing that we want to be able to take advantage of the resources where they are. Whether they are the folks we have right now in the armed services or the private sector, the goal is to do the best job possible with the resources. We appreciate your cooperation and your words of support.

Mr. DEFAZIO. Mr. Chairman, I just want to say a few words about a compromise amendment that my colleagues and I in the Oregon delegation negotiated with the leadership of the House Armed Services Committee.

Our amendment requires the Army to send a report to Congress within 60 days of enactment of this bill regarding the Chinook helicopter Reset program. The Reset program repairs and restores helicopters to their pre-combat deployment condition. The report requires the Army to explain its plan to reset all active duty and reserve component helicopters, including the timeline and cost for doing so.

The reason my colleagues and I offered our original amendment is because of a dangerous situation facing the Oregon National Guard. The Oregon National Guard is authorized to have six Chinook helicopters. One was destroyed on a mission. One is too old and will be turned in to the Pentagon. The other four need to go through reset after being deployed to combat zones.

Timely repairs and rehabilitation are essential to ensuring the Oregon National Guard has the equipment necessary for responding to public safety threats, including forest fires, as well as other state emergencies, homeland defense, and proficiency training.

Unfortunately, timely repairs are not happening today. Due to the influx of aircraft returning from overseas and in need of repair, the Army depots that generally perform this work are overstretched. As I understand it, the average time to get a helicopter repaired and returned to a unit is six months or longer.

I haven't seen the speech yet, but I've been told that Major General Pillsbury of the Army Materiel Command recently gave a speech at a conference lamenting how far behind the Army is on the Chinook RESET program.

According to a letter from the Army in March 2006, the Oregon National Guard will not get its helicopters back until November 2006. During the interim period, the Oregon National Guard will have to do without, which puts Oregon residents at-risk. That is not acceptable.

Congress, the Army and the National Guard Bureau must find a solution to this problem. One logical solution is for the Army to allow the Oregon National Guard to contract with a local private sector helicopter maintenance provider in order to help alleviate the backlog that would otherwise keep its Chinooks grounded for the next several months. One company in Oregon, Columbia Helicopters, believes it could get two Chinooks through the reset process by July, several months sooner than the Army. Such private sector involvement in the reset program is not unprecedented. Last year, the Army awarded Boeing a $40 million-plus contract to refurbish Apache helicopters under the reset program. And, Columbia Helicopters has already done this type of work for the Nevada National Guard, which had some discretionary money it spent on getting its helicopters repaired.

Letters in support of this public-private concept have been sent to the Army since February from myself, the Oregon National Guard, the Nevada National Guard, Governor Kulongoski of Oregon, Governor Kenny Guinn of Nevada, Senators SMITH, WYDEN, ENSIGN and REID, and Reps. HOOLEY, WU and WALDEN. Yet, the Army has not taken any action to expedite the reset of the Oregon helicopters.

Our amendment today puts the Army on notice that Congress is interested in this issue and is concerned about growing repair burden and backlog. Congress needs to ensure accountability by the Army for timely repairs. This amendment is a first step. I will continue to work with my colleagues in Oregon and on the committee to try to get the Army to step up and ensure the National Guard is adequately equipped and able to carry out its missions year-round.

Mr. WU. Mr. Chairman, I rise in support of the Hooley-DeFazio-Wu-Blumenauer-Walden amendment to H.R. 5122, the Defense Authorization Act for FY2007. Our National Guard has been stretched to its limit these past few years, and without the timely return of equipment and aircraft to their home units, the Guard's mission is in jeopardy of being severely compromised. The Oregon Guard has performed outstandingly in the Middle East and I commend them for their courage and fortitude.

Equipment, especially aircraft, needs thorough and vigorous refurbishment when they arrive back from combat. Unfortunately, limited options and a sprawling procurement bureaucracy have created a backlog for equipment resets. By keeping the options limited, we are doing a disservice to the Guard by not returning their core assets in a timely manner.

I support this amendment because this issue cannot wait any longer and needs to be addressed now. Every day that the Guard has to wait for an aircraft is another day where they cannot perform their mission. The Guard is ready to do their duty, now we must be willing to fight for their needs. I am pleased to join my colleagues in the Oregon delegation in sponsoring this important measure.

Ms. HOOLEY. I yield back the balance of my time.

The Acting CHAIRMAN. Is there further debate or discussion on this amendment?

The question is on the amendment offered by the gentlewoman from Oregon (Ms. HOOLEY), as modified.

The amendment, as modified, was agreed to.

AMENDMENT NO. 13 OFFERED BY MR. MCDERMOTT

Mr. MCDERMOTT. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 printed in House Report 109–461 offered by Mr. MCDERMOTT:

At the end of subtitle B of title VII (page 268, after line 9), add the following new section:

SEC. 716. STUDY OF HEALTH EFFECTS OF EXPOSURE TO DEPLETED URANIUM.

(a) STUDY.—The Secretary of Defense, in consultation with the Secretary for Veterans Affairs and the Secretary of Health and Human Services, shall conduct a comprehensive study of the health effects of exposure to depleted uranium munitions on uranium-exposed soldiers and on children of uranium-exposed soldiers who were born after the exposure of the uranium-exposed soldiers to depleted uranium.

(b) URANIUM-EXPOSED SOLDIERS.—In this section, the term ''uranium-exposed soldiers'' means a member or former member of the Armed Forces who handled, came in contact with, or had the likelihood of contact with depleted uranium munitions while on active duty, including members and former members who—

(1) were exposed to smoke from fires resulting from the burning of vehicles containing depleted uranium munitions or fires at depots at which depleted uranium munitions were stored;

(2) worked within environments containing depleted uranium dust or residues from depleted uranium munitions;

(3) were within a structure or vehicle while it was struck by a depleted uranium munition;

(4) climbed on or entered equipment or structures struck by a depleted uranium munition; or

(5) were medical personnel who provided initial treatment to members of the Armed Forces described in paragraph (1), (2), (3), or (4).

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from Washington (Mr. MCDERMOTT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Washington.

Mr. MCDERMOTT. Mr. Chairman, I rise to protect and defend the U.S. soldiers who protect and defend us. I urge the House to pass my amendment calling for a comprehensive study on possible health effects on soldiers from exposure to depleted uranium.

I am a medical doctor. Like every doctor, I took an oath to use all my knowledge and skill to heal the sick. I was trained to listen to the patient and to use science, not conjecture, to make a diagnosis. I have been listening to soldiers, and I am greatly troubled.

We need to do a study on the effects of depleted uranium. My amendment includes a comprehensive study of the effects on our soldiers from exposure to DU, and also includes the children of our soldiers born after exposure.

I recognize there have been a number of studies done on this exposure, but they do not answer all the questions. There has been no comprehensive study of cancer rates in relationship to DU exposure in gulf war veterans.

The VA has a volunteer medical DU follow-up program that has been tracking about 60 veterans who signed themselves up for the study. These veterans were all friendly fire victims who have DU imbedded in their body, and I am heartened that the VA has been keeping track of them. But 60 veterans is not enough to catch cancers that have a rate of one in 1,000. This sample is not large enough to be statistically reliable.

There are about 900 gulf war veterans who have had level one or level two exposure to DU. We should be studying all of them and keeping track of all their health. There has been no comprehensive study of the Gulf War Syndrome in relation to exposure to DU. No definitive cause has been established for Gulf War Syndrome.

Presently, between 150,000 and 200,000 soldiers who served in Gulf War I could have Gulf War Syndrome. We need to study the possible relationship between depleted uranium and Gulf War Syndrome. Any link between these two or other negative health effects has not been conclusively established or refuted.

I urge my colleagues on both sides to stand with me and protect and defend the soldiers whom we send out to protect and defend us.

For me, this is a personal, not a political, quest. My professional life turned from medicine to politics after my service in the United States Navy during the 1960s when I treated combat soldiers returning from Vietnam. Back then, the Pentagon denied that Agent Orange posed any threat to soldiers who were exposed. Decades later, the truth began to emerge. Agent Orange harmed our soldiers; it made thousands sick and some died.

During all those years of denial, we stood by and did nothing while our soldiers suffered, and for me there can be no more Agent Orange. We have to think of that in terms of this DU. If DU poses no danger, we need to prove it statistically and with independent, scientific studies. If DU harms our soldiers, we all need to know it and act quickly, as any doctor would, to use all of our power to heal the sick. We owe our soldiers a full measure of the truth, wherever that leads us.

Mr. Chairman, I urge my colleagues to pass this amendment.

Mr. Chairman, I reserve the balance of my time.

The Acting CHAIRMAN. Is there a Member rising in opposition to the amendment?

Mr. EVERETT. Mr. Chairman, we do not oppose the amendment.

Mr. SHAYS. Mr. Chairman, I appreciate the consideration of this amendment, which I believe is very reasonable and will help ensure our government is taking proper steps to protect the health of our troops.

Like many heavy metals such as lead, depleted uranium is harmful when the resulting particles from a burned round are inhaled or ingested.

The use of these munitions, however, also provides a significant advantage to our soldiers because they have the speed, mass, and physical properties to penetrate exceptionally well against highly armored targets.

Mr. MCDERMOTT. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. MCDERMOTT).

The amendment was agreed to.

AMENDMENT NO. 22 OFFERED BY MR. TIERNEY

Mr. TIERNEY. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 printed in House Report 109–461 offered by Mr. TIERNEY:

At the end of subtitle C of title II (page 50, after line 23), insert the following new section:

SEC. 223. RESTRUCTURING OF MISSILE DEFENSE PROGRAMS.

(a) DEPLOYMENT LIMITATIONS.—The Secretary of Defense may not deploy—

(1) any Ground-Based Midcourse Defense systems beyond the authorized systems at Fort Greeley, Alaska, and Vandenberg Air Force Base, California; or

(2) any space-based interceptors.

(b) BOOST-PHASE DEFENSES.—No funds available to the Department of Defense may be obligated for deployment of any boost-phase defense system.

(c) FUNDING REDUCTION AND PROGRAM TERMINATIONS.—The amount provided in section 201(4) for research, development, test, and evaluation for the Defense Agencies is reduced by $4,747,000,000, to be derived from amounts for the Missile Defense Agency as follows:

(1) $595,000,000 from termination of the Airborne Laser program.

(2) $500,000,000 from termination of additional AEGIS Ballistic Missile Defense activities.

(3) $286,000,000 from termination of the Kinetic Energy Interceptor program.

(4) $360,000,000 from termination of the Space Surveillance and Tracking System.

(5) $56,000,000 from termination of the European Site.

(6) $2,500,000,000 from termination of Additional Ground-Based Midcourse Deployment.

(7) $450,000,000 from reduction of programs designated as Other MDA RDT&E Activities.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from Massachusetts (Mr. TIERNEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts.

Mr. TIERNEY. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I have an amendment that would adopt the recommendation of the Congressional Budget Office to restructure our missile defense programs, specifically, the Ground-based Midcourse Defense System. The amendment would instruct the Secretary of Defense not to deploy any Ground-based Midcourse Defense System beyond the authorized systems that are now at Fort Greeley, Alaska and, the Vandenberg Air Force Base in California or any space-based interceptors of intercontinental ballistic missiles.

It would reduce funding for the research, development, test and evaluation for the defense agencies by $4,747,000,000.

Under the Congressional Budget Office's ''evolutionary alternative,'' the Department of Defense would fund the capabilities planned for the Ground-based Midcourse Defense System through 2007.

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Money would continue to be provided to pursue upgrades to the elements of the ground-based missile defense initial defense capability, would continue testing its components and would explore other missile defense concepts.

But the savings on the midcourse missile defense under the Congressional Budget Office alternative would total $29 billion on a Department of Defense-wide basis through 2007.

I commend to my colleagues no less than seven reports released in the last 2 months critical of various aspects of the ballistic missile system, and I will introduce copies for the RECORD. Two of them are from the General Accountability Office, two from the Department of Defense's own Inspector General's Office, one from the Congressional Research Office, one from the Congressional Budget Office and one from the Pentagon's own Director of Operational Test and Evaluation.

All of them raise doubts about the feasibility of missile defense. And as a group they offer a damning indictment of the missile defense system that supposedly, but not actually offers the United States an initial defense capability.

The Center for Defense Information states in its analysis, changes are imperative. If the Missile Defense Agency continues in the same vein it has been, the United States will see itself saddled with a missile defense system that costs tens of billions, possibly hundreds of billions of dollars, yet provides no actual defense.

What is more, by diverting that money to an unfeasible system, the United States will miss out on the protection it could be getting from weapons systems that actually work.

Mr. Chairman, the moneys are important, of course, but having a false sense of security is dangerous. And not investing these moneys in needed security systems, systems to protect our space and domestic assets and for homeland security risk is criminally negligent.

The General Accountability reports note that if the Pentagon does not move away from its spiral development or acquisition policy where a system's progress is never held to any sort of accountability, has no defined parameters, the Department of Defense will continue to start more programs for more money and create the next set of case studies for future defense reform reviews.

Fielding systems that still are in early developmental cycles, rushing them into the field where they have very serious problems with every component, that is a recipe for disaster. Immature technologies are not perfected, integration of the systems is not happening, testing in real-life scenarios is lacking, information assurance controls that were built to the network are sadly out of date.

This report shows poor quality control, unreasonable, in fact outrageous, cost growth, and schedule slips and inferior performance.

AN ''F'' FOR MISSILE DEFENSE: HOW SEVEN GOVERNMENT REPORTS IN TWO MONTHS ILLUSTRATE THE NEED FOR MISSILE DEFENSE TO CHANGE ITS WAYS

(By Victoria Samson, CDI Research Analyst)

A certain amount of optimism is required to successfully guide a weapon system through its development to completion. However, at a certain point, reality needs to poke through so that program and service officials can make relatively objective assessments. Is it working? Is it going to work? Is it staying on budget and schedule? If not, can it get back on track? And finally, the most difficult question to ask of a program: Should it continue?

The multi-faceted missile defense program, currently the Pentagon's golden child, has effectively avoided any and all tough questions. Over $92 billion has been spent on missile defense systems since the Ronald Reagan administration, to little avail. While the architecture still has not been finalized, the Missile Defense Agency (MDA) envisions a system of systems, where there are ground-, sea-, and air-based interceptors supported by a yet-to-be-built satellite system, new X-band radars that are still being put in place, and a command and control system that is not secure to outside interference.

President George W. Bush announced in December 2002 that, within two years, the United States would have deployed an initial missile defense system that could defend the United States against a limited ICBM attack. With that pressure from above, MDA focused its efforts on the fielding interceptors in Alaska and California the Ground-based Midcourse Defense (GMD) system. As of writing, 13 interceptors have been emplaced in missile silos. As well, MDA is working on a sea-based interceptor that is carried on the Aegis ship, a sea-based X-band radar that is slowly floating to its home port in Alaska, a giant command and control module based out of Colorado, a satellite network that could track enemy missiles as they approach the U.S. homeland, and systems that are geared toward providing defense against shorter-range ballistic missiles (Theater High Altitude Area Defense system, or THAAD, and the Patriot Advanced Capability PAC–3 system). In the long run, MDA is building a modified Boeing 747 airplane that would carry lasers in its nose and kinetic kill vehicles which theoretically could obliterate multiple targets.

MDA has been entrusted with a great deal of responsibility. It has not lived up to its tasks. In the past two months, no less than seven reports have been released that were critical of various aspects of the Ballistic Missile Defense System (BMDS). For clarity's sake, this analysis will focus largely on MDA's flagship program, the GMD system, whose existence is used to falsely claim that the United States has an initial defensive capability against ICBMs. And to head off allegations of bias, it must be noted that these reports were written by non-partisan government agencies. Two reports by the Government Accountability Office (GAO), two from the Defense Department (DOD)'s own Inspector General's office, and reports by the Congressional Research Service (CRS), Congressional Budgetary Office ''(CBO), and the Pentagon's Director, Operational Test & Evaluation (DOT&E) all raise doubts about the feasibility of missile defense. As a group, they offer a damning indictment of the missile defense system that supposedly offers the United States an initial defensive capability.

OVERSHOOTING COST GOALS, FALLING SHORT OF PLANNED ACHIEVEMENTS

Missile defense programs have featured prominently in two recent reports by the GAO. The first, ''Assessment of Selected Major Weapons Programs,'' examines the cost growth of many Pentagon weapon systems. It notes, ''DOD often exceeds development cost estimates by approximately 30 to 40 percent and experiences cuts in planned quantities, missed deadlines, and performance shortfalls.'' The GAO points out, ''Programs consistently move forward with unrealistic cost and schedule estimates, use immature technologies in launching product development, and fail to solidify design and manufacturing processes at appropriate points in development.'' The missile defense system prides itself on its ''spiral development'' or acquisition policy that is constantly evolving, under which a system's progress is never held to strictly defined parameters.

''Programs consistently move forward with unrealistic cost and schedule estimates, use immature technologies in launching product development, and fail to solidify design and manufacturing processes at appropriate points in development.''

The GAO takes this type of acquisition policy to task. In fact, David Walker, comptroller-general of the United States, warns that if the Pentagon doesn't move away from it, DOD ''will continue to start more programs than it can finish, produce less capability for more money, and create the next set of case studies for future defense reform reviews.''

The Missile Defense Agency (MDA) has argued that the missile defense program needs the flexibility of spiral development to allow it to mold itself to future threats and to incorporate lessons learned while testing. Why other Pentagon programs somehow manage to hold themselves accountable and still meet evolving threats is never discussed by MDA officials. Instead, MDA promotes the idea that all possible missile defense candidate technologies will be put through their paces, and eventually testing will prove the winners and losers. Again, MDA has never stated at which point it will definitively decide to drop a flagging program. The closest it has come is in giving one of its programs (Airborne Laser) what it calls ''knowledge parameters,'' in an attempt to prove to critics that, despite outward appearances, there is indeed progress toward development.

Another key part of spiral development is that weapon systems will be fielded when they are still early in their development cycles. The intent is that they can continue to grow and presumably advance while providing some sort of military utility. What ends up happening is that systems—the Ground-based Midcourse Defense (GMD) system most noticeably—are rushed out into the field even when there are very serious problems with their components... or indeed, are crucial elements to their architecture still lacking. For example, the GMD interceptor suffered a flight test failure in February 2005 due to poor quality control by its contractor for the arm that holds the missile up in its silo. In testimony to the Senate Armed Services Committee on April 4, 2006, Obering acknowledged this problem and stated that this component would be replaced on the interceptors that have already been fielded. Nonetheless, the $40 million missile as originally designed continues to be built at a rate of one every two months or so.

The GAO notes that weapon systems development programs progress much better and keep costs lower if technology is allowed to mature before being brought into a developmental or initial operating system. GAO observes that program acquisition unit costs for programs with mature technologies increase by less than one percent over original cost estimates, while the program acquisition unit costs for programs with immature technologies increase by 27 percent over the first full estimate.

The report goes on to review various weapon systems to assess their level of technological maturity and cost growth.

The GMD system's ''concurrent testing and fielding efforts may lead to additional design changes,'' warns the GAO, and the program's ''prime contract could overrun its target cost by as much as $1.5 billion. Boeing, GMD's prime contractor, has already overrun its budget by $600 million as a result of quality control issues. As what seems to be the standard for missile defense, program officials differ from outsiders about the program: while program officials rate GMD's needed 10 technologies as mature, the GAO differs, stating that ''four have not been demonstrated in an operational environment and we believe that they cannot be considered fully mature.'' And since the GAO's last assessment of GMD, the program's planned budget through fiscal year 2009 (FY 09) has risen by $2.9 billion, or 11.2 percent.

GMD's cost growth is bad enough, but as it turns out, the United States is paying more and getting less than anticipated. In another GAO report, the title says it all: ''Missile Defense Agency Fields Initial Capability but Falls Short of Original Goals.'' MDA's accelerated development of the GMD program in order to reach an initial capability by the end of 2004 caused the agency to run over that portion of its budget by $1 billion. For FY 05, GMD contractors had exceeded anticipated costs by 25 percent. The GAO also took to task the forced reliance by MDA upon spiral development ''[I]t allowed the GMD program to concurrently mature technology, complete design activities, and produce and field assets before end-to-end testing of the system—all at the expense of cost, quantity, and performance goals.''

In addition, for the initial defensive capability stated as the goal of the rapid fielding of the overall missile defense network, MDA fell quite short of what it had hoped to have accomplished. ''Compared to its original goals set in 2003, MDA fielded 10 fewer GMD interceptors than planned, two fewer radars, 11 fewer Aegis BMD missiles, and six fewer Aegis ships,'' lists the GAO report. The United States has officially fielded elements of the ballistic missile defense system architecture, but these are really token efforts. Even if the systems had proved themselves during testing and development—which they have not—and even if they had all their needed components at the ready—which they do not—this system would be a feeble shadow of what planners had hoped for.

Spiral development ''allowed the GMD program to concurrently mature technology, complete design activities, and produce and field assets before end-to-end testing of the system—all at the expense of cost, quantity, and performance goals.''

Another result of rushing the missile defense elements out into the field is that workmanship has been shoddy, at best. Poor quality control has been listed time and again as an explanation for cost growth, schedule slips, and inferior performance. The GAO report explains, ''According to MDA's own audits, the interceptor's design requirements were unclear and sometimes incomplete, design changes were poorly controlled, and the interceptor's design resulted in uncertain reliability and service life.'' The GMD interceptor was not tested to ensure its parts could withstand the harsh environment in space—which could result in catastrophic failures after launch as the interceptors are supposed to impact their targets outside the Earth's atmosphere. Further, the failures of two recent flight tests—1FT–10 and 1FT–14—were due to poor quality control procedures. The development of some parts for the GMD interceptor has been so careless that, according to the GAO, the parts in question would

have to be replaced and thus ''the interceptors will be removed from their silos.'' Neither GAO nor MDA, has yet to explain at what cost such repairs will have to be made.

Unfortunately, cost growth, schedule slips, and faulty parts are not specific to missile defense programs. One can see that easily in every branch of the Pentagon. Where the missile defense program differs is in the extent of autonomy and decision-making freedom given to MDA officials managing the various pieces of the program. Given the pressure they were under from President George W. Bush's December 2002 announcement that an initial capability would be in place by the end of 2004, managers decided that the development and fielding process required a speedier schedule to meet that deadline. As a result, the GAO recounts, ''MDA officials told us that because the agency was directed to field a capability earlier than planned, it accepted additional risks.''

The agency was able to accelerate fielding because MDA officials have been given unprecedented liberties with acquisition planning and scheduling. They are further allowed to shift around funding from one program element to another as they see fit, under special rules set up by DOD. According to the GAO, ''Compared with other DOD programs, MDA has greater latitude to make changes to the BMDS [Ballistic Missile Defense Program] program without seeking the approval of high-level acquisition executives outside the program.'' Because of this flexibility, while MDA does inform Congress and DOD of funding rearrangements, accountability is practically nil; instead, its version of it has ''thus become broadly applied as to mean delivering some capability within funding allocations.''

MDA is also free of requirements that all other major DOD acquisition programs must undertake in regards to establishing baseline estimates of cost, performance and schedule. If other programs slip in meeting those predetermined requirements, Pentagon and/or service managers must alert Congress. If any program sees cost growth up to a certain amount in one quarter, it is considered to have suffered a so-called Nunn-McCurdy breach, which means DOD must alert Congress of the problem. If the cost growth is over 25 percent in a single quarter, DOD then must overhaul and justify the offending program. The Ballistic Missile Defense System, however, is exempt from these requirements. MDA officials have much more flexible baselines for their programs. MDA can avoid having to report programs' quarterly cost growth simply by changing cost goals and estimates. Also, MDA has the responsibility of deciding when it will alert Congress to schedule slips or cost growths, since ''there are no criteria to identify which variations are significant enough to report. Instead, MDA's Director, by statute, has the discretion to determine which variations will be reported.''

MDA officials do not have to hold themselves accountable to any particular standard or report if certain achievements have not been met. And Congress has, up to now, refrained from complaining about its lack of oversight over the $10 billion dollar a year MDA budget.

Up to now, the only ''achievements'' reported by MDA have been the flight test failures. The MDA has even stopped announcing when it has emplaced new interceptors at missile silos in Alaska and California. Ostensibly, this is because of operational security needs, but in actuality, it is more likely a move designed to avoid bad press as testing and deployment goes forward.

NETWORK SECURITY AND SYSTEMS ENGINEERING: FIGMENTS OF MDA'S IMAGINATION

The Pentagon Inspector General's (IG) office came out with two reports this winter that illustrate how every aspect of the Ballistic Missile Defense System has seen sloppy work indicative of low standards of oversight.

The first report reveals that the communications network linking the various radars, infrastructure, and elements of the GMD system, is extremely limited. The IG's office noted that the security documents in place for the system ''did not properly reflect current operations;'' furthermore, MDA officials ''had not fully implemented information assurance controls required to protect the integrity, availability, and confidentiality of the information in the [GMD] communications network.''

Because of this, ''MDA officials may not be able to reduce the risk and extent of harm resulting from misuse or unauthorized access to or modification of information of the GCN [GMD Communications Network] and ensure the continuity of the system in the event of a disruption.'' That is to say, network security is lacking. So now, in addition to worrying about whether the rudimentary system now deployed would launch and target threatening missiles effectively in the event of an emergency, planners have to head off the possibility that some bored teenager could hack into the system and disrupt it at a key moment.

A draft version of this report recommended, ''MDA and contractor officials should immediately cease operation of the system.''

The security procedures for the GMD Communications Network were completely bungled, as the IG report indicates. For one, ''[C]ontingency plans and system rules of behavior had not been prepared to assist users.'' Group passwords were used to access the unencrypted communications system, even though individual passwords were required. Documentation for the unencrypted system had the encrypted system's security concept (defined in the document as ''a description of the GCN security requirements and the resources needed to meet those requirements''), while the encrypted system's documentation didn't contain any security concepts. Explains the IG's office, ''This oversight occurred because the encrypted equipment and the unencrypted equipment were developed by two separate contractors [respectively, Boeing and Northrop Grumman], who were not following a common set of procedures for preparing documentation.''

The few information assurance controls that were built for the network were sadly out of date. The network was created by program officials to conform to ''Department of Defense Trusted Computer System Evaluation Criteria,'' a document that is dated Dec. 26, 1985. This old set of criteria was used instead of a more recent set of required criteria, found in: ''Missile Assurance Categories (MAC) Levels for Missile Defense Agency (MDA) Systems and Networks,'' dated Aug. 20, 2004.

It would appear that network security was a low priority for MDA, as the Communication Network's first information assurance officer wasn't brought on board until June 2005, long after the system had been in development—indeed, after GMD had been declared to have reached an initial defensive capability. No one was in charge of making sure the contractors working on system had appropriate levels of security clearance or were fully aware of their responsibilities regarding network security.

The IG's office was so alarmed at the absence of network security practices that a draft version of its report recommended that until fixes were in place, ''MDA and contractor officials should immediately cease operation of the system.'' While this recommendation did not make it into the final draft, it signifies the gravity of MDA's lack of planning.

An interesting coda to this report was how the Pentagon reacted once news of it hit the press. Federal Computer Weekly ran a story on it March 16, 2006. By the following Monday, the IG's office had taken the relevant report off of its website, with only this as explanation: ''The Missile Defense Agency requested that we remove this report from our web site pending a security review.'' The report is now marked ''For Official Use Only.''

Another report by the Pentagon's IG office raised concerns about another aspect of how the overall BMDS system's various components would function together. According to it, ''The Missile Defense Agency had not completed a systems engineering plan or planned fully for system sustainment. Therefore, the Missile Defense Agency is at risk of not successfully developing an integrated ballistic missile defense system.'' Systems engineering, the process of making sure a developing weapon system meets the capabilities required of it and ensuring it becomes operational, is a key in making certain that ideas on the drawing board end up in the final product. In a complicated architecture such as missile defense that has interceptors and control stations on the ground, in the air, and on the sea, involves numerous radar and satellite networks, and dips in and out of various Pentagon services and commands, systems engineering would be imperative to guarantee that the various elements would smoothly work together as planned.

Its failure to provide a systems engineering plan is partially due to the fact that MDA didn't follow instructions. But, as seems to be often the case, the problem also can be traced to the order speeding up initial deployment. According to the IG office's report, ''Another cause was that MDA was tasked with designing a single integrated system from a group of preexisting acquisition programs and fielding a missile defense capability quickly. As a result, the BMDS ability to develop and integrate the elements into a system that meets U.S. requirements is at risk.'' Furthermore, ''because MDA was rushing to field an initial BMDS capability, it had not fully planned for system sustainment.'' System sustainment is described in the document as ''a support program that meets operational support performance requirements and sustains the system in the most cost-effective manner.'' This conclusion is not surprising, as ''cost-effective'' and ''missile defense'' are rarely used in the same sentence.

''Missile Defense Agency is at risk of not successfully developing an integrated ballistic missile defense system.''

MDA also ducked creating a comprehensive Logistics Support Plan, as it should have and was legally obligated to do. According to the IG office's report, instead, ''each element is responsible for planning the following eight logistics-support-related areas: supply; equipment; packing, handling, storing, and transportation; facilities; computer resources; technical data; maintenance planning; and manpower and personnel. Sounds like a recipe for overlaps, gaps, and confusion.

FLAT LEARNING CURVE

While missile defense's spiral development is a phenomenon of the Bush administration, the United States has been working for decades on the capabilities being sought. A recent CRS report pointed out that the kinetic energy kill vehicle for the GMD system has predecessors dating back to the administration of Ronald Reagan. While CRS typically strives not to come down on one side or another of the issue, the report does make some revealing statements. It sums, ''The

data on the U.S. flight test effort to develop a national missile defense (NMD) system is mixed and ambiguous. There is no recognizable pattern to explain this record nor is there conclusive evidence of a learning curve over more than two decades of developmental testing.''

With four long-range kinetic energy intercept efforts attempted since Reagan's 1983 ''Star Wars'' speech—Homing Overlay Experiment (HOE), Exoatmospheric Reentry Interceptor Subsystem (ERIS), NMD, and GMD—there should be some sort of body of knowledge being built about how these systems work that could be drawn upon as needed. The CRS report acknowledges that the systems under development at various times were different, but it reasons, ''[T]hey were built on the limited successes of their predecessors.''

''The data on the U.S. flight test effort to develop a national missile defense (NMD) system is mixed and ambiguous. There is no recognizable pattern to explain this record nor is there conclusive evidence of a learning curve over more than two decades of developmental testing.''

Examining flight test intercept attempts since the 1980s for these long-range systems, the CRS dryly notes ''the mostly unsuccessfully history of the effort.'' Additionally, it highlights the absence of ''conclusive evidence of a learning curve, such as increased success over time relative to the first tests of the concept 20 years ago.'' Given that in the near past, flight testing has slowed down and suffered from a rash of quality control problems, it would seem that MDA definitely has not learned which processes would help aid the development of the GMD system. This is not to say that progress has not been made. However, with this administration's insistence on reinventing the wheel when it comes to major weapons acquisition strategies, there seems to be quite a lot of institutional knowledge regarding development that is being ignored.

CRS is unable to answer the two major questions about GMD. It terms the possibility of eventually developing a workable version of anything with that sort of capability as ''ambiguous at this juncture.'' And it stoutly refuses to speculate as to whether GMD would work in an emergency, equivocating, ''Currently, there is insufficient empirical data to support a clear answer.''

ANOTHER GUARDED ASSESSMENT

Another report which is subtly skeptical about the reported initial defensive capability of the GMD system is the January 2006 DOT&E report. This most recent version of the annual assessment of the previous fiscal year's activities and achievements for various Pentagon weapon systems came out studiously cautious about the program.

Highlighting GMD's flight test failures, when the interceptor rocket failed to leave the launch pad in both cases, the DOT&E report still inexplicably claims, ''Developmental testing to date indicates that the GMD system may have some inherent defensive capability against a limited missile attack.'' But this is a downgrade from the previous year's assessment of GMD, which had said it ''should have some limited capability.''

''Flight tests still lack operational realism. This will remain the case over the next year.''

At any rate, the DOT&E report does support other critiques of GMD. It explains the flight test failures as a result of ''Quality, workmanship, and inadequate ground testing.'' Across the board, GMD quality control has been appalling, a turn of events that is surprising given the political spotlight shining on the system. Whether this deficiency in quality control is primarily the result of the insufficient oversight or a natural byproduct of fast-forwarded fielding is hard to determine. Either way, it is an area that should require the immediate attention of MDA leadership and program managers.

The DOT&E report echoes claims made by many critics in warning, ''Flight tests still lack operational realism. This will remain the case over the next year.'' Moreover, ''Robust testing is limited by the immaturity of some components.'' This can all be interpreted as dubiousness about GMD's flight test program and assertions that the interceptors' effectiveness in defending the United States against missile attack can be extrapolated from the meager successes it has achieved to date. As the DOT&E report comments, ''The lack of flight test validation data for the simulations that support the ground testing limits confidence in assessments of defensive capabilities.'' Modeling and simulation can only do so much; after a certain point, actual flight tests must be held to determine the reliability of the GMD system. Such tests also must include scenarios that mimic the real-world situations in which the GMD system could conceivably be used. Otherwise, it will continue to be impossible to judge the potential effectiveness of GMD as it is now being developed.

The consistent delays of scheduled tests (or cancellation of them, as was the case when MDA was rushing to meet the 2004 initial deployment deadline) means that chances to learn about the GMD system are being missed. Each $100 million flight test truly is a valuable learning experience for all involved. The DOT&E report observes, ''[O]ptimistic estimates for the development and integration of a GMD capability result in frequent 'fact-of-life' changes to the test schedules.'' Wishing for a capability cannot create one. Missile defense has long been distanced from reality and this would be a prime example of the result.

DOUBLING IN SEVEN YEARS

Looking to the future, expenditure on missile defense will double in seven years if the current rate is maintained. A recent CBO report examined spending on major weapon systems and offered transformational and evolutionary alternatives. The former would be options that ''place more emphasis on acquiring the advanced weapons and capabilities that DOD associates with military transformation,'' while the latter would be a chance to ''forgo those advanced systems and instead pursue upgrades to current capabilities.''

''[I]f, however, costs grow as they have historically, pursuing the programs included in CBO's missile defense projection will cost an additional $3 billion a year, on average, peaking at about $19 billion in 2013.''

Missile defense, given the tremendous size of its budget (over $11 billion for missile defense-related programs in the FY 07 budget request), was one of the programs chosen for further scrutiny. The CBO had to guess as to the makeup of missile defense's eventual architecture, as missile defense has been excused from the normal Pentagon routine of having to establish clearly defined cost, growth, and performance parameters.

Even with this limitation, CBO prognosticates that missile defense expenditure will reach its crest of $15 billion by 2013, after which it would slowly decline once the programs enter their operational stages. Yet the CBO admits it could be higher: ''[I]f, however, costs grow as they have historically, pursuing the programs included in CBO's missile defense projection will cost an additional $3 billion a year, on average, peaking at about $19 billion in 2013.''

This is not the only possibility for missile defense spending. The CBO's evolutionary alternative consists of, ''DOD would deploy no additional ground-, sea-, air-, or space-based missile defenses beyond those already in place. Continuing efforts would be confined solely to research and testing of missile defense concepts.''

With all that objective government agencies have written about missile defense's frailties and weaknesses, redirecting the MDA's emphasis toward working with the technology that it has and ensuring that it works properly makes a dangerous amount of sense. But with the politicization of the program and the prominence given to showing some sort of capability in the field, it seems unlikely that this administration would take this sensible tack. However, it remains as a potent option that the next administration should keep in mind.

TAKING OFF THE ROSE-COLORED GLASSES

Throughout these reports, several common themes emerge. Unrealistic assumptions were made about the pace of missile defense development. In fact, the overarching policy of using spiral development seems to have backfired on MDA, as it slowed progress instead of quickening the pace of development.

The decision by the president to rush the GMD program's fielding created ripple effects that are still being discovered. It inculcated a rushed attitude, where contractors felt that quality control could be ignored just as long as the 2004 deadline was met. Accordingly, GMD has suffered a rush to failure that has put what would be a laughable system in the field . . . if there weren't policymakers who falsely believe that it can be depended upon to provide defense of the United States.

Another consequence of the heavy White House pressure is that MDA has been exempted of most reporting obligations. In theory, this was done to give MDA the freedom to explore every technological approach possible in the hopes that it would soon be able to whittle down choices to a manageable few. It has done the opposite. Programs fail to produce results, run over budget, and delay interminably—but are not killed. Yet because there was no baseline that MDA had to create for the programs, there is a great deal of difficulty in trying to measure what could be termed progress.

MDA's flexibility in accounting requirements has spilled over into how it holds itself accountable. Last year's flight test failures should have been a wake-up call to the agency. After the second test failure in a row, MDA halted GMD's flight test program while it held investigations. An independent review team was created to determine the cause of the failures and what practices would allow for a successful launch. It had five key recommendations for the GMD flight test program. According to the presentation given to Obering in March 2005, MDA should: ''Establish a More Rigorous Flight Readiness Certification Process [with the subcategory of Make 'Test as you fly, fly as you test' the standard]; Strengthen Systems Engineering; ''Perform additional ground-based qualification testing as a requirement for flight testing; ''Hold contractor functional organizations accountable for supporting prime contract management; Assure that the GMD program is executable.'' While these are solid recommendations, the primary cause of the flight test failures—the rush to deploy—is played down.

A Mission Readiness Task Force was also created to review the preparation leading up to the GMD flight tests, and a Director of Mission Readiness was established. The first director was Adm. Kathleen Paige, who had been program director of the Aegis ballistic missile defense system. She retired in November 2005 and it is unclear as to whether she was replaced.

At any rate, MDA's operating mode, despite having created these task forces, has not in any real way changed.

What becomes apparent from reading these seven reports is that changes are imperative. If MDA continues in the same vein it has been, the United States will see itself saddled with a missile defense system that costs tens of billions, possibly hundreds of billions, of dollars, yet provides no actual defense. What's more, by diverting that money to an unfeasible system, the United States will miss out on the protection it could be getting from weapon systems that actually work. An honest assessment of the overall architecture is required before more time and funding is lost.

Mr. EVERETT. Mr. Chairman, I claim the time in opposition, and I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to the amendment because it would have a great negative impact on national security by severely curtailing or terminating programs that protect our country against rogue nations.

Simply put, now is not the time to gut our missile defense programs by slashing the Missile Defense Agency's budget in half, given the threats posed by such countries as North Korea and Iran.

This amendment would freeze in place both ground-based and the Aegis midcourse defense capabilities prior to finishing what we started with the Fort Greeley, Alaska, GMD installation. We have had tremendous success with the Aegis program. Six of the seven last intercept tests have been hits. Why in the world would you stop this now?

In addition, this amendment would kill the Airborne Laser and Kinetic Energy Interceptor boost phase defense programs, just when both promises are approaching significant milestones in 2008.

General Cartwright, Commander of STRATCOM, has repeatedly told me how important it is to stay the course with the Airborne Laser Programs, whose directed energy capability is of a critical importance to the Department of Defense. This amendment would kill the ABL program after more than $3 billion has been invested. It would be a tremendous waste of taxpayers' money not to go ahead and follow through with the ABL program to see how well it works.

The amendment cites the Congressional Budget Office report on long-term implications of current defense plans and alternatives. Let me repeat, ''and alternatives.'' The evolutionary alternative in this CBO report is neither a recommendation nor an endorsement by CBO of cutting MDA programs. This report simply looked at the impact of future defense budgets, of alternative options to meet hypothetical, hypothetical spending targets. The CBO, and this was confirmed this today by my staff, does not endorse or support this proposal. It was merely another option as part of funding a ''what if'' drill, an academic situation, if you will.

This amendment could drastically cut the budget of our missile defense. While we all understand the missile defense architecture is complicated and costly, long term, it is crucial in today's world if we will continue our primary national defense into the future.

There will never be a time to cut investments in our Nation's protection. That is what this does. I strongly encourage my colleagues to vote against this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. TIERNEY. Mr. Chairman, I yield 2 minutes to the gentlemen from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Chairman, the Missile Defense Agency has before it really an impossible task. Our current missile system programs have not worked, and wishing will not help it to overcome the physics. The tests have failed repeatedly. It has been confused by decoys, faced numerous testing troubles, and despite spending over $100 billion over the years, we have failed to develop a working system.

Mr. TIERNEY referred to the seven separate reports that are critical of various aspects of this program. Our amendment is not just pulled out of a hat, it focuses this program down to allow the Missile Defense Agency to work in those areas where it can make progress. The programs have gotten so far out in front of the basic facts that it is time to focus this down.

You know, our colleagues say they do not want to shortchange our national defense, but I can assure you that cutting wasteful programs does not shortchange our national defense. Seven separate reports by independent agencies here say that aspects of this program are wasteful. They simply are not working. It is time to focus it down.

You know, one of the craziest ideas I have ever heard is that we should deploy this missile defense system as a way to test it. I cannot think of any aspect of your life, any aspect of military preparedness, any aspect of business or industry where you work that way. It should be thoroughly tested before it is deployed. And to deploy something like this is worse than a waste.

To deploy a flawed system, well, simple strategic analysis tells us that a provocative yet permeable defense is destabilizing and weakens the security of all Americans.

The idea that we have sunk lots of cost is the argument that keeps coming back. That is one of the worst fallacies in human reasoning. We need to stop throwing good money after bad and focus this program down.

Mr. EVERETT. Mr. Chairman, before I yield to my friends on the other side, let me say that the gentleman is probably not aware of a missile which was deployed before it was finally finished, which the Israelis used.

Mr. Chairman, I yield 45 seconds to the gentleman from Texas (Mr. REYES) who is on the Intel Committee and also on the Strategic Forces Committee that handles missile defense.

(Mr. REYES asked and was given permission to revise and extend his remarks.)

Mr. REYES. I thank the gentlemen for yielding.

Mr. Chairman, I rise in opposition to this amendment in support of the committee's efforts to obtain effective and fully tested missile defense capabilities aimed at defeating real threats.

Today is not a time to be cutting funds from this critical program. I am particularly concerned about the restrictions the amendment would impose on the Aegis and THAAD theatre defense systems, because just this morning a THAAD interceptor was successfully launched against a simulated target.

Mr. Chairman, we cannot afford to slow down this important theater defense program. I urge my colleagues to support this committee's bipartisan approach and to defeat this amendment.

Mr. Chairman, I rise in opposition to the amendment and in support of the Committee's efforts to obtain effective, fully-tested missile defense capabilities aimed at defeating real threats.

H.R. 5122 redirects missile defense funding from longer range programs—such as the multiple kill vehicle—to near term needs, such as buying upgrades for the Patriot and Aegis interceptors that can protect our service members and allies today. It also places restrictions on developing improvements to the ground-based midcourse defense system until after it successfully intercepts two operationally realistic warheads, and it prevents any development of space-based interceptors.

While we might disagree about whether further adjustments or reductions are possible, I commend the subcommittee chairman for this good-faith effort to develop a bipartisan approach to missile defense.

The amendment before us today goes too far in radically restructuring missile defense programs. It would essentially freeze our missile defense capabilities at their current level and it would terminate numerous programs before we obtain useful information about whether they can improve our defenses against missiles launched by a rogue nation.

I am particularly concerned about the restrictions the amendment would impose on the Aegis and THAAD theatre defense systems. Just this morning a THAAD interceptor was successfully launched against a simulated target. We cannot afford to slow down this important theatre defense program.

I urge my colleagues to support the Committee's bipartisan approach and to defeat this amendment.

Mr. EVERETT. Mr. Chairman, let me now yield any time remaining to the gentleman from Alabama (Mr. CRAMER) who is also very knowledgable about missile defense and also on the Intel Committee and the Appropriations Committee.

Mr. CRAMER. I thank my colleague from Alabama and also my colleague from Texas.

Mr. Chairman, I rise in strong opposition to the Tierney-Holt Amendment. I do so reluctantly, because I respect the two gentlemen, and we serve on the House Intelligence Committee together as well.

This amendment would reduce the Missile Defense Agency's $9.38 billion roughly by half. And now is not the time to do that, to say the least. We have been involved in sensitive briefings lately on the Appropriations Committee and the House Intelligence Committee that talk about the threats that we have got to invest our technology in.

In 2005, there were 60 launches that involved short-range ballistic missiles, 10 involved medium- and intermediate-range missiles, and about 10 involved long-range ballistic missiles. We have already invested heavily in several key programs to defend against this threat, and the programs are just now providing the kind of technology that has got to be refined in order to defend us.

We have got sensitive intelligence issues, sensitive defense issues against this country. The negative impacts that this amendment now would have on the budget cuts would be drastic.

I urge my colleagues to oppose this amendment.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. TIERNEY).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. TIERNEY. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Massachusetts will be postponed.

AMENDMENT NO. 10 OFFERED BY MR. HOSTETTLER

Mr. HOSTETTLER. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 printed in House Report 109–461 offered by Mr. HOSTETTLER:

At the end of subtitle C of title V (page 126, after line 12), insert the following new section:

SEC. ___. SPECIAL OPERATIONS FELLOWSHIPS.

(a) FELLOWSHIPS.—The Secretary of Defense shall prescribe regulations under which the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict may award a fellowship to an eligible person, as described in subsection (b), in a discipline determined by the Assistant Secretary. The authority to award any amount of funds to any person as a fellowship under this section is subject to the availability of funds for that purpose.

(b) ELIGIBLE PERSON.—A person eligible for a fellowship under this section is a citizen or national of the United States who is enrolled in or is eligible to enroll in a program of education leading toward the completion of a masters degree or a doctoral degree.

(c) FELLOWSHIP REQUIREMENTS.—

(1) DOCTORAL DEGREE STUDENTS.—The recipient of a fellowship who is a student enrolled in a program of education leading toward the completion of a doctoral degree shall agree to prepare a doctoral dissertation in a subject area with military relevance that is approved by the Assistant Secretary.

(2) MASTERS DEGREE STUDENTS.—The recipient of a fellowship who is a student enrolled in a program of education leading toward the completion of a masters degree shall agree to concentrate the masters degree on a subject area with military relevance that is approved by the Assistant Secretary.

(d) REGULATIONS.—The regulations required to be prescribed under this section shall include each of the following:

(1) The criteria for the award of fellowships under this section.

(2) The procedure for selecting recipients of such fellowships.

(3) The basis for determining the amount a fellowship recipient will receive.

(4) The total amount that may be used to award fellowships during an academic year.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from Indiana (Mr. HOSTETTLER) and a Member opposed each will control 5 minutes.

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN. Before the Chair recognizes the gentleman from Indiana, the Chair would ask anyone with a cell phone in the Chamber to turn it off.

The Acting CHAIRMAN. The Chair recognizes the gentlemen from Indiana.

Mr. HOSTETTLER. Mr. Chairman, Special Operations Forces have played an increasingly important role in our wars against nonstate actors. Therefore, I believe we need to encourage our Nation's best and brightest military scholars to focus on the scholarly research needs of our special operators.

Mr. Chairman, I believe this new fellowship program will nurture and cultivate the kind of academic scholarship that will help our special operators gain an even greater upper hand against our Nation's adversaries. We supply them with the best weapons in the world. We must, as well, see to it that they benefit from the research of some of our Nation's best scholars.

If enacted into law, my amendment would authorize the Secretary of Defense to prescribe regulations under which the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict will award a fellowship to an eligible person, as described in the legislation, in a discipline determined by the Assistant Secretary.

The authority to award any amount of funds to any person as a fellowship under this section is subject to the availability of funds for this purpose.

Mr. Chairman, I believe it is important that we give our men and women in uniform all of the tools necessary to fight and win our Nation's wars overwhelmingly. And one way to do that is to give them access to the best scholarship available in their respective fields.

Mr. Chairman, I yield back the balance of my time.

Mr. ANDREWS. Mr. Chairman, I rise to claim the time in opposition, although I will not oppose the amendment.

The Acting CHAIRMAN. Without objection, the gentleman from New Jersey is recognized for 5 minutes.

There was no objection.

Mr. ANDREWS. In fact, I rise to support the amendment. The asymmetric threats that are based by our country today require a complex set of skills to successfully address those threats. Certainly the men and women of our Special Forces possess many of those skills. They do a fabulous job.

And it is our job to try to assist them and facilitate them in their work. The gentleman from Indiana's amendment, I think, gives these American heroes one more tool, one more opportunity to excel.

Asymmetric warfare certainly involves the use of force and the use of strategy on the battlefield. But it also solves intimate knowledge of sociology, language, history, physics, and perhaps other disciplines that go well beyond that.

□ 1445

Our ranking member of the full committee, Mr. SKELTON, has been a leading voice for military education throughout his time here. We think this amendment is consistent with Mr. SKELTON's devotion to that principle.

We want our Special Forces men and women not simply to be physically prepared, technologically armed and equipped but to have the intellectual tools necessary to do their job and defend the country. We believe this amendment serves those values well. We are pleased to support it.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIRMAN (Mr. BONILLA). The question is on the amendment offered by the gentleman from Indiana (Mr. HOSTETTLER).

The amendment was agreed to.

AMENDMENTS EN BLOC OFFERED BY MR. HUNTER

Mr. HUNTER. Mr. Chairman, I offer amendments en bloc.

The Acting CHAIRMAN. The Clerk will designate the amendments en bloc.

Amendments en bloc offered by Mr. HUNTER printed in House Report 109–461 consisting of amendment No. 18; amendment No. 11; amendment No. 12; and amendment No. 14.

AMENDMENT NO. 18 OFFERED BY MS. SCHAKOWSKY

The text of the amendment is as follows:

At the end of subtitle B of title VIII (page 295, after line 20), add the following new section:

SEC. 815. OVERSIGHT AND ACCOUNTABILITY OF CONTRACTOR PERSONNEL.

(a) REPORT AND REQUIREMENTS RELATING TO CONTRACTS TO BE PERFORMED IN IRAQ AND AFGHANISTAN.—

(1) INSPECTOR GENERAL REPORT.—Not later than March 1, 2007, the Inspector General of the Department of Defense shall submit to Congress a report on overcharges discovered by the Inspector General under contracts entered into by the Department for work to be performed in Iraq and Afghanistan.

(2) ASSIGNMENT OF SUFFICIENT CONTRACTING OFFICERS.—The Under Secretary of Defense for Acquisition, Logistics, and Technology shall ensure that sufficient contracting officers are assigned to oversee and monitor contracts entered into by the Department of Defense for work to be performed in Iraq and Afghanistan.

(b) REQUIREMENTS RELATING TO EMPLOYEES OF DEFENSE CONTRACTORS OPERATING OUTSIDE THE UNITED STATES.—

(1) BACKGROUND CHECKS.—The Secretary of Defense shall implement a policy for conducting comprehensive background checks on foreign nationals hired by contractors (and subcontractors at any tier) of the Department of Defense operating outside the United States. The type of background check included in such policy shall be suitable for employment screening and shall, at a minimum, include a determination of whether the potential employee is on a terrorist watch list or has a criminal record. The policy shall provide for completing such background checks as quickly as possible.

(2) PROHIBITION ON HIRING CERTAIN EMPLOYEES.—A contractor (or subcontractor at any tier) of the Department of Defense operating outside the United States may not hire any person—

(A) who has been convicted of a violent felony; or

(B) who is determined by the Secretary of Defense to have committed acts inconsistent with the policy of the Department of Defense on human rights.

(c) REPORT AND APPLICABILITY OF DEFENSE INSTRUCTION RELATING TO CONTRACTOR PERSONNEL AUTHORIZED TO ACCOMPANY THE ARMED FORCES.—

(1) REPORT ON IMPLEMENTATION OF INSTRUCTION.—The Secretary of Defense shall submit to Congress a report on the Department of Defense instruction described in paragraph (3). The report shall include information on the status of the implementation of the instruction, how the instruction is being enforced, and the effectiveness of the instruction.

(2) REQUIREMENT TO APPLY TO CONTRACTS.—The Department of Defense instruction described in paragraph (3) shall apply to—

(A) contracts entered into by the Department of Defense after the date of the enactment of this Act;

(B) task orders issued after the date of the enactment of this Act under contracts in existence on the date of enactment of this Act; and

(C) contracts in existence on the date of the enactment of this Act with respect to which an option to extend the contract is exercised after such date.

(3) INSTRUCTION DESCRIBED.—The instruction referred to in this subsection is Department of Defense Instruction Number 3020.14, titled ''Contractor Personnel Authorized to Accompany the United States Armed Forces''.

AMENDMENT NO. 11 OFFERED BY MR. JINDAL

The text of the amendment is as follows:

At the end of title X (page 393, after line 23), add the following new section:

SEC. 1041. DEPARTMENT OF DEFENSE OPERATIONAL PLANS FOR ARMED FORCES SUPPORT FOR CIVIL AUTHORITIES.

The Secretary of Defense, in coordination with the Secretary of Homeland Security and State governments, shall develop detailed operational plans regarding the use of the Armed Forces to support activities of civil authorities, known as Defense Support to Civil Authorities missions. These plans shall specifically address response options to hurricanes, wildfires, earthquakes, pandemic, and other natural disasters.

AMENDMENT NO. 12 OFFERED BY MR. LEWIS OF KENTUCKY

The text of the amendment is as follows:

At the end of title VI (page 237, after line 8), add the following new section:

SEC. 664. PHASED RECOVERY OF OVERPAYMENTS OF PAY MADE TO MEMBERS OF THE UNIFORMED SERVICES.

(a) PHASE RECOVERY REQUIRED; MAXIMUM MONTHLY INSTALLMENT.—Subsection (c) of section 1007 of title 37, United States Code, is amended by adding at the end the following new paragraph:

''(3) If the indebtedness of a member of the uniformed services to the United States is due to the overpayment of pay or allowances to the member through no fault of the member, the amount of the overpayment shall be recovered in monthly installments. The amount deducted from the pay of the member for a month to recover the overpayment amount may not exceed 20 percent of the member's pay for that month.''.

(b) RECOVERY DELAY FOR INJURED MEMBERS.—Such subsection is further amended by inserting after paragraph (3), as added by subsection (a), the following new paragraph:

''(4) If a member of the uniformed services is injured or wounded under the circumstances described in section 310(a)(2)(C) of this title or, while in the line of duty, incurs a wound, injury, or illness in a combat operation or combat zone designated by the Secretary of Defense, any overpayment of pay or allowances made to the member while the member recovers from the wound, injury, or illness may not be deducted from the member's pay until after the end of the 90-day period beginning on the date on which the member is notified of the overpayment.''.

(c) CONFORMING AMENDMENTS.—Such subsection is further amended—

(1) by inserting ''(1)'' before ''Under regulations'';

(2) by striking ''his pay'' both places it appears and inserting ''the member's pay'';

(3) by striking ''However, after'' and inserting the following:

''(2) After''; and

(4) by inserting ''by a member of the uniformed services'' after ''actually received''.

AMENDMENT NO. 14 OFFERED BY MR. MICA

The text of the amendment is as follows:

At the end of title VI (page 237, after line 8), insert the following new section:

SEC. 6___. SENSE OF CONGRESS CALLING FOR PAYMENT TO WORLD WAR II VETERANS WHO SURVIVED BATAAN DEATH MARCH.

(a) IN GENERAL.—It is the sense of Congress that—

(1) there should be paid to each living Battan Death March survivor an amount that is $4 for each day of captivity during World War II, compounded annually at a 3 percent annual rate of interest; and

(2) in the case of a Battan Death March survivor who is deceased and who has an unremarried surviving spouse, such a payment should be made to that surviving spouse.

(b) BATAAN DEATH MARCH SURVIVOR.—In this section, the term ''Bataan Death March survivor'' means an individual who as a member of the Armed Forces during World War II was captured on the peninsula of Bataan or island of Corregidor in the territory of the Philippines by Japanese forces and participated in and survived the Bataan Death March.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from California (Mr. HUNTER) and the gentleman from Missouri (Mr. SKELTON) each will control 10 minutes.

The Chair recognizes the gentleman from California.

Mr. HUNTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Speaker, in the Schakowsky amendment, the gentlewoman from Illinois provides for additional oversight and accountability of Department of Defense contractors deployed in Iraq and Afghanistan. It would make retroactive DOD regulations for contractors issued in October 2005 on previously issued contracts upon any extension brought about by an option.

It would implement a policy for conducting comprehensive background checks on foreign nationals hired by contractors operating outside of the U.S. and would also require a DOD Inspector General report on contractor overcharges and require that there are sufficient contracting officers assigned to oversee and monitor contracts in Iraq and Afghanistan.

The amendment offered by Mr. JINDAL would require the Secretary of Defense in coordination with the Secretary of Homeland Security and State governments to develop detailed operational plans regarding the use of the Armed Forces to support activities of civil authorities known as Defense Support to Civil Authorities Missions.

The amendment that is offered by Mr. LEWIS of Kentucky would provide that no more than 20 percent of a uniformed servicemember's paycheck can be garnished in a single pay period to recover overpayments that have occurred through no fault of the servicemember. That was always my contention.

It would also provide a 90-day grace period before overpayment recovery can begin from servicemembers who are wounded or injured or who incur an illness in a combat operation or combat zone.

Finally, the Mica amendment offered by the gentleman from Florida expresses the sense of Congress that the Department of Defense should provide compensation to American veterans who are captured while in service to the United States Armed Forces on the peninsula of Bataan or the island of Corregidor, survived the Bataan Death March during World War II and have not received previous compensation provided to other prisoners of war.

I might just say about that amendment, Mr. Chairman, these great Americans came back and met with many of us over the last several years, these great survivors of the Bataan Death March. And many of them, according to their testimony, were taken by ship after the death march in which many of them were killed, bayoneted, decapitated, otherwise killed; they were taken to Japan and in many cases were turned over to Japanese industry, including companies that are corporate giants today like Matsui and Mitsubishi. And these Japanese corporations took the Americans as slaves from the Japanese Government. They turned them over to them as POWs. And they put them in slave labor operations, in many cases involving mines, for example, that were considered to be unsafe for Japanese workers. They would push the Americans into those mines.

I can recall some of the Americans testifying when they came back and met with us on the Hill about the brutality that took place. The time one of our great survivors of the Bataan Death March from California had a rock fall on him in a cave-in in this unsafe mine that they were working in as slaves to these corporations, and his leg was crushed by a rock. And an American doctor who was also a POW operated on that Bataan Death March survivor with a single rusty razor blade and the anesthetic was to have the biggest guy in the POW camp knock him out before they did the operation, and then they used maggots to clean the wound. And that great American was back here testifying a couple of years ago to the U.S. Congress.

Those POWs sought redress from the corporations which had used them as slaves in their operations saying we want to be paid for this work that we performed as slave labor. The corporations resisted this mightily in a series of lawsuits. And I thought it was sad that the U.S. Government intervened on the opposite side, on the other side from the American POWs, claiming that the treaty that was signed after the war essentially eliminated any rights on behalf of the POWs other than the one dollar a day that they received as compensation for their POW status.

So those great Americans did not win. They ultimately faced summary judgments in American courts and received no compensation from these massive corporations. In fact, some of the biggest corporations in the world which when they enslaved these Americans were not nationalized by the Japanese Government, but in fact remain private corporations and developed a lot of their operations or carried on a lot of their operations using American slave labor.

So the lawsuits were quashed and these Americans, those that still survive, never got any redress. So I would just say that Mr. MICA's amendment particularly struck a cord with this member of the Armed Services Committee, and I would recommend that all these amendments be supported.

Mr. Chairman, I reserve the balance of my time.

Mr. SKELTON. Mr. Chairman, I yield 4 minutes to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Chairman, I thank the gentleman for yielding me time. I want to begin by thanking Chairman HUNTER and Ranking Member SKELTON and their Armed Service Committee staffs for working with me to bring this amendment dealing with private military contractors to the floor. I really appreciate your help and that of your staff.

My amendment would provide for additional oversight and accountability of the Defense Department contractors deployed in Iraq and Afghanistan. Contractors compose the second largest force in Iraq after the U.S. military. This amendment does not attempt to make any statement on the decision to use contractors or about the wars in Iraq or Afghanistan.

Now that we are more than 3 years into the war in Iraq, this amendment is intended to give Members of Congress new tools so that we can exercise our oversight responsibilities on what has become a major component of our military and to clarify the role of contractors. We can all acknowledge that military contractors should require the same stringent accountability and oversight standards as the U.S. military. After all, private contractors often served side by side with our brave troops, and these same United States troops are often tasked to protect our contractors who are paid with billions of U.S. taxpayer dollars.

This amendment would help to provide increased accountability and oversight for our Defense Department contractors by, first, implementing a policy for conducting comprehensive background checks on foreign nationals hired by our contractors. We want to know who these individuals are and what their backgrounds are and if they are suitable for that role. It also prohibits the hiring of any person that has been convicted of a violent crime or a human rights violation.

Second, this amendment makes retroactive new Department of Defense rules for contractors on contracts that are already in existence or on any contract extension. For example, it makes perfectly clear that combatant commanders are in charge. It outlines carefully that relationship between combatant commanders and contractors so that there is a structure of command or part of the chain of command. The combatant commander decides whether or not they carry a gun, what uniform they would wear and that they have to respond to the combatant commander.

It also would say that anyone that is a contractor or an employee of a contractor must obey the laws of the host country, of international law and U.S. law.

Third, it requires a Department of Defense Inspector General report on contractor overcharges, requires that there are sufficient contracting officers assigned to monitor contracts in Iraq and Afghanistan.

I hope that in the future I can continue to work with Chairman HUNTER and Ranking Member SKELTON to address additional oversight issues regarding the use of military contractors. I also hope we will continue to consider the impact that utilizing contractors has on our military. And I would also like to consider additional means to make it easier for Members of Congress to see Defense Department contracts so we can better monitor them for signs of waste, fraud and abuse.

Again, I thank Chairman HUNTER and Ranking Member SKELTON. I appreciate your support and attention to this important issue.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Kentucky (Mr. LEWIS).

Mr. LEWIS of Kentucky. Mr. Chairman, I want to thank Chairman HUNTER for his leadership in bringing this legislation before us today.

I am proud to support the bill which reflects the superior commitment to all of those defending the freedom of our Nation. I am certainly appreciative of being able to offer this amendment.

It is a little known fact in the civilian world that when a soldier is accidentally overpaid as a result of a military pay system error, the sum can be recouped in the form of a zero sum paycheck also known as ''no pay due.''

This is a problem long acknowledged by America's military community and service organizations and has been documented by numerous news organizations including ABC News, Army Times, and service organization publications.

Overpayments occur when the military's pay and personnel systems which are currently neither automated nor integrated with one another, do not accurately reflect a soldier's current status and are distressingly common when pay grade assignment or geographical changes are involved. Furthermore, while overcompensation can occur in small amounts over time, the full amount can be recouped by garnishing large portions of entire paychecks when over payment is detected.

The immediate and often unexpected financial burden this places on military families is in many cases overwhelming. Perhaps most disturbing is the common occurrence of ''no pay due'' for wounded soldiers. System failure to recognize cessation of combat pay or other allowances often results in continued compensation which then results in garnishment when the system catches up, all at a time when a wounded soldier's family is most vulnerable.

My amendment simply requires that no more than 20 percent of a soldier's paycheck can be garnished in one pay period to recover overpayment resulting from system error. It would also institute a 90-day grace period before recovery of overpayments can begin for wounded soldiers. This will ensure that families are not blind-sided by recovery of debt incurred as no fault of their own and often with no knowledge.

I ask for my colleagues to support this amendment which carries no cost and which does not seek to absolve debt, but merely to ease its recovery for our military families already serving so selflessly in defense of this Nation. I hope you will join me in lifting the burden of no pay due. Thank you. Our soldiers and their families deserve better.

□ 1500

PARLIAMENTARY INQUIRY

Mr. WELDON of Pennsylvania. Mr. Chairman, parliamentary inquiry. Is it

in order to ask unanimous consent for an additional 2 minutes beyond what has been allotted?

The Acting CHAIRMAN (Mr. LAHOOD). The Chair may entertain such request on terms congruent with the order of the House; that is, with the time divided equally between the sides.

Mr. WELDON of Pennsylvania. Mr. Chairman, I ask unanimous consent to enlarge the debate for both sides by 4 minutes.

The Acting CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Louisiana (Mr. JINDAL).

Mr. JINDAL. Mr. Chairman, I, too, want to thank Chairman HUNTER, the staff and members of the committee for their very good work on this bill.

I rise to offer an amendment. The National Guard and active duty military troops and assets deployed since Hurricanes Katrina and Rita constituted one of the Nation's largest domestic deployments of military assets since the Civil War. The National Guard and active duty military response saved lives, provided urgent food, water, shelter and medical care to many hurricane victims.

The deployment of National Guard forces before active duty troops is consistent with current U.S. Department of Defense strategy for homeland defense and civil support, which relies on the National Guard in the first instance for civil support.

However, in the wake of these particular hurricanes, Federal and State officials lacked coordination and consideration of requests for National Guard and active duty troop deployments. Local, State and Federal offices had differing perceptions of the number of Federal troops that would be arriving and the appropriate command structure for all troops, causing confusion and diverting attention from response activities.

This amendment requires the Secretary of Defense, in coordination with the Secretary of Homeland Security and State governments, to develop detailed operational plans regarding the use of Armed Forces to support activities of civil authorities in response to a catastrophic disaster.

The amendment works to significantly strengthen the response options to hurricanes, wildfires, earthquakes, pandemic, and other natural disasters.

My amendment is consistent with the findings and recommendations from both the Select Bipartisan Committee to Investigate the Preparation for Response to Hurricane Katrina and the report from the Senate Committee on Homeland Security and Government Affairs, and it builds upon provisions in the base bill, which require DOD to maintain real-time capability assessments of responsibilities under the National Response Plan.

Mr. WELDON of Pennsylvania. Mr. Chairman, I am proud to yield 2 minutes to the distinguished gentleman from Florida (Mr. MICA).

Mr. MICA. Mr. Chairman, I thank the chairman.

The defense authorization bill is one of the most important measures we take before the Congress because it sets the policy for the Department of Defense.

The purpose of the amendment that I have offered and has graciously been included in this en bloc amendment is to recognize the service and sacrifice and make that part of our policy to again realize what took place with the victims of the Bataan Death March during World War II. This amendment also expresses the sense of Congress that the Department of Defense should seek to provide compensation to the remaining survivors.

Those captured in the Bataan Death March spent an average of 3.5 years in captivity in Japanese prison camps and forced labor factories. Chairman HUNTER described some of the torture and forced labor.

In order to compensate for the torture, malnutrition and forced labor they endured, the survivors should be provided at least what was then set forth, which is $4 a day for the time spent in captivity, and the bill provides for some compounded annual interest. Even private contractors who were captured and imprisoned received $60 per day. They were, indeed, victims of torture and injustice and unfairness.

This amendment is important for Congress to recognize the unbelievable sacrifices of our soldiers who defended our Nation and fought in the Philippines.

Very few survivors of the Bataan Death March are still alive today. In fact, one reason I got involved in this is because of a local veteran by the name of Sam Moody, and Sam passed away since I undertook his request. There are only about 900 survivors and widows. So it is not really the money. It is also the policy that we set here today.

Mr. SKELTON. Mr. Chairman, I yield back the balance of my time.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield back my time.

The Acting CHAIRMAN. The question is on the amendments en bloc offered by the gentleman from California (Mr. HUNTER).

The amendments en bloc were agreed to.

AMENDMENT NO. 23 OFFERED BY MR. WELDON OF PENNSYLVANIA

Mr. WELDON of Pennsylvania. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 23 printed in House Report 109–461 offered by Mr. WELDON of Pennsylvania:

At the end of title XII (page 419, after line 7), insert the following new section:

SEC. 12__. SENSE OF CONGRESS CONCERNING COOPERATION WITH RUSSIA ON ISSUES PERTAINING TO MISSILE DEFENSE.

It is the sense of Congress that—

(1) cooperation between the United States and Russia with regard to missile defense is in the interest of the United States;

(2) there does not exist strong enough engagement between the United States and Russia with respect to missile defense cooperating;

(3) the United States should explore innovative and nontraditional means of cooperation with Russia on issues pertaining to missile defense; and

(4) as part of such an effort, the Secretary of Defense should consider the possibilities for United States-Russian cooperation with respect to missile defense through—

(A) the testing of specific elements of the detection and tracking equipment of the Missile Defense Agency of the United States Department of Defense through the use of Russian target missiles; and

(B) the provision of early warning radar to the Missile Defense Agency by the use of Russian radar data.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from Pennsylvania (Mr. WELDON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I offer this amendment out of a sense of frustration. I was the prime author of the missile defense legislation in 1998, with our friend JOHN SPRATT, that passed the House with a veto-proof margin calling for a moving forward on missile defense. At the time of that debate and leading the debate, I said to our colleagues, as I committed to the Russians, that we would do joint missile defense in cooperation so as not to create any feeling that we were trying to achieve a strategic advantage over them.

In fact, the weekend before the vote, I took Don Rumsfeld, Jim Woolsey and Bill Schneider to Moscow, along with several of my colleagues from the other side of the aisle, to reassure the Russians that this was not about scoring a strategic advantage.

Unfortunately, Mr. Chairman, 2 years ago, this administration cancelled the only remaining program with the Russians on missile defense. That program, entitled RAMOS, had been attempted to be cancelled back in the 1990s, and Senator LEVIN joined with us in blocking that cancellation. By canceling the RAMOS program, we have sent a terrible signal to the Russian military and to their government at a time when we need to reinforce strategic cooperation with Russia.

I would argue that there is no country that could assist us in dealing with both North Korea and Iran more than Russia at this point in time, but continuing to send mixed signals like the cancellation of our cooperation on missile defense is entirely taking us in the wrong direction.

Now, General Obering, who is in charge of our Missile Defense Agency,

agrees with me. In fact, he had negotiated a contract over a year ago with the Russian General Balyuevsky to gain joint cooperation on missile defense. It was the policy office of the Secretary of Defense that cancelled that contract that had been negotiated by General Obering. To me, that was absolutely outrageous and wrong, but yet, it has still not been corrected.

Mr. Chairman, this amendment is simply designed to lay down a marker to this administration that we do have a need to work together with our Russian counterparts. They have assets that we can use. They have large, phased radar systems that can assist us in areas of the world that we cannot cover. They have the ability to provide targeting opportunities for us. They also have very sophisticated theater systems, including the S–400, the S–500 and the S–600, that we can work on jointly with them to learn the technologies and the techniques that the Russians have employed with their missile defense systems.

So, Mr. Chairman, I offer this amendment as a signal from the Congress, hopefully with bipartisan support, to the Pentagon and to the White House to get back on track, to do what the Congress mandated when we passed the Missile Defense Act back in 1998, and to begin and renew our cooperation, as General Obering has called for, with the Russians on missile defense cooperation, both at the theater level and at the strategic level.

I would ask that our colleagues on the other side would see fit to join with us in having this amendment be included as a part of our defense authorization bill.

Mr. SKELTON. Mr. Chairman, I claim time on this and I would add that I support it. I compliment the gentleman from Pennsylvania, and I certainly think it is an excellent amendment.

Mr. Chairman, I yield back my time.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield back my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. WELDON).

The amendment was agreed to.

AMENDMENT NO. 21 OFFERED BY MR. TAYLOR OF MISSISSIPPI

Mr. TAYLOR of Mississippi. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 21 printed in House Report 109–461 offered by Mr. TAYLOR of Mississippi:

At the end of title X (page 393, after line 23), insert the following new section:

SEC. 10___. REQUIREMENT THAT ALL MILITARY WHEELED VEHICLES USED IN IRAQ AND AFGHANISTAN OUTSIDE OF MILITARY COMPOUNDS BE EQUIPPED WITH EFFECTIVE IMPROVISED EXPLOSIVE DEVICE (IED) JAMMERS.

(a) REQUIREMENT.—The Secretary of Defense shall take such steps as necessary to ensure that by the end of fiscal year 2007 all United States military wheeled vehicles used in Iraq and Afghanistan outside of military compounds are equipped with effective Improvised Explosive Device (IED) jammers.

(b) FUNDING.—The Secretary shall carry out subsection (a) using funds provided pursuant to authorizations of appropriations in title XV.

(c) REPORT.—Not later than December 15, 2006, the Secretary of Defense shall submit to the congressional defense committees a report on the cost and timeline to complete compliance with the requirement in subsection (a) that by the end of fiscal year 2007 each vehicle described in that subsection be equipped with an effective Improvised Explosive Device jammer.

MODIFICATION TO AMENDMENT NO. 21 OFFERED BY MR. TAYLOR OF MISSISSIPPI

Mr. TAYLOR of Mississippi. Mr. Chairman, I have a modification to my amendment at the desk.

The Acting CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 21 printed in House Report 109–461 offered by Mr. TAYLOR of Mississippi:

At the end of the amendment, add the following:

Strike section 1 (page 2, lines 1 through 3) and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''G. V. 'Sonny' Montgomery National Defense Authorization Act for Fiscal Year 2007''.

The Acting CHAIRMAN. Without objection, the modification is agreed to.

There was no objection.

The Acting CHAIRMAN. Pursuant to House Resolution 811, the gentleman from Mississippi (Mr. TAYLOR) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Mississippi.

Mr. TAYLOR of Mississippi. Mr. Chairman, the modification, that the majority was so kind to agree to, would name this year's defense bill after one of the finest gentlemen to ever serve in this body, a former soldier, a statesman from the State of Mississippi, Sonny Montgomery, and the author of the Montgomery GI bill.

The bill does a lot of things this year that I think Sonny would be very proud of, particularly extending the TRICARE privileges to guardsmen and reservists, and since we are told that former Congressman Montgomery is under the weather, we hope that he is aware of what we are doing today because, again, I cannot think of anyone in our Nation who has done more to advance the Guard and Reserve than Sonny Montgomery.

He caught a heck of a lot of heat from people when he used his friendship with then-President Bush to have the Guard and Reserve called up for the first Gulf War. The decision he made then, the decision President Bush made then, was absolutely the right decision, and it has led to the one-force policy that our Nation enjoys today.

So, again, I want to thank the majority for working with me on that.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I certainly applaud your addition to your amendment. Sonny Montgomery was such a good friend when I first came to the House of Representatives. He, of course, was a senior member of the Armed Services Committee, gave guidance and advice; and I had the opportunity to be on the Personnel Subcommittee when his bill, later known as the Sonny Montgomery GI bill, came through, and I had the opportunity to work on an amendment at the subcommittee level, as a matter of fact.

He was a true gentleman's gentleman, a real inspiration to those of us that worked with him, a credit to the House, a credit to the military, a credit to the National Guard, most of all a credit to our Nation. So it is certainly fitting and proper that you should name this measure after G.V. ''Sonny'' Montgomery.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding, and I will be brief.

But I just want to say about Sonny Montgomery, I miss Sonny Montgomery. I can still see him in the House Chamber, and I can see him in the Armed Services Committee where he sat with us, and I can see him walking into the prayer breakfast.

I am not a regular, but I happened to be there that morning, and he walked in when Floyd Spence was having a double lung operation. Sonny would read the casualty roll, just like a soldier, and he said I have got news about Floyd and a hush fell over the breakfast. There were about 30 Members there, Democrat and Republicans, and we thought he would tell us that Floyd Spence had passed away.

Sonny did kind of a double-take at his notes, and he said Floyd just got married. Apparently, he had gotten married coming out of this double lung transplant operation a few minutes afterwards, and lived many happy years after that.

But Sonny Montgomery was a spark of life in this Chamber. He was a great representative for the tradition of the military, Mr. National Guard. There is no question in the world you could posit to Sonny Montgomery and no statement you could make as a witness before the Armed Services Committee that it would not evoke from Sonny Montgomery, what would this mean for the National Guard? I do not care what the issue was, he managed to turn it into a Guard question.

What a great, great American. He served in World War II and had that great feeling for our military, and he is in tough shape right now.

But I have seen the gentleman's amendment to make this the Sonny Montgomery bill. How fitting and appropriate that we do that. Sonny is

still alive, and I know that we usually do this for Members that have passed on; but Sonny is still alive and I say, good, and let us do this. And I thank the gentleman from Mississippi for bringing this up.

Mr. WELDON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from Pennsylvania.

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank the gentleman for yielding, and I want to thank our colleagues and particularly Mr. TAYLOR and the chairman and ranking member for this tribute to our good friend, Sonny Montgomery.

When I first came to Congress as a junior Member, it was Sonny Montgomery who kind of took the freshman Members under his wing from both parties and kind of taught us the ropes of how to work on the committee in a bipartisan manner.

Sonny Montgomery is, in fact, a statesman. He was the kind of leader on defense and security issues that everyone followed and rallied around.

Time and again, we had bills where leadership, under both Democrat administrations and Republican administrations, would want clean bills with no significant amendments. It was always Sonny Montgomery with his Guard and Reserve package that would ensure at least one amendment, and usually it was strong bipartisan votes because of his commitment, as Chairman HUNTER has outlined, to our Guard and Reserve.

The Acting CHAIRMAN. The time of the gentleman from Mississippi (Mr. TAYLOR) has expired.

□ 1515

The Acting CHAIRMAN (Mr. LAHOOD). Does the gentleman from Missouri (Mr. SKELTON) seek 5 minutes in opposition?

Mr. SKELTON. Yes, Mr. Chairman.

The Acting CHAIRMAN. The gentleman from Missouri is recognized for 5 minutes.

Mr. SKELTON. I yield to the gentleman from Pennsylvania.

Mr. WELDON of Pennsylvania. Mr. Chairman, Sonny Montgomery also was the individual who authored the Montgomery GI bill and is responsible for the education of our young people.

So many have used that bill to go on to school, and it has had such a positive impact on the men and women that have served this country that Sonny's name is known by people far and wide in this Nation, not just because of his commitment to the Guard and Reserve, but to the continuing educational needs of our young people.

I had the pleasure of accompanying Sonny on my first codel to North Korea. He led the delegation into South Korea. We drove up to the DMZ. Sonny led the official delegation to bring back the first remains of Americans from the Korean War. He handled that responsibility with a great deal of pride and responsibility, as Sonny Montgomery did on a continuing and frequent basis in representing this Nation and our President, in receiving the first remains of American prisoners that had been found by the North Korean Government.

I would just add my name to the list of all our colleagues who have such high regard for Sonny Montgomery. He is a statesman, and the gentleman has done a great job in making sure that this bill is a lasting legacy to Sonny Montgomery's leadership.

Mr. SKELTON. Mr. Chairman, I yield the balance of my time to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Chairman, I would like to thank my colleagues for their kind words about Sonny Montgomery. I would also like to remind my colleagues that the underlying amendment calls for telling the Department of Defense that by the end of fiscal year 2007, the Secretary of Defense will develop a plan to equip every wheeled vehicle that leaves a compound in Iraq or Afghanistan with an IED jammer.

Mr. Chairman, I voted for the use of force in Iraq and therefore I share in the responsibility for the death of every young person and every not-so-young person who has been maimed over there. It is a very unfortunate tactic by our enemies to use improvised explosive devices that are remote detonated, which have resulted in over half of the casualties and injuries of Americans over there.

Technology exists to jam the signal that triggers that charge. Many of our vehicles in Iraq have these jammers, but not all. Just as we would never dream of sending a helicopter out that does not have protection from missiles, or dream of sending a C–130 to land at Baghdad or Balad that did not have an antimissile defense, we as a nation should not dream of sending one Humvee or one truck outside of a compound that does not have the technology to jam that signal and protect the troops on board.

I have been to most of the funerals of the south Mississippians who have died in this war, and I have visited most of the soldiers at Walter Reed who have been injured. In every instance they were either killed or injured by an IED, and I regret to say, in every instance the vehicle they were traveling in did not have a jammer.

We are the world's greatest nation. We are going to spend $10 billion this year on national missile defense and we have not been attacked by a missile, and yet every day we are having young Americans killed by IEDs. I think it is time we tell the Department of Defense that we as a Congress want to see that every single vehicle in Iraq is protected, every single soldier, airman, Marine, every single Navy personnel who is traveling in these vehicles is being protected.

I welcome the comments of the chairman of the committee, and I very much welcome his support of this amendment.

Mr. SKELTON. Mr. Chairman, I yield back the balance of my time.

Mr. HUNTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to thank the gentleman from Mississippi on two counts, first for his offering the amendment on behalf of Sonny Montgomery, and secondly, for this IED amendment.

I just want to tell the gentleman that we have just tested today a new equipment package that has great potential, that we should be able to move into theater that hopefully will be able to be used in dismounted form and mounted form and that could be used on virtually every vehicle that moves out of base camp or out of forward bases.

I think this is absolutely the number one causation of casualties in the theater in Iraq and Afghanistan. Now that the IED has become the weapon of choice for insurgents, it is going to be used in other battlefields around the world. So our ability, our agility to move new technology through the process quickly and get it fielded is paramount, and this amendment helps to do that.

I want to thank the gentleman for the value he has added to the bill by offering this amendment.

The Acting CHAIRMAN. All time for debate has expired.

The question is on the amendment offered by the gentleman from Mississippi (Mr. TAYLOR), as modified.

The amendment, as modified, was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment No. 8 by Mr. GOODE of Virginia.

Amendment No. 22 by Mr. TIERNEY of Massachusetts.

Amendment No. 4 by Ms. JACKSON-LEE of Texas.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 8 OFFERED BY MR. GOODE

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. GOODE) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 252, noes 171, not voting 9, as follows:

[Roll No. 141]

AYES—252

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Case
Castle
Chabot
Chandler
Chocola
Coble
Cole (OK)
Conaway
Cooper
Costello
Cramer
Crenshaw
Cubin
Culberson
Davis (AL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Emerson
English (PA)
Etheridge
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hooley
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Kirk
Knollenberg
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (KY)
Lipinski
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marshall
Matheson
McCarthy
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moore (KS)
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Radanovich
Rahall
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Sodrel
Souder
Spratt
Stearns
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Tiahrt
Tiberi
Turner
Udall (CO)
Upton
Walden (OR)
Wamp
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—171

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Blumenauer
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Carnahan
Carson
Clay
Cleaver
Clyburn
Conyers
Costa
Crowley
Cuellar
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Ehlers
Emanuel
Engel
Eshoo
Farr
Fattah
Filner
Flake
Frank (MA)
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Hastings (WA)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick (MI)
Kline
Kolbe
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Matsui
McCollum (MN)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (WI)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Price (NC)
Putnam
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Rush
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Thornberry
Tierney
Towns
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walsh
Wasserman Schultz
Waters
Watson
Watt
Waxman
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NOT VOTING—9

Cardoza
Evans
Ford
Garrett (NJ)
Johnson (IL)
Kennedy (RI)
Owens
Reichert
Smith (TX)

□ 1546

Ms. BEAN, Mr. WYNN and Mr. FLAKE changed their vote from ''aye'' to ''no.''

Messrs. KIND, RUPPERSBERGER, CONAWAY, and RAHALL changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated for:

Mr. JOHNSON of Illinois, Mr. Chairman, on rollcall No. 141 I was inadvertently detained. Had I been present, I would have voted ''aye.''

AMENDMENT NO. 22 OFFERED BY MR. TIERNEY

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Massachusetts (Mr. TIERNEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 124, noes 301, not voting 7, as follows:

[Roll No. 142]

AYES—124

Abercrombie
Ackerman
Allen
Baird
Baldwin
Becerra
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boswell
Boucher
Brown (OH)
Brown, Corrine
Capps
Cardin
Carson
Castle
Clay
Cleaver
Conyers
Costello
Crowley
Cummings
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Doggett
Doyle
Duncan
Ehlers
Engel
Farr
Fattah
Filner
Frank (MA)
Grijalva
Gutierrez
Hastings (FL)
Hinchey
Holt
Honda
Hooley
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Lantos
Leach
Lee
Lewis (GA)
Lofgren, Zoe
Lowey
Maloney
Markey
Matheson
Matsui
McCollum (MN)
McDermott
McGovern
McKinney
McNulty
Meehan
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore (WI)
Moran (VA)
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pastor
Paul
Payne
Pelosi
Price (NC)
Rahall
Rangel
Roybal-Allard
Rush
Sabo
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (VA)
Serrano
Shays
Sherman
Slaughter
Solis
Stark
Strickland
Tierney
Towns
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—301

Aderholt
Akin
Alexander
Andrews
Baca
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capuano
Carnahan
Carter
Case
Chabot
Chandler
Chocola
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Cramer
Crenshaw
Cuellar
Culberson
Davis (AL)
Davis (CA)
Davis (FL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doolittle
Drake
Dreier
Edwards
Emanuel
Emerson
English (PA)
Eshoo
Etheridge
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holden
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Israel
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston

Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas
Lungren, Daniel E.
Lynch
Mack
Manzullo
Marchant
Marshall
McCarthy
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Meek (FL)
Meeks (NY)
Melancon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moore (KS)
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Otter
Oxley
Pascrell
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Saxton
Schmidt
Schwarz (MI)
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (WA)
Snyder
Sodrel
Souder
Spratt
Stearns
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Turner
Udall (CO)
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—7

Cardoza
Cubin
Evans
Ford
Garrett (NJ)
Kennedy (RI)
Smith (TX)

□ 1557

Messrs. TAYLOR of North Carolina, CAPUANO and PASCRELL changed their vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. BOEHNER was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. BOEHNER. Mr. Chairman, this series of votes that we are in will be the last votes of the day and the week. As many of you know, there was some chance that the budget would come to the floor tonight. We made a lot of progress today, I am very optimistic that we will get there, but we are not there today. I just wanted all the Members to know what the plans were.

ANNOUNCEMENT BY THE ACTING CHAIRMAN

The Acting CHAIRMAN. Without objection, 5-minute voting will continue.

There was no objection.

AMENDMENT NO. 4 OFFERED BY MS. JACKSON-LEE OF TEXAS

The Acting CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment No. 4 printed in House Report 109–459 offered by Ms. JACKSON-LEE of Texas:

Page 117, after line 6, add the following new subparagraph (B) (and redesignate existing subparagraphs (B) and (C) accordingly):

''(B) the frequency of assignments during service career;''.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 415, noes 9, not voting 8, as follows:

[Roll No. 143]

AYES—415

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Capps
Capuano
Cardin
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

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Bonilla
Buyer
Cannon
DeLay
Hoekstra
Johnson, Sam
Linder
Oxley
Pearce

NOT VOTING—8

Cardoza
Evans
Ford
Garrett (NJ)
Green, Al
Kennedy (RI)
Owens
Smith (TX)

□ 1608

Mr. PENCE changed his vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN. The Chair understands that amendment No. 16 will not be offered.

Mr. STARK. Mr. Chairman, I rise in opposition to this Defense Authorization Bill, H.R. 5122. Only a few months after ruthlessly slashing $40 billion in health care, education and job training benefits for working Americans, the Republicans have shamelessly

brought forth a Defense Authorization bill that wastefully spends taxpayer dollars and does nothing to make this country any safer.

This bill clearly demonstrates that this Republican Congress has a habitual problem of fiscal mismanagement. This legislation spends billions on the development of ineffective or duplicative weapons systems that pad the pockets of big defense contractors. In turn, these defense contractors thank their Republican sugar daddies by filling their campaign coffers.

H.R. 5122 wastefully authorizes $9.3 billion on pie-in-the-sky Star Wars missile defense, a $184 million increase over President Bush's request and $2 billion more than the current level of spending. Rather than allocate billions for a Cold War weapon system that will never work, Republicans in Congress should address the real security threat posed by weapons that can easily be delivered or smuggled into America in a suitcase or container.

The bill provides additional funding to build ships that the Navy has not requested and does not need. The Republican legislation also allocates nearly $46 billion for 20 F/A–22 Raptors, $1.4 billion more than President Bush requested and $2.9 billion more than is currently spent. Yet these planes were initially justified as necessary to compete with a new generation of Soviet fighters that no longer exists.

Since the collapse of the Russian air force, there is no nation that has, or is planning to have, fighter jets as dominant as those the U.S. Air Force currently employs in combat. In Iraq, Kosovo and Afghanistan, the Air Force has demonstrated the superiority of existing U.S. planes. In addition, the GAO recently reported that the costs of the F/A–22 Raptors have ballooned to $1.3 billion more than was budgeted for by the Air Force. Where does accountability begin?

H.R. 5122 does not require the President to provide an exit strategy out of Iraq. Even after spending $315 billion on a misguided Iraq War, the Bush Administration has no clue on how to resolve the situation or an idea of how to get American soldiers out of the conflict.

It is time to stop giving the President a blank check to fight an aimless war. The only thing that the $50 billion outlay in this bill guarantees is that the U.S. will be in Iraq longer than is necessary and that more American soldiers and Iraqi civilians will die without just cause.

I am also very concerned that certain members of Congress have decided to support chaplains who want to push their own religious agenda rather than the military's commitment to religious tolerance. When chaplains join the military, they accept a duty to serve the military's mission in addition to their mission to God. In providing spiritual guidance to our soldiers, chaplains should never carry out their duty in a manner that divides or alienates soldiers of different faiths. Chaplains who press ahead with their own agenda ahead of the military's mission threaten the cohesiveness of military units and the effectiveness of our soldiers in carrying out their duties.

I urge my colleagues to vote against this wasteful and irresponsible bill. It is time we had a defense budget that lives within its means, stops wasting hard earned tax dollars on useless weapon systems, and accounts for what is truly required in Iraq.

Mr. LATHAM. Mr. Chairman, I rise in strong support of H.R. 5122. I would first like to thank the Chairman for including an important provision helping to provide access to health care for our Guard and Reserve members. This provision will, for the first time, allow all drilling Guard and Reserve members to purchase health coverage through TRICARE, the military's health care system. The provision will treat all of our citizen-soldiers equally, regardless of whether or not they were previously deployed.

This is an issue dear to my heart. Over a year ago, I introduced legislation in the House that provided the basis for the provision we find in the bill today. During my visits to Iraq, I had the opportunity to visit with U.S. soldiers serving there, including many Iowans. When I asked what I could do to help them, the overwhelming response I received was, 'Don't worry about us, but please do something to help our families at home, who are dealing with the fact that we are separated from them every day.' In my conversations with these soldiers and my constituents in Iowa, it became clear that our Guard and Reserve soldiers wanted—and needed—access to better health care for them and their families.

We know that today, 40 percent of our enlisted Guard and Reserve soldiers and their families are uninsured. For soldiers who are deployed, family members receive temporary coverage under TRICARE. This coverage ends some time after they return, depending on the length of the deployment. Families that had health coverage prior to a deployment may be subject to waiting periods or exclusions for preexisting conditions when they try to return to civilian coverage. They are burdened with switching between TRICARE and private insurance, along with different hospital and physician networks.

This is an unacceptable situation for our Guard and Reserve soldiers, who are almost certain to be sent to serve in Iraq and Afghanistan, if they have not done so already. Guard and Reserve soldiers currently make up almost half of our forces serving in those locations. Yet they cannot purchase the same health coverage that full time soldiers access for free. The Federal Employees Benefit Program (FEHBP) covers part time civilian Federal employees if they agree to pay increased premiums. At a minimum we owe our citizen-soldiers the same access to health care with a cost sharing arrangement.

Clearly the role of our Guard and Reserve forces has been transformed to play a central part in providing for the national defense. The greater requirements for sacrifice and service placed on the Guard and Reserve must be matched with greater commitment to them on our part.

We owe it to our citizen-soldiers to provide them with access to affordable health care. Providing TRICARE access during all phases of service will provide an important tool to bolster recruitment, retention, family morale and overall readiness for the Guard and Reserve.

I strongly urge my colleagues to support this bill.

Mr. SIMMONS. Mr. Chairman, I rise today in support of H.R. 5122, a bill to authorize appropriations for fiscal year 2007 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2007, and for other purposes. This important legislation was made possible thanks to the leadership of House Armed Services Committee Chairman DUNCAN HUNTER of California and Projection Forces Subcommittee Chairman ROSCOE G. BARTLETT of Maryland. These leaders have taken a long and hard look at how best to fulfill our national security needs, and they have led the committee into action. This is nowhere more evident and important than in the House's shipbuilding budget.

This defense bill is nothing short of historic; it marks a turning point in Congress' view of the United States Submarine Force and our undersea fleet's role in the Global War on Terror and beyond. The House has validated what many of us have long known: that our submarine fleet is the backbone of our Navy's efforts in the Global War on Terror, and that it is critical to deterring aggression by potential adversaries.

H.R. 5122 accelerates production of Virginia Class submarines to help the Navy meet its stated requirement of 48 ships. Without adding funding for two submarines per year starting in 2009, the U.S. submarine fleet will eventually drop to 40 or less, presenting our fighting forces with an unacceptable level of risk. It would be irresponsible to set a force level requirement and then miss that goal by some 20 percent. That is why this bill also requires the Department of Defense to maintain a submarine fleet of 48 ships, consistent with the Navy's stated needs. Shame on Congress should it ever turn its back on our Nation's naval requirements, especially in a time of war.

Article one, section eight of the United States Constitution states that ''Congress shall provide and maintain a Navy.'' Our republic's charter document does not vest this authority with any other body—not the President, not the Department of Defense, and not special interests. Congress must ultimately take responsibility for a hollow Navy, and it is Congress that must answer to the American people if our sailors fail for lack of material support. Today, I am proud to say that this body has acted honorably and ably to execute this charge.

Mr. Chairman, history tells us that we cannot wait for danger to find us. There is a growing threat across the Pacific that we simply cannot ignore. 70 years ago, with the leadership of another House chairman, Congressman Carl Vinson, Congress funded our shipbuilding accounts at a level that prepared us for the turmoil of World War II. Had this body not taken action years before the conflict, the Untied States Navy would not have had the capability to stand up to fascism overseas. In fact, in the first 18 months after Pearl Harbor, the U.S. had barely enough carriers to hold the line, let alone project power in the Pacific. At one point in November 1942, only two carriers were operational in that vast ocean. We can only imagine the outcome had Chairman Vinson chose inaction instead of resolve.

Today, we must look forward with the lessons of our past. We must imagine our future if we let our Navy's submarine force atrophy at a time when its missions are only growing. We must try to envision what will come to pass if the U.S. Navy cannot check a near peer in the Pacific Ocean because it is overstretched and under-equipped. As we consider the current and future threats to our Nation, I am thankful that we have Members of the Armed Services Committee willing to act in the spirit of Chairman Vinson.

So, Mr. Chairman, I rise in support of the H.R. 5122 knowing that this bill represents a

giant step toward facing the threats of today and tomorrow. We have won the first battle to supply this great Nation with the Navy it requires.

Mr. HUNTER. Mr. Chairman, I submit the following letters for the CONGRESSIONAL RECORD.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, May 9, 2006.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services, Washington, DC.

DEAR CHAIRMAN HUNTER: On May 5, 2006, the Committee on Armed Services ordered reported H.R. 5122, the National Defense Authorization Act for Fiscal Year 2007. As ordered reported by the Committee on Armed Services, this legislation contains a number of provisions that fall within the, jurisdiction of the Committee on Energy and Commerce. These provisions include the following:

Sec. 312. Munitions Disposal in Ocean Waters

Sec. 313. Reimbursement for Moses Lake

Sec. 314. Funding of Cooperative Agreements

Sec. 2917. [Now Sec 2822]—Restrictive Easements

Sec. 3111. Plan for transformation of National Nuclear Security Administration nuclear weapons complex

Sec. 3112. Extension of Facilities and Infrastructure Recapitalization Program

Sec. 3115. Two-year extension of authority for appointment of certain scientific, engineering, and technical personnel

Sec. 3117. Consolidation of counterintelligence programs of Department of Energy and National Nuclear Security Administration

Recognizing your interest in bringing this legislation before the House expeditiously, the Committee on Energy and Commerce agrees not to seek a sequential referral of the bill. By the being not to seek a sequential referral, the Committee on Energy and Commerce does not waive its jurisdiction over these provisions or any other provisions of the bill that may fall within its jurisdiction. In addition, the Committee on Energy and Commerce reserves its right to seek conferees on any provisions within its jurisdiction which are considered in the House-Senate conference, and asks for your support in being accorded such conferees.

I request that you include this letter and your response as part of the report on H.R. 5122 and as part of the CONGRESSIONAL RECORD during consideration of this bill by the House.

Sincerely,

JOE BARTON,
Chairman.

HOUSE OF REPRESENTATIVES, COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC, May 5, 2006.

Hon. DUNCAN HUNTER,
Chairman, House Committee on Armed Services, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the bill H.R. 5122, The National Defense Authorization Act for Fiscal Year 2007. There are certain provisions in the legislation which fall within the Rule X jurisdiction of the Committee on International Relations.

In the interest of permitting your Committee to proceed expeditiously to floor consideration of this important bill, I am willing to waive this Committee's right to sequential referral. I do so with the understanding that by waiving consideration of the bill the Committee on International Relations does not waive any future jurisdictional claim over the subject matters contained in the bill which fall within its Rule X jurisdiction. I request that you urge the Speaker to name Members of this Committee to any conference committee which is named to consider any such provisions.

Please place this letter into the Committee report on H.R. 5122 and into the CONGRESSIONAL RECORD during consideration of the measure on the House floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our respective committees.

With best wishes,

Sincerely,

HENRY J. HYDE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE,
Washington, DC, May 4, 2006.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the jurisdictional interest of the Science Committee in matters being considered in H.R. 5122, the ''National Defense Authorization Act for Fiscal Year 2007.'' I appreciate you working with me in your development of H.R. 5122, particularly with respect to Section 911, Designation of Successor Organizations for the Disestablished Interagency Global Positioning Executive Board.

The Science Committee acknowledges the importance of H.R. 5122 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over Section 911 and other provisions of the bill, I agree not to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forgo a sequential referral waives, reduces or otherwise affects the jurisdiction of the Science Committee, and that a copy of this letter and of your response will be included in the Committee report and in the CONGRESSIONAL RECORD when the bill is considered on the House Floor.

The Science Committee also expects that you will support our request to be conferees on any provisions over which we have jurisdiction during any House-Senate conference on this legislation.

Thank you for your attention to this matter.

Sincerely,

SHERWOOD BOEHLERT,
Chairman.

HOUSE OF REPRESENTATIVES, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, May 4, 2006.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services, Washington, DC.

DEAR MR. CHAIRMAN. I am writing to you concerning the jurisdictional interest of the Transportation and Infrastructure Committee in matters being considered in H.R. 5122, the National Defense Authorization Act for Fiscal Year 2007.

Our Committee recognizes the importance of H.R. 5122 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over the bill, I do not intend to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forego a sequential referral waives, reduces or otherwise affects the jurisdiction of the Transportation and Infrastructure Committee, and that a copy of this letter and of your response acknowledging our jurisdictional interest will be included in the Committee Report and as part of the CONGRESSIONAL RECORD during consideration of this bill by the House.

The Committee on Transportation and Infrastructure also asks that you support our request to be conferees on the provisions over which we have jurisdiction during any House-Senate conference.

Thank you for your cooperation in this matter.

Sincerely,

DON YOUNG,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, May 3, 2006.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services, Washington, DC.

DEAR CHAIRMAN HUNTER: H.R. 5122, the ''National Defense Authorization Act for Fiscal Year 2007,'' contains provisions that implicate the rule X jurisdiction of the Committee on Judiciary. However, in recognition of the desire to expedite consideration of this legislation, the Committee hereby waives consideration of the bill.

The Committee on Judiciary takes this action with the understanding that by forgoing consideration of H.R. 5122, the Committee does not waive any jurisdiction over subject matter contained in this or similar legislation. The Committee also reserves the right to seek appointment to any House-Senate conference on this legislation and requests your support if such a request is made. Finally, I would appreciate your inclusion of this letter in the CONGRESSIONAL RECORD during consideration of H.R. 5122 on the House floor. Thank you for your attention to these matters.

Sincerely,

F. JAMES SENSENBRENNER, JR.,
Chairman.

HOUSE OF REPRESENTATIVES, PERMANENT SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC, May 1, 2006.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services, Washington, DC.

DEAR MR. CHAIRMAN: I write to confirm our mutual understanding regarding H.R. 5122, the Defense Authorization Act for Fiscal Year 2007. This legislation contains subject matter within the jurisdiction of the Permanent Select Committee on Intelligence. However, in order to expedite floor consideration of this important legislation, the Committee waives consideration of the bill.

The Permanent Select Committee on Intelligence takes this action with the understanding that the Committee's jurisdictional interests over this and similar legislation are in no way diminished or altered. I also wish to confirm our mutual agreement that the transfer of the Office of Defense Nuclear Counterintelligence of the National Nuclear Security Administration in no way impairs or affects the Permanent Select Committee on Intelligence's jurisdiction over intelligence activities of National Intelligence Program components of the Department of Energy, including those carried out by this Office.

The Committee also reserves the right to seek appointment to any House-Senate conference on this legislation and requests your support if such a request is made. Finally, I would appreciate your including this letter in the Congressional Record during consideration of H.R. 5122 on the House floor.

Thank you for your attention to these matters.

Sincerely,

PETER HOEKSTRA,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, May 10, 2006.

Hon. DUNCAN HUNTER,
Chairman, Committee on Armed Services, Washington, DC.

DEAR MR. DUNCAN On May 5, 2006, the Committee on Armed Services ordered reported H.R. 5122, the National Defense Authorization Act for Fiscal Year 2007. Thank you for working closely with the Committee on Government Reform on those matters within the Committee's jurisdiction. I am writing to confirm our mutual understanding with respect to the consideration of H.R. 5122.

In the interest of expediting the House's consideration of H.R. 5122, the Committee on Government Reform did not request a sequential referral of the bill. However, the Committee did so only with the understanding that this procedural route would not prejudice the Committee's jurisdictional interest and prerogatives in this bill or similar legislation.

I respectfully request your support for the appointment of outside conferees from the Committee on Government Reform should H.R. 5122 or a similar Senate bill be considered in conference with the Senate. Finally, I request that you include our exchange of letters on this matter in the Armed Services Committee Report on H.R. 5122 and in the CONGRESSIONAL RECORD during consideration of this bill on the House floor. Thank you for your attention to these matters.

Sincerely,

TOM DAVIS,
Chairman.

Mr. UDALL of Colorado. Mr. Chairman, I rise in support of this bill. As a relatively new Member of the Armed Services Committee, I am grateful to Chairman HUNTER and Ranking Member SKELTON for working with me on a number of provisions in the bill that are important to Colorado.

The bill includes language that highlights the importance of the High Altitude Aviation Training Site (HAATS) in Eagle, CO and its need for enough aircraft to fulfill its mission. HAATS is the primary site for training military aviators on operations in hostile, high altitude, and power-limited environments under all seasonal weather conditions, such as Afghanistan.

As a result of language I had included in the Defense Authorization bill last year, the Army National Guard pledged to provide two Blackhawks to HAATS, but I'm told HAATS needs five Blackhawks in order to sustain training requirements. The language included in this bill asks for the number and type of helicopters that are needed to provide the training necessary to sustain our war strategies and asks for an evaluation of the accident rates for deployed Army helicopter pilots who received high altitude training and those who did not receive such training. I think this information will further underscore HAATS' critical mission and the reason it needs more aircraft.

Second, I worked with committee chairman Representative DUNCAN HUNTER (R–CA) to include language in the bill to name a housing facility at Fort Carson in honor of my friend Representative JOEL HEFLEY, who is retiring at the end of the year. In his 20 years representing Colorado's 5th Congressional district, JOEL has served with integrity and honor and has been a fair and effective lawmaker. I have learned a great deal from JOEL in my years in Congress, and I will miss his good company and collegiality.

I also supported an amendment offered by Representative HEFLEY that requires the Defense Department to report to Congress that it has made every effort to acquire property from willing sellers before using eminent domain to expand Fort Carson's maneuvering site in Pinyon Canyon. Along with other members of the Colorado delegation, I will be watching these developments carefully.

Finally, I'm pleased that the bill includes $3.1 million for the Air Sovereignty Alert Crew Quarters facility at Buckley Air Force Base. Currently, the crews are housed in modular trailers on the edge of the alert aircraft-parking apron, which do not comply with prescribed procedures identified by safety and Air Force Fire Protection instructions. These funds will enable Colorado's Air National Guard to build a facility to help aircrew perform their mission—supporting Homeland Defense capabilities throughout the United States—which was established in response to post 9/11 national strategy requirements.

I am also pleased with many other provisions in the bill. H.R. 5122 includes a provision I advocated to permanently authorize and fund the Freedom Salute Campaign and Welcome Home Warriors Program, an awards and appreciation program for troops returning from duty in Iraq and Afghanistan. This program is a small but significant way for us to show our appreciation for the service and sacrifice of our men and women in uniform and their families, and is also helpful for retaining these dedicated men and women in our Armed Forces.

There are also many broad provisions in the bill that benefit our troops. An important one extends Tricare coverage to all Reservists, something Democrats on the Committee fought for last year with limited success. So I'm very pleased that the bill expands this benefit and underscores the importance of providing the same set of services to all our servicemen and women. The bill also blocks the proposed plan to raise certain Tricare fees. It raises the end-strength of the Army and Marine Corps by 30,000 and 5,000 respectively, thereby helping to ease the strain on our troops, and fully funds end-strength of the Army National Guard. I'm also glad that the bill includes provisions to increase recruiting and retention incentives, provides a 2.7% pay raise for members of the armed forces, and increases funding for up-armed Humvees and IED jammers.

Also important—especially at this time of budget tightening—is the bill's focus on reining in costs of major procurement programs, particularly the Future Combat Systems and other programs that have relied on immature technology. The bill requires the Army to fully fund its maintenance, modular conversion and prepositioned war stocks or face a cap of $2.85 billion on FCS. Funding in excess of the cap would be transferred to reset equipment costs and modularity. H.R. 5122 also redirects missile defense funding from longer range programs to near-term needs, such as buying upgrades for the Patriot and Aegis interceptors that can protect our service members and allies today. It also places restrictions on developing improvements to the ground-based midcourse defense system until after it successfully intercepts two operationally realistic warheads.

On a less positive note, Rules Committee Republicans denied Members of the House the opportunity to debate a number of key amendments which would have improved this bill. Among them was one offered by Ranking Member SKELTON, which would lower the increased retail pharmacy co-payment fees for military families; an amendment offered by Mr. ANDREWS and others to increase funding for nonproliferation programs; and an amendment by Mr. ISRAEL to require that chaplains demonstrate ''sensitivity, respect, and tolerance'' toward servicemembers of all faiths.

Another amendment not made in order was one offered by Mrs. CAPPS and Mr. SNYDER to strike language in the bill prohibiting the National Park Service from carrying out a 1997 court-ordered settlement agreement that requires the shutdown of a private trophy hunting operation on Santa Rosa Island, part of the Channel Islands National Park. There have been no hearings on this issue, the National Park Service is opposed to it, and the Defense Department has not requested it. The Republican leadership should have allowed debate on this amendment, and I will work with my colleagues to see that conferees on the bill strike this language.

The Rules Committee Republicans also refused to allow debate on an amendment on energy security that I offered and a similar one that I offered with my colleagues Mr. HOYER and Mr. GORDON. Even as Americans struggle to afford near-record high gas prices, Republicans rejected these amendments to increase funding for alternative fuels programs at the Department of Defense. America's addiction to oil from any source means that our security is vulnerable and will continue to be until we have the vision to look beyond the gas pump. I'm very disappointed that the Republican leadership doesn't see this as a priority.

I'm also disappointed that the leadership and the Rules Committee did not provide for any debate on the prosecution of the war in Iraq and Afghanistan.

On the whole, however, the bill we are considering today does a good job of balancing the need to sustain our current warfighting abilities with the need to prepare for the next threat to our national security. It is critical that we are able to meet the operational demands of today even as we continue to prepare our men and women in uniform to be the best trained and equipped force in the world.

Mr. Chairman, this is not a perfect bill. And the process under which it was debated on the floor was not all that it should have been. But overall, this is a good bill, a carefully drafted and bipartisan bill, and I urge its support.

Mr. JOHNSON of Illinois. Mr. Chairman, I rise today to express regret for my absence during roll call vote 141. I was on the floor, but was unable to record a vote on an amendment offered by my colleague VIRGIL GOODE during consideration of H.R. 5122, the National Defense Authorization Act for Fiscal Year 2007. However I want to make it clear that I intended to vote 'aye' for I am a strong supporter of this amendment.

Representative GOODE's amendment authorizes the Secretary of Defense to assign members of the armed forces to assist the Department of Homeland Security in the performance of border protection functions. Securing our borders against terrorists, drug traffickers and illegal aliens is of great importance to our national security. I would like to point out that

I voted for this exact same amendment last year when Representative GOODE offered it during consideration of the National Defense Authorization Act for Fiscal Year 2006.

I am a strong supporter of H.R. 5122, the National Defense Authorization Ad for Fiscal Year 2007 and I voted for its final passage. Again, I apologize for being unable to cast my vote on the Goode amendment and I am pleased this important amendment made it into the final bill which I supported.

Mr. GARRETT of New Jersey. Mr. Chairman, like many proud parents this spring, I will be attending with my family the joyous occasion of watching my oldest daughter graduate high school. Unfortunately, due to this, I regret to inform you that I will be unable to participate in afternoon votes on Thursday, May 11, 2006.

I wish to submit the following statement as to my position on the National Defense Authorization Act for Fiscal Year 2007 that I am proud to support and would have given a strong yeah vote had personal matters not called my away from our nation's capital.

I commend this body, including the Chairman of the House Armed Services Committee, for their work on crafting this authorization for our Department of Defense that will protect our troops as they ensure for the safety and security of Americans and our allies at home and abroad.

The men and women serving and who have served in our armed forces are true American heroes. We must do what we can to give them the tools to win the War on Terrorism and win it safely.

My heart and prayers go out to all who risk so much defending our liberties and freedoms. I wish all a safe and speedy return home to their friends and families.

Ms. BORDALLO. Mr. Chairman, I rise today in strong support of H.R. 5122, the National Defense Authorization Act for Fiscal Year 2007. As my colleagues have stated, this bill includes so many provisions important to our national security and to the fighting men and women who serve our great nation in uniform. Many of them are deployed in combat zones around the world today. I have visited servicemembers in Iraq seven times now and my commitment, like the commitment of this Congress, remains to do everything necessary to provide the heroes sacrificing for our country with the resources they need to fight, to win, and to survive. We continue our important commitment to their quality of life including to their families with this bill.

I take this opportunity to thank Chairman HUNTER and Ranking Member SKELTON for the work that they and their staff members have done to include within this bill provisions important to the people of Guam and to servicemembers who serve on Guam.

For many years leaders on Guam have worked to grow the capability and capacity of the Guam Shipyard, an asset recognized to be of ''vital strategic importance'' to the Pacific Fleet. We learned over the past year that twice as many vessels in support of our Navy are repaired in foreign shipyards in the Pacific, particularly in Singapore, than are repaired in Guam. We also learned that Apra Harbor in Guam is treated as a foreign harbor although Guam and its shipyard are properly treated as a U.S. location. This bill includes important language to remedy these conflicts. I am deeply grateful to members of the committee staff who traveled to Guam and Hawaii in January of this year to review this issue. I am also grateful to the many members of this committee who have visited Guam, including our colleague from Maryland, ROSCOE BARTLETT, and our colleague from Mississippi, GENE TAYLOR. Both Members visited the Guam Shipyard in March of this year and learned first-hand of the value the facility offers to the U.S. Navy.

In rewriting Section 7310 of Title 10, the Committee on Armed Services has made clear that Guam, including Apra Harbor, is fully and properly a U.S. location, and has further made clear that foreign ship repair for reasons of cost alone is unacceptable, particularly when shipyards like the Guam Shipyard are underutilized. Our first commitment must be to sustaining and growing the ship repair industry in America even if such endeavor costs slightly more money. We cannot depend on foreign yards or harbors in time of war for safety, security, reliability and availability. We must therefore remain committed to America's ship repair industry by ensuring stable work, and by extension, the stability of skilled workforce that is the backbone of the ship repair industry. On Guam this is especially true given that the Guam Shipyard represents a particularly important asset because of its strategic forward location. This bill makes a commitment to the Guam Shipyard and its skilled workers whom the people of Guam are so proud. This is a reflection of the great value these workers offer to the Pacific Fleet and to our national security. It is also a reflection of this Congress' unwillingness to outsource our national security. Finally, the language in this bill regarding ship repair is a reflection of the recently released Quadrennial Defense Review which indicates the growing strategic importance of the Pacific with increased Naval activity in the Pacific and therefore the likelihood of increased demands on facilities like the Guam Shipyard.

Mr. Chairman, I would also like to note that this bill requires a comprehensive study on the future of the Guam Shipyard. It is important that the Navy fully evaluate, during this time of change, how best to utilize, manage and grow the asset that is the Guam Shipyard. The report required by this bill is a responsible measure that ensures that the future of the Guam Shipyard is coordinated with the future of our Navy's national security needs in the Pacific.

Also included within this bill is an important provision that makes a commitment to our active duty servicemembers and their families. I worked closely with the committee and with military advocacy groups to secure inclusion of a measure to authorize servicemembers assigned to non-foreign areas outside the continental United States, areas that include Guam and Alaska, to ship a second personally owned vehicle to and from these locations upon assignment. This measure has long been sought by our active duty servicemembers. In an era when we say that we retain the family not just the servicemember, we have now passed a provision focused on the family. With military spouses pursuing their own careers and families venturing off bases for community activities, school commitments, and so much more, one car families are simply impractical—they are a thing of the past. Servicemembers assigned to non-foreign overseas areas, unlike their CONUS counterparts, are permitted to bring only one vehicle with them to their new duty station at DOD expense. This created a situation in which many servicemembers had to hastily sell a car prior to reassignment, usually at a loss, only to buy a new car on arrival at their new duty location, again at a loss. This activity as repeated upon assignment back to a CONUS location. This practice placed an unacceptable burden on military families. I am pleased that this Congress has made a commitment to end this inequity. I know this provision is broadly supported by active duty servicemembers and further has the support of The Military Coalition. I hope that this provision will be accepted in conference and remain in the final bill.

Mr. Chairman, a third provision in this bill is important to Guam and to a recently reached agreement between the United States and Japan. This bill repeals a measure added in law some years ago to prohibit the hiring of foreign labor to work on military construction projects on Guam. Next year $209 million in military construction projects are authorized by this bill to take place on Guam. Over the next ten years $10.3 billion in military construction will be undertaken on Guam. The concern is now whether Guam can deliver the workforce necessary to accomplish these goals on this short timeline, not whether Guam's workforce is being supplanted or bypassed by foreign labor. Therefore, this authorization bill offers the opportunity to repeal this restrictive provision. Its inclusion will ensure contractors on Guam will be able to access the labor market needed for them to compete for and complete government contracts for military construction in the future. Additionally, without the ability to meet the upcoming workforce demands, there is some concern that agreements recently made with the Government of Japan for relocating Marines from Okinawa to Guam on a set timeline would not be able to be realized according to the envisioned, desired, and agreed upon schedule. Ensuring the availability of a workforce necessary to accomplish the construction required for Marines to move to Guam from Okinawa is an important part of meeting both the workforce demand on Guam and United States international commitments.

I have also worked to provide relief to military retirees residing on Guam whom have been disadvantaged by a Department of Defense interpretation of standing law. Retirees on Guam are only able to participate in TRICARE Standard due to the unavailability of TRICARE Prime on Guam. Retirees on Guam were previously reimbursed for travel they were required to make to Hawaii or elsewhere for specialty medical care otherwise available on Guam. Now, in light of a change in policy some 16 months ago and unfavorable DOD interpretation of TRICARE laws, when a retiree is referred by their TRICARE health provider off-island to receive specialty care that is unavailable on Guam a retiree must pay ''out of pocket'' for their travel expenses. Travel from Guam to Hawaii is costly and this creates a large and unfair burden on Guam's retirees. Additionally, this situation results in inequitable treatment for the veteran communities on Guam. A retiree, having served at least 20 years in the military, cannot receive reimbursement for travel necessary to receive medical care available only off of Guam. However, a veteran receiving care from the Department of Veterans Affairs referred for off-island care is reimbursed for his or her travel expenses.

I have raised this issue with the Department of Defense several times and continue to work with DOD for an equitable solution. Retirees on Guam deserve some relief. While this bill contains provisions important to the TRICARE system for members of the military community, it does not specifically address the outstanding issue for retirees on Guam. I will continue to work to resolve this issue. I filed an amendment to this bill with the Committee on Rules that would have provided some relief to retirees. This amendment was unfortunately not made in order and cannot be considered on the floor today. This amendment sought to provide an interim solution. It proposed to give retirees the ability to travel on military aircraft on a space available basis to and from the location of their referred healthcare at an increased priority level. Retirees are currently in the lowest priority category for space available travel. I will continue to work with the Department of Defense on this issue.

Finally, the island of Guam has a robust military recruiting program and many Chamorros and Guam residents join the Armed Services. In fact, Guam has a higher per capita service rate in the Guard and Reserve than any other U.S. location. However, for quite some time, these men and women have had to travel to Hawaii to process their enlistments at a Military Entrance Processing Station (MEPS). Included in this bill is language requiring the USMEPCOM to study the feasibility of establishing a MEPS station on Guam. The burden of processing each recruit through Hawaii significantly extends the time period for processing a recruit and adds additional cost for travel expenses. It is my hope that this review will lead to the re-establishment of a MEPS station on Guam responsive to Guam's Guard and Reserve and to U.S. active duty recruiters. I believe this would also reduce costs of processing a recruit and expedite enlistment.

I was pleased to work with the committee leadership to amend a current requirement in this legislation in such a way to require the Department of Defense to more closely evaluate the transformation it is undertaking of the National Guard and Reserve. It is important that the Department of Defense study closely how it will execute and fund Guard and Reserve transformation, including evaluating budgeting of the costs for equipment repair, transfer and procurement as well as an evaluation of the timeline the transformation will prove achievable. I have long advocated for full parity between active duty and Guard and Reserve forces. Transformation is an aggressive plan to achieve this parity although with significant reorganization of brigades and units within the reserve elements. The task, the cost and the risks must be fully evaluated to ensure transformation is achieved and that it is done in a way that makes our Guard and Reserve forces, who have shouldered so much of the burden in the war on terror, a better force. This transformation promise cannot be yet another in a long line of unfulfilled promises by the active duty components to their reserve counterparts.

Thank you, Mr. Chairman. I urge adoption of H.R. 5122.

The Acting CHAIRMAN. There being no other amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The Acting CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SIMPSON) having assumed the chair, Mr. LAHOOD, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5122) to authorize appropriations for fiscal year 2007 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2007, and for other purposes, pursuant to House Resolution 811, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SALAZAR

Mr. SALAZAR. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SALAZAR. I am opposed to the bill in its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Salazar moves to recommit the bill H.R. 5122 to the Committee on Armed Services with instructions to report the same back to the House promptly with an amendment to the bill that inserts the text of H.R. 808, to repeal the offset from surviving spouse annuities under the military Survivor Benefit Plan for amounts paid by the Secretary of Veterans Affairs as dependency and indemnity compensation, as introduced in the House on February 15, 2005.

The SPEAKER pro tempore. The gentleman from Colorado is recognized for 5 minutes in support of his motion to recommit.

Mr. SALAZAR. Mr. Speaker, I stand here before you today in support of our troops and their families. This motion to recommit would send H.R. 5122 back to the Armed Services Committee with instructions to bring the bill back to the whole House with the addition of H.R. 808.

I commend my friend Mr. BROWN from South Carolina for introducing H.R. 808, a bill which now has 202 cosponsors, including myself. This bill would end the practice of penalizing surviving spouses of those who have died as a result of service-connected injuries.

Mr. Speaker, the Military Families Tax affects over 50,000 families in the country. It is an unjust burden on those whose spouses served the Nation in defense of our freedom. I commend those families and call upon this House to vote an end to the unfair tax on survivor compensation.

Right now, if a soldier dies, their spouse will have the amount of the Survivor Benefit Plan reduced by the amount they received from the VA as dependency and indemnity compensation. For the loss of a loved one, we penalize spouses with a $993 month reduction in their compensation. Our soldiers families do not deserve to be treated this way, and all of us should continue to fight until we can right this wrong.

I offered an amendment last year to the defense authorization bill that would have eliminated this unjust provision, but we denied a debate. The other body chose to include SBP relief, but the defense conferees failed to adopt it, and we were again denied the opportunity to fix this problem.

In November, my good friend, Mr. EDWARDS from Texas, started a discharge petition to bring H.R. 808 to the floor. That petition now has 168 signatories. Today, I ask my colleagues as fellow Americans to stand up for military widows.

Let us make a statement here today that the Military Families Tax is unjust, unfair and un-American.

□ 1615

Mr. Speaker, we should send this bill back to the committee and demand that they ease the burden on our military families. America can do better to provide for the families of our Nation's military heroes. I urge my colleagues to vote ''yes'' on this motion to recommit.

Mr. Speaker, I yield to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, yesterday this House passed a tax bill that will give Lee Raymond, the just-retired CEO of ExxonMobil, a $2 million dividend tax break, a $2 million tax break for someone who was just given a $398 million retirement benefit package.

That tax bill will cost $70 billion. $22 billion of that money will go to benefit those, such as Mr. Raymond, who are making over $1 million a year. Surely if we could give Mr. Raymond a $2 million tax break yesterday, then today, right now with one vote, we can afford to give military widows a chance to keep their $933 a month in survivor benefits from the Veterans Administration

The question is, whose side are we on? Mr. Raymond, a retired, overpaid executive from ExxonMobil, or some of the 50,000 surviving beneficiaries and family members, widows, of those who spent a lifetime serving our country?

Mr. Raymond made more income in 1 week than most military families

make in an entire lifetime of service to our country. Surely compassionate conservatism does not mean saying ''yes'' to Mr. Raymond's tax break yesterday, but ''no'' to treating our military widows decently today.

I urge the 80 Republican colleagues of mine who cosponsored this legislation to back up your cosponsorship with your vote on this motion to recommit.

Let us stand up for the military families of this country.

Mr. SALAZAR. Mr. Speaker, I yield back the balance of my time.

Mr. HUNTER. Mr. Speaker, I claim the time in opposition.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. HUNTER. I yield to the gentleman from Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Speaker, I want to thank our chairman, and I want to talk to the Members here to sadly inform them that our friend, Sonny Montgomery is struggling in the last moments of his life. And I want to thank the chairman and the ranking member, Mr. SKELTON from Missouri, for very appropriately and very fittingly naming this the G.V. ''Sonny'' Montgomery Defense Authorization Bill.

As you all know, Sonny Montgomery served in Congress for 30 years. For 14 years he was chairman of the Veterans Committee. His name and his legacy and his service are very rich and very deep, as he passed the G.V. ''Sonny'' Montgomery GI bill.

If you go back home to Mississippi, you see the G.V. ''Sonny'' Montgomery VA Hospital and National Guard complex. He was Mr. Veteran and he was Mr. National Guard, and he contributed greatly to the force that we have today and to the men and women who serve; and most importantly, he was an example to all of us of the best of this institution of civility, of common ground, of bipartisanship, of supporting the men and women that serve in our Nation's military.

He has been my friend, and he has been my example. And so, Mr. Chairman, I want to thank you for naming this the G.V. ''Sonny'' Montgomery Defense Authorization Bill.

Mr. Speaker, he was also the spiritual leader of the House, always calling us to prayer and to remember those in need, those that were sick, and those that were facing challenges. Mr. Speaker, I ask this body to pray for Sonny Montgomery. May God have mercy on him, his life, and his legacy.

Thank you, Mr. Chairman.

Mr. HUNTER. I thank the gentlemen from Mississippi. I am going to miss Sonny Montgomery, with that great smile that illuminated this House and all of our lives.

Ladies and gentlemen, this defense bill passed the committee by a vote of 60–1. It did that because we listened. My great partner on the committee, IKE SKELTON, and I and all of our subcommittee chairmen and ranking members listened to all of the members, worked all of the issues that connect your constituents with you, with all of our troops around the world.

This is our connection, this defense bill, that provides for the policies that run their lives while they are in the military, that provide for the quality of life for their families back home, that provides for the tools that they need to undertake this dangerous mission in this war against terror.

This is your connection. And let me tell you, the theme of the bill this year was troop protection. And to those ends, we moved over $100 million into new jammer capability for IEDs, lots of money, lots of additional money for armored platforms, lots of new technology for body armor for our soldiers, our sailors, our airmen, our Marines. At the same time, for our National Guardsmen, we completed this transition, even when they are not mobilized, for TRICARE, for our health care program. We did great things.

And for those people who have fallen, I want to remind you that last year we moved up that benefit, and it should have been done a long time ago, to half a million dollars in cash for the families of our fallen heroes so that they could carry on their lives.

This bill is your connection to the troops. We did a good job. And I would ask you to trust us, to trust the members of this committee. And with all due respect to the gentlemen who just offered this amendment, you will notice there was no motion to recommit offered by a member of the committee, and that is because this is a good bill. It does a good job. It gives the tools to the troops in this war against terrorism that they need.

Vote against this motion to recommit. Vote for the bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. SALAZAR. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 5122, if ordered, and on the motion to suspend with respect to H. Res. 802.

The vote was taken by electronic device, and there were—ayes 202, noes 220, not voting 10, as follows:

[Roll No. 144]

AYES—202

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NOES—220

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling

Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simmons
Simpson
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Cardoza
Evans
Garrett (NJ)
Kennedy (MN)
Kennedy (RI)
McKinney
Meeks (NY)
Smith (NJ)
Smith (TX)
Van Hollen

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1637

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. VAN HOLLEN. Mr. Speaker, I was unavoidably detained. Had I been present, I would have voted ''aye.''

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HUNTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 396, noes 31, not voting 5, as follows:

[Roll No. 145]

AYES—396

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Cardin
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Israel
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore (KS)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Ortiz
Osborne
Otter
Oxley
Pallone
Pascrell
Pastor
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Watson
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—31

Baldwin
Capps
Capuano
Conyers
Frank (MA)
Grijalva
Holt
Honda
Inslee
Jackson (IL)
Kilpatrick (MI)
Kucinich
Lee
Lewis (GA)
Markey
McDermott
McKinney
Miller, George
Moore (WI)
Olver
Owens
Paul
Payne
Schakowsky
Serrano
Stark
Tierney
Velázquez
Waters
Watt
Woolsey

NOT VOTING—5

Cardoza
Evans
Garrett (NJ)
Kennedy (RI)
Smith (TX)

□ 1645

Ms. KILPATRICK of Michigan changed her vote from ''aye'' to ''no.''

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: ''A bill to authorize appropriations for fiscal year 2007 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.''.

A motion to reconsider was laid on the table.

Stated for:

Mr. CARDOZA. Mr. Speaker, I regret that I was unable to be present for the following roll-call vote today due to a death in the family. Had I been present, I would have voted ''aye'' on H.R. 5122 (the National Defense Authorization Act).

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 5122, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2007

Mr. HUNTER. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 5122, the Clerk be authorized to correct section numbers, punctuation, cross-references, and the table of contents, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, and that the Clerk be authorized to make the additional technical corrections which are at the desk.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Without objection, 5-minute voting will resume.

There was no objection.

ENCOURAGING ALL ELIGIBLE MEDICARE BENEFICIARIES TO REVIEW AVAILABLE OPTIONS TO DETERMINE WHETHER ENROLLMENT IN A MEDICARE PRESCRIPTION DRUG PLAN BEST MEETS THEIR NEEDS FOR PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 802.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. DEAL) that the House suspend the rules and agree to the resolution, H. Res. 802, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 406, nays 0, answered ''present'' 4, not voting 22, as follows:

[Roll No. 146]

YEAS—406

Abercrombie	Brown (OH)	Davis (KY)
Ackerman	Brown (SC)	Davis (TN)
Aderholt	Brown, Corrine	Davis, Jo Ann
Akin	Burgess	Davis, Tom
Alexander	Burton (IN)	Deal (GA)
Allen	Butterfield	DeFazio
Andrews	Buyer	DeGette
Baca	Calvert	Delahunt
Bachus	Camp (MI)	DeLauro
Baird	Campbell (CA)	DeLay
Baker	Cannon	Dent
Baldwin	Cantor	Diaz-Balart, L.
Barrett (SC)	Capito	Diaz-Balart, M.
Barrow	Capps	Dicks
Bartlett (MD)	Capuano	Dingell
Barton (TX)	Cardin	Doggett
Bass	Carnahan	Doolittle
Bean	Carson	Doyle
Beauprez	Carter	Drake
Becerra	Case	Dreier
Berkley	Castle	Duncan
Berman	Chabot	Edwards
Berry	Chandler	Ehlers
Biggert	Chocola	Emanuel
Bilirakis	Clay	Emerson
Bishop (GA)	Cleaver	Engel
Bishop (NY)	Clyburn	English (PA)
Bishop (UT)	Coble	Etheridge
Blackburn	Cole (OK)	Everett
Blumenauer	Conaway	Farr
Blunt	Conyers	Fattah
Boehlert	Cooper	Feeney
Boehner	Costa	Ferguson
Bonilla	Costello	Fitzpatrick (PA)
Bonner	Cramer	Flake
Bono	Crenshaw	Foley
Boozman	Crowley	Forbes
Boren	Cubin	Fortenberry
Boswell	Cuellar	Fossella
Boucher	Culberson	Foxx
Boustany	Cummings	Frank (MA)
Boyd	Davis (AL)	Franks (AZ)
Bradley (NH)	Davis (CA)	Frelinghuysen
Brady (PA)	Davis (FL)	Gerlach
Brady (TX)	Davis (IL)	Gibbons
Gilchrest	Lynch	Ross
Gillmor	Mack	Rothman
Gingrey	Maloney	Roybal-Allard
Gohmert	Manzullo	Royce
Gonzalez	Marchant	Ruppersberger
Goode	Markey	Rush
Goodlatte	Marshall	Ryan (OH)
Gordon	Matheson	Ryan (WI)
Granger	Matsui	Ryun (KS)
Graves	McCarthy	Sabo
Green (WI)	McCaul (TX)	Salazar
Green, Al	McCollum (MN)	Sánchez, Linda T.
Green, Gene	McCotter	Sanchez, Loretta
Grijalva	McCrery	Sanders
Gutierrez	McGovern	Saxton
Gutknecht	McHenry	Schiff
Hall	McIntyre	Schmidt
Harman	McKeon	Schwartz (PA)
Harris	McKinney	Schwarz (MI)
Hart	McMorris	Scott (GA)
Hastings (FL)	McNulty	Scott (VA)
Hastings (WA)	Meehan	Sensenbrenner
Hayes	Meeks (NY)	Serrano
Hayworth	Melancon	Sessions
Hefley	Mica	Shadegg
Hensarling	Michaud	Shaw
Herger	Millender-McDonald	Shays
Herseth	Miller (FL)	Sherman
Higgins	Miller (MI)	Sherwood
Hinchey	Miller (NC)	Shimkus
Hinojosa	Miller, Gary	Shuster
Hobson	Mollohan	Simmons
Hoekstra	Moore (KS)	Simpson
Holden	Moore (WI)	Smith (NJ)
Holt	Moran (KS)	Smith (WA)
Honda	Moran (VA)	Snyder
Hooley	Murphy	Sodrel
Hostettler	Murtha	Solis
Hoyer	Musgrave	Souder
Hulshof	Myrick	Spratt
Hunter	Nadler	Stearns
Hyde	Napolitano	Strickland
Inglis (SC)	Ney	Stupak
Inslee	Northup	Sullivan
Israel	Norwood	Sweeney
Issa	Nunes	Tancredo
Istook	Nussle	Tanner
Jackson (IL)	Oberstar	Tauscher
Jackson-Lee (TX)	Obey	Taylor (MS)
Jefferson	Olver	Taylor (NC)
Jenkins	Ortiz	Terry
Jindal	Osborne	Thomas
Johnson (CT)	Otter	Thompson (CA)
Johnson (IL)	Owens	Thompson (MS)
Johnson, E. B.	Oxley	Thornberry
Johnson, Sam	Pallone	Tiahrt
Jones (NC)	Pascrell	Tiberi
Jones (OH)	Pastor	Tierney
Kanjorski	Paul	Towns
Kaptur	Payne	Turner
Kelly	Pearce	Udall (CO)
Kennedy (MN)	Pelosi	Udall (NM)
Kildee	Pence	Upton
Kilpatrick (MI)	Peterson (MN)	Van Hollen
Kind	Peterson (PA)	Velázquez
King (IA)	Petri	Visclosky
Kingston	Pickering	Walden (OR)
Kirk	Pitts	Walsh
Kline	Platts	Wamp
Knollenberg	Poe	Wasserman Schultz
Kolbe	Pombo	Waters
Kucinich	Pomeroy	Watson
Kuhl (NY)	Porter	Watt
Langevin	Price (GA)	Waxman
Lantos	Price (NC)	Weiner
Larsen (WA)	Pryce (OH)	Weldon (FL)
Latham	Putnam	Weldon (PA)
LaTourette	Radanovich	Weller
Lee	Rahall	Westmoreland
Levin	Ramstad	Wexler
Lewis (CA)	Rangel	Whitfield
Lewis (GA)	Regula	Wicker
Lewis (KY)	Rehberg	Wilson (NM)
Linder	Renzi	Wilson (SC)
Lipinski	Reyes	Wolf
LoBiondo	Reynolds	Woolsey
Lofgren, Zoe	Rogers (AL)	Wu
Lowey	Rogers (KY)	Wynn
Lucas	Rogers (MI)	Young (AK)
Lungren, Daniel E.	Rohrabacher	Young (FL)
	Ros-Lehtinen	

ANSWERED ''PRESENT''—4

McDermott	Schakowsky
Miller, George	Stark

NOT VOTING—22

Brown-Waite, Ginny	Garrett (NJ)	Meek (FL)
Cardoza	Keller	Neal (MA)
Eshoo	Kennedy (RI)	Neugebauer
Evans	King (NY)	Reichert
Filner	LaHood	Skelton
Ford	Larson (CT)	Slaughter
Gallegly	Leach	Smith (TX)
	McHugh	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised 2 minutes remain in this vote.

□ 1654

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

The title of the resolution was amended so as to read: ''Encouraging all eligible Medicare beneficiaries who have not yet elected to enroll in the new Medicare Part D benefit to review the available options and to determine whether enrollment in a Medicare prescription drug plan best meets their current and future needs for prescription drug coverage''.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute.)

Mr. HOYER. Mr. Speaker, I would like to inquire of the distinguished majority leader the schedule for the week to come, and I yield to my friend from Ohio (Mr. BOEHNER).

Mr. BOEHNER. I thank my colleague for yielding.

Next week, Mr. Speaker, the House will convene on Tuesday at 12:30 for morning hour and 2 p.m. for legislative business. We will consider measures under suspension of the rules. A list of those bills will be sent to Members' offices by the end of the week. Any votes called on those measures will be rolled until 6:30 p.m. on Tuesday.

On Wednesday and the balance of the week, the House will likely consider the Ag, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, which I anticipate will be scheduled for Wednesday, subject to change.

We will deal with the Department of the Interior, Environment and Related Agencies Appropriations Act, and the Military Quality of Life and Veterans Affairs Appropriations Act.

The House will also consider H.R. 4200, the Forest Emergency Recovery and Research Act. The Committee on Resources, Ag, and Transportation and Infrastructure have all completed action on that bill.

In addition to these bills, I continue to hope that we are able to bring a budget resolution to the floor. A lot of progress was made today, but that is an issue that I am hopeful we can deal with next week.

Mr. HOYER. I thank the gentleman for that information. He has now said both initially and again about the budget. You have indicated there will be votes on Friday, obviously.

Mr. BOEHNER. I am very sure that next week there will be votes on Friday.

Mr. HOYER. So no doubt in your mind about that?

Mr. BOEHNER. With three appropriations bills and several other bills, and the possibility of doing the budget, we will have our hands full.

Mr. HOYER. I thank you for that. On the energy bills, do you expect any energy-related legislation on the floor next week, refinery siting, for example?

Mr. BOEHNER. It is not likely we will have any energy bills up next week, but there are a number of energy bills that are in the pipeline with regard to the possibility of drilling in ANWR, the CAFE bill continues to move along, and the refinery legislation that did not receive a two-thirds vote under suspension is likely to be back in some form.

Mr. HOYER. I thank the gentleman for that information. The telecom bill which was reported out of committee, I know it is not on this calendar for the coming week. Could you tell us your expectations of when that might be scheduled?

Mr. BOEHNER. After that bill came out of the Energy and Commerce Committee, the Judiciary Committee filed a request for a referral on that bill. It has been under consideration this week with the Parliamentarians, and we are hopeful that we will have an answer from the Parliamentarians about this jurisdiction which is holding up the consideration of the bill.

Mr. HOYER. Reclaiming my time, would it be your expectation then, once the Parliamentarians make their judgment, that the bill will then be referred to the Judiciary Committee, if that was their judgment, so that it might be some time before that bill came to the floor? I yield to my friend.

Mr. BOEHNER. It depends on the ruling of the Parliamentarians; and until they rule whether there is a jurisdictional claim or not, there is not much that we can do.

Mr. HOYER. All right. Thank you very much for that.

The Voting Rights Act reauthorization, quite clearly that got overwhelming bipartisan support. I know the chairman has worked very hard on that. MEL WATT and other members of the Judiciary Committee have worked very hard on that. Can you tell me when you expect that to come to the floor?

I yield to my friend.

Mr. BOEHNER. I have talked to Chairman SENSENBRENNER and others about the bill. We don't have it scheduled as yet, but we are hopeful that it will be coming to the floor in the near future.

Mr. HOYER. If the budget does come to the floor next week, would you bring it in the early part of the week or the latter part of the week; do you know? I know you have had some hard work on this. I understand that.

Mr. BOEHNER. As I have indicated, when we think we have the votes to pass the budget, we will bring it up, sooner rather than later, I hope.

□ 1700

Mr. HOYER. That is such a pragmatic approach, and I thank the gentleman for that information.

Mr. Leader, I don't want to end the week on an unhappy note, but you and I had discussions in these colloquies the last 2 weeks in a row. After the tax reconciliation bill was reported out, I asked Mr. RANGEL had he been included in the conferences in any meaningful way. It was his view that he had not. You had made assurances that would happen; I don't mean that you could guarantee that it would happen.

I will tell my friend that the ranking member of the committee does not believe there was meaningful participation by the minority in the consideration of that bill which obviously was a bill of some significant import.

I yield to my friend.

Mr. BOEHNER. I thank my friend for yielding. You and I did have a conversation about participation. The conversation was centered around the pension reform bill, only because I am a conferee on the pension bill. What happens in other committees and some of these conferences, they all have their own style and own way of doing their conferences. I understand the gentleman's concern, but that was not the reference that I was making when you and I were having a discussion about the pension bill.

Mr. HOYER. Reclaiming my time, and I accept the gentleman's explanation. It was my thought that we were talking about both conferences that were then pending. I raised both conferences, but I take the gentleman at his word, he has always been truthful with me, that he was referring to the pension conference. I understand that.

I also understand that he is not in control of everything any more than we are on this side. But I will again reiterate, Mr. Leader, your experience and your performance in terms of dealing in a bipartisan way has been different than some, and we appreciate your view on this.

Whether it is the pension conference or any other conference, particularly bills of significance, we would hope that you would use your good offices to encourage and frankly request that the Chairs of the conferences make sure that the minority is included. After all, as I have said, we represent about 125 million people in this country, maybe more than that, and they should not be excluded.

I yield to my friend.

Mr. BOEHNER. I thank the gentleman for yielding, and I appreciate your concern. As the gentleman is well aware, these conferences that occur between the House and Senate trying to resolve the differences in these bills are sometimes dealt with by the majority. I saw it when I was a minority Member of the House. I understand the gentleman's concern.

I will urge my colleagues, my chairmen, to be more open. I share the gentleman's view that we all have a role to play in this institution and having people at the table gives usually a much better product and everyone has a right to voice their approval or disapproval of the actions that the conference is taking.

Mr. HOYER. I thank the gentleman. I think we certainly agree on that.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore (Mr. PRICE of Georgia). Is there objection to the request of the gentleman from Ohio?

There was no objection.

HOUR OF MEETING ON TOMORROW, ADJOURNMENT FROM FRIDAY, MAY 12, 2006, TO MONDAY, MAY 15, 2006, AND HOUR OF MEETING ON TUESDAY, MAY 16, 2006

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. tomorrow; that when the House adjourns on that day, it adjourn to meet at 2 p.m. on Monday next, and further, when the House adjourns on that day, it adjourn to meet at 12:30 p.m. on Tuesday, May 16, 2006, for morning hour debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDMENT PROCESS FOR H.R. 4200, FOREST EMERGENCY RECOVERY AND RESEARCH ACT

Mr. BISHOP of Utah. Mr. Speaker, the Committee on Rules may meet the week of May 15 to grant a rule which could limit the amendment process for floor consideration of H.R. 4200, the Forest Emergency Recovery and Research Act. The bill was ordered reported by both the Committee on Resources and the Committee on Agriculture.

Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation to the Committee on Rules in room H–312 of the Capitol by 2 p.m. on Tuesday, May 16, 2006. Members should draft their amendments to the

amendment in the nature of a substitute to H.R. 4200 which will be printed in the CONGRESSIONAL RECORD and available on the Web sites of both the Committee on Resources and the Committee on Rules by tomorrow. The amendment in the nature of a substitute consists of the text of the bill ordered reported by the Committee on Agriculture with additional language for section 404 of the bill negotiated between the Committee on Agriculture and the Committee on Transportation and Infrastructure.

Members should use the Office of Legislative Counsel to ensure that their amendments are drafted in the most appropriate format and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

APPOINTMENT OF HONORABLE MAC THORNBERRY AND HONORABLE JOHN CAMPBELL TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH MAY 16, 2006

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 11, 2006.

I hereby appoint the Honorable MAC THORNBERRY and the Honorable JOHN CAMPBELL to act as Speaker pro tempore to sign enrolled bills and joint resolutions through May 16, 2006.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointments are approved.

There was no objection.

WISHING MOTHERS HAPPY MOTHER'S DAY

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I want to take this opportunity just a few days before Mother's Day to wish America's mothers a very happy Mother's Day.

We realize that mothers play so many different roles in our Nation. They are our soldiers, our factory workers, lawyers and doctor and office workers. They are also the workers that make America work; and, of course, our mothers come in all shapes, sizes, religions and of course with enormous diversity.

I wish for them a great and wonderful Mother's Day, and I hope as we plan our future in this Congress we realize that working women or mothers that stay at home care about their children, and that the work we will do will reflect on the goodness of our mothers, whether they are our extended mothers, mothers related to us by blood relationship, or mothers who have simply nourished us.

And might I simply pay tribute to my own late aunt, Valrie Bennett, and my own mother, Ivalita Jackson. For this reason, I think the reasons that mothers are always mothers, it is important to wish them a very happy Mother's Day. To the mothers of the Nation, happy Mother's Day.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

VOICE OF AMERICA

Mr. POE. Mr. Speaker, I ask unanimous consent to claim the time of Mr. JONES.

The SPEAKER pro tempore. Without objection, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

There was no objection.

Mr. POE. Mr. Speaker, the American people expect action regarding the porous borders of the United States. They expect and deserve leadership. Here is what some Americans are saying about our porous borders in correspondence they have sent to me.

Terrence Griffin from Spring, Texas, writes, ''I am angry and fed up with the inaction and lack of leadership for immigration reform. Vote 'no' on amnesty. Illegal means illegal. Secure the borders first. We as Americans feel like thrown away stepchildren. I am taught that charity begins at home. America looks weak and reckless when it chooses to secure the borders of other nations, feed people of other nations and protect other nations when America is left unprotected, unsafe and unsecure.''

Mr. Speaker, Mr. and Mrs. William Wainscott in Dayton, Texas, write, ''Vote against amnesty and providing social services which are supported by the taxpayers. This has gone too long and too far. Our government law enforcement officials look the other way while our country is being invaded by people who choose to violate and disregard our system, that system being of legal entry and immigration. These illegals represent a major burden on taxpayers. They not only take away low-paying jobs, they take away good jobs. I should know. It is extremely difficult for an American citizen to get a job in the construction field because of the number of illegals getting reference in hiring. I speak from experience as a welder and a fitter. Because of preferential hiring practices of construction companies, the American has to look elsewhere for his employment.''

Tracy Blackburn in Spring, Texas, writes, ''A Los Angeles attorney brought into the case last week by the Mexican Consul General's office in Phoenix plans to file another motion claiming Maricopa County Attorney officials are violating State and Federal law because supposedly it is the Federal Government's job to control illegal immigration. Well, why is the Mexican Consul General able to use a local lawyer to try to prevent enforcement of American law? They are not U.S. citizens, what gives these people these rights? I am fed up with the illegal trespassers coming in here and demanding rights that they obviously do not have.''

I also received a correspondence from a high school student from Humble, Texas. Jack writes to me, ''I just wanted to express to you my feelings as part of the generation that will soon be voting. Though it is hard to get our voices out, as we are immediately hushed under the complaints of racism, many of my classmates, whether they are white, black or Hispanic, feel that the restriction of illegal immigrants is obviously a necessary action.''

Further, Mr. Speaker, I have received correspondence from Richard of Houston. He says, ''As Texans, we are on the front lines of this illegal invasion. If we fail to act, the future of our children, the next generation of Texans, is obviously at risk. I urge you to take all possible measures available, including support of local border law enforcement agencies, with the Texas National Guard to stop the threat to security and to our economy. Texans have always stood tall in the face of threats to our State and Nation. Because of the failure of national leadership, it is now this generation of Texans' turn to defend our land.''

I have also received correspondence from Patricia in Houston. She says, ''I am writing to let you know how I feel about the immigration issue. We have laws in effect that are not enforced. The illegal immigrants are breaking the law. They come over here and they do not want to melt into the melting pot of people. Please vote to shut down our borders and build a wall. I will even go down there and volunteer to help build that wall if necessary. You might be surprised how many people would volunteer to help build such a wall. And how dare people compare themselves to the immigrants that were our ancestors. They wanted to be Americans. They even changed their names to be more American. These people are taking Texas back one baby at a time and we are just allowing them. Most Americans, specifically those on the border States, feel that we need to close the border but are afraid of being called a racist. It has nothing to do with race, it has everything to do with the law.''

Finally, Mr. Speaker, I received several cases of bricks from an individual down in Texas. With the cases of bricks that he has sent me this letter, ''I am

sending you these bricks in support of an increase in the border security of the United States. These bricks should give you a start in building a wall. The American public demands some solutions to our open borders. A comprehensive border plan must include a security wall in some places, better technology, more funding of personnel for Border Patrol, and overall increased security presence on the southern border. When our borders are secure, then we can discuss the aspects of illegal immigration issues. We are tired of open borders, uncontrolled immigration, terrorist infiltration, criminal alien gangs, and all of the other horrors that arise due to our defenseless borders and unenforced immigration laws.''

Mr. Speaker, the voice of America continues to cry out for us to enforce the rule of law, protect the dignity and safety of the American people. Government's number one job is public safety, and public safety starts at the border.

We have an obligation to stop the illegal invasion and stop the colonization of our country and homeland by foreign nations. Failure to do so will result in America being lost to foreign nations without even firing a shot.

And that's just the way it is.

HONORING THOSE WHO MADE THE ULTIMATE SACRIFICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. FRANK) is recognized for 5 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, it is an important duty of all of us who serve here to pay respect, to express our gratitude, to join in the sorrow of those and their families who are serving this Nation in a time of war. I have tried very hard to do that whenever the occasion occurred. I have attended funerals of young men who were killed, and in one case a man not so young.

I was pleased on Saturday to attend a welcoming home ceremony for one young man who returned. I attended a ceremony to see off a group of Guardsmen.

The merits of the war are irrelevant when it comes to honoring and expressing our gratitude to those who have served.

□ 1715

Having said that, I want to say that I deeply regretted that yesterday, Tuesday rather, I felt called upon to vote against a bill that was presented here under the suspension of the rules which allowed for no serious debate and zero chance of amendment, a bill which in part protected veterans' funerals from the disruption that they have encountered. And it is true that a particularly contemptible group of bigots are harassing people at some funerals. And we have every right and under the Constitution the power to stop it.

Sadly, a badly overdrafted bill was brought forth with no chance for us to amend it. And I do not think we honor our veterans by failing to honor our Constitution. So I had to vote against the bill. Part of the bill, if it had been in part, if we could have amended it down, I would have proudly supported, the part that would have said you cannot have a demonstration in which any individual is willfully making or assisting in the making of any noise that disturbs or tends to disturb the peace or good order of the funeral, memorial service or ceremony on a military cemetery. But the bill went before that.

The bill says that for 60 minutes before a funeral and 60 minutes after, within 500 feet of the cemetery, you can't hold up a sign that might be offensive to people. You can't picket. It doesn't just say noise. It says diversion, and it defines it, any picketing, the display of any placard, banner, flag or similar device.

When we had an outrageous effort to intimidate a Danish newspaper because they exercised the right of free press and published cartoons of the Prophet Mohammed, which many Muslims found offensive, some people, apologists for this outrageous behavior against the newspaper, said, well, you know it is free speech. But free speech has to be respectful. Free speech has to be within limits.

No, it does not. Free speech is not respectful speech. Indeed, the American Constitution, the principle of free speech precisely protects the right of despicable people to be obnoxious. If you don't believe in that, you don't believe in free speech.

In fact, the particular group of vicious people who have been disrupting the funerals have as their major goal getting rid of people like me, gay men and lesbians. They particularly hate us. But I will not allow their bigotry against me and the reaction against that to be used to reduce the protections of our Constitution.

The parts of this bill that say that if you try to disrupt a funeral you are going to be prevented, they are fine. But telling people that 60 minutes before or after a funeral, within 500 feet of a national cemetery, they can't picket or hold up a banner, that is not free speech. That is not what we fight for.

I have defended previously the right of the Nazis to march in Skokie, to the great horror of victims of the Holocaust, or survivors of the Holocaust.

I told the Muslims who tried to coerce the Danish press that no matter how offensive they found that cartoon, freedom of expression meant that no government should stop you from being offensive.

Disrupting a funeral, of course you should not do that. We should not allow ourselves, through restrictive legislative procedures, to act against an admitted evil, the disruption of those ceremonies, in ways that could undermine the Constitution.

So I hope this will come back from the Senate in a form I can vote for. I would have voted for part of this bill; but I cannot, no matter how despicable the bigots who are defaming this Nation and disrupting cemeteries, I will not allow their behavior to be used as an excuse for undermining the right of other people in other places to hold signs. People holding signs within 200 feet of a cemetery, a half hour after a funeral that some people find offensive, that is free speech. And the way to counter that is to counter that. So I regret very much, in fact, Mr. Speaker, and I don't mean to look for sympathy here. I had an operation here last week. I had a stent, and I was supposed to return early Tuesday to have the stent removed. I delayed my return because I wanted to attend this funeral of the young man who was killed. Obviously, the discomfort of my stent was nothing to what people face who are in Iraq. But I simply want to testify that I will do everything I can to continue to honor these people, but that does not require us to demean the first amendment to the Constitution.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MCHENRY) is recognized for 5 minutes.

(Mr. MCHENRY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

SUPPORTING THE GOALS AND IDEALS OF NATIONAL NURSES WEEK

Mr. GINGREY. Mr. Speaker, I ask unanimous consent to speak out of turn for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from Georgia is recognized for 5 minutes.

There was no objection.

Mr. GINGREY. Mr. Speaker, I rise in support of America's nurses, and I want to bring my colleagues' attention to the fact that this is National Nurses Week.

As a physician for nearly 30 years, I certainly know the importance of nurses to our Nation's health care system, and I can say without hesitation that nurses are the glue that holds our hospitals and our health care system together. They are literally on the front lines of health care, and they are the faces our patients see day in and day out.

Our Nation is facing a critical shortage in the nursing profession, Mr. Speaker. As Americans grow older and live longer, our health care system will be stretched even further to accommodate new demands. And in order for us to continue to deliver high-quality health care in this country, we will need increasing numbers of health care providers and especially registered nurses.

According to the latest projections from the U.S. Bureau of Labor Statistics published in February of 2004, more than one million new and replacement nurses will be needed by the year 2012.

The importance of quality and trusted nurses is best illustrated by my telling you about two of them who are particularly special in my life. When I was a practicing OB–GYN physician in Marietta, Georgia, Lynn Olmstead was a wonderfully gifted nurse who worked with me for 20 loyal and dedicated years.

Lynn is a graduate of Michigan State University, a Spartan, as is her husband, Ken. She had worked in labor and delivery at Wellstar Kennestone Hospital in Marietta, Georgia, in my district for 10 years; and I had an opportunity to see her and her compassion and working with patients in the wee hours of the morning and was very, very fortunate that she agreed to come and work in my office and where she spent the next 20 years, as I said, working so compassionately with patients and helping me, in fact, make right decisions a lot of the times. And I remain dedicated and grateful to Lynn for that service that she gave to me and our patients at Marietta OB–GYN Affiliates.

The other nurse, Mr. Speaker, is my daughter-in-law, Emily House Gingrey. Emily is a graduate of the University of Georgia. She recently, after making a decision a couple or 3 years ago to go back to school and get her registered nursing degree from Georgia Baptist School of Nursing, now works at the Northside Hospital in Atlanta in the neonatal intensive care unit, taking care of the most fragile, not just premature babies, but what we know as immature babies, those less than 2,500 grams.

And I see Emily as she is beginning her career in that most important area of neonatal intensive care, providing life, really, to these very fragile babies that might possibly not make it in this world without the dedication of young nurses like Emily House Gingrey, the wife of my son, Billy.

So it is with a great deal of pleasure, Mr. Speaker, to take just these few minutes this evening to pay tribute to all nurses, and I rise today to applaud the profession of nursing and encourage young Americans to consider this noble work as a future career.

IRAQ AND THE FY07 DEFENSE BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, this Congress had a great opportunity today to pass a defense authorization bill that is good for the American people, a bill that reflects the very best of American values. Foremost among those values is our desire for peace, our capacity for global leadership, and our compassion for the people of the world. We could have reflected those values by utilizing the defense bill as a means of voicing our opposition to prolong the war in Iraq. The Rules Committee, however, prevented me from offering just such an amendment to the defense authorization bill.

My amendment expressed the sense of the Congress regarding the war in Iraq in two parts. First, it instructs the President, the Commander in Chief of the United States Armed Forces, to develop a plan to bring the members of the U.S. Armed Forces home from Iraq and to bring the plan to the congressional defense committees.

It is clear that we need to begin the process of bringing our troops home because, among many other reasons, the presence of nearly 150,000 American troops in Iraq is an obvious rallying point for dissatisfied people in the Arab world, making the situation in Iraq worse and not making the U.S. any more secure.

The second part of my amendment describes how the United States should support Iraq once our troops have come home. The amendment directs the United States to engage the international community, including the U.N. and NATO, to establish a multinational interim security force for Iraq. The U.N.'s Department of Peacekeeping Operations actually is particularly well suited to this task.

Next we would have shifted our role from that of Iraq's military occupier to its reconstruction partner. By working with the Iraqi people to rebuild their economic and physical infrastructure, we can give Iraq back to the Iraqis and help to create Iraqi jobs and Iraqi security.

Finally, my amendment urged the President to involve the United Nations in establishing an international peace commission comprised of members of the global community who have experience in international conflict resolution so that they would oversee Iraq's post-war reconciliation process, beginning Iraq's long road to recovery after years of sanctions and war.

The House should have been able to debate the importance of ending the war while we helped to stabilize this war-torn nation. Unfortunately, this Congress had other priorities, priorities like authorizing another $50 billion to continue a devastating war in Iraq that has already taken the lives of more than 2,400 American soldiers, countless tens of thousands of innocent Iraqi civilians, and forever shattered the lives of another 16,000 injured and wounded American troops.

Priorities like authorizing another $10 billion, that is billion with a ''B,'' on a still unproven missile defense system that can't stop the greatest threat we face, nuclear weapons in the hands of terrorists, and has never even been able to stop the missiles it is designed to destroy.

It is beyond dispute that this administration, in tandem with the Republican Congress, has been, to put it mildly, less than fiscally responsible.

Earlier this month I introduced new legislation called the Commonsense Budget Act of 2006 that finally put some sanity back into the Nation's fiscal policy. This bill already has the support of almost 40 cosponsors.

The Commonsense Budget Act would trim $60 billion in waste from the Pentagon budget and put it to work on behalf of the people and programs that truly strengthen America.

These programs include $10 billion for the modernization of every public school, $12 billion for health insurance for every child in America, $10 billion to invest in renewable energy and energy efficiency programs, $13 billion to feed the hungry, $5 billion to improve homeland security, and $5 billion to start the reduction of our deficit.

We need to change the way we think about national security, Mr. Speaker. The return on the investments I have proposed as part of the Commonsense Budget Act will benefit the entire society, and they won't cost us a dime more than we currently spend on our bloated national defense.

Any change in budget priorities, though, has to go hand in hand with change in policy on the ground. The very first of those needs to be an end to the war in Iraq. For the sake of our soldiers, their families and our national security, it is time to bring our troops home.

□ 1730

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DREIER) is recognized for 5 minutes.

(Mr. DREIER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

BUSH ADMINISTRATION TAX CUTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, well, with little notice or fanfare, a modest tax benefit for families who are struggling to help their kids get a higher education expired this year. It was what is called an above-the-line deduction, up to $4,000 towards tuition could become an above-the-line deduction.

Now for a family with $40,000, $50,000 income, that would be worth about 1,000 bucks off their taxes, not insignificant when they are straining on that income to try and help their child get an education, get ahead, realize the American dream.

But the Republican majority, being the fiscal conservatives they are, said it was too expensive. We could not afford to renew this modest tax benefit for middle income families to give them a little help with tuition for their kids. Now, well and good.

When you see their budget that they have pulled from the floor for the third time in 3 weeks, they are going to pass a budget, probably next week, that will have America borrowing $1.4 billion a day, a lot of it from foreign sources.

It will have a lot of us borrowing from this year's Social Security surplus, $193 billion, and spending it on

other things other than Social Security, in part to give tax cuts to wealthy Americans. Also buried in their budget is the fifth increase in the debt limit in 5 years. Fiscal conservatives that they are, they are hiding it in the middle of their budget because they don't want people to see it, another $600 billion increase in the debt limit to nearly $10 trillion.

That is quite an achievement. Nearly doubling the national debt in 5 years is something that they could write home about, but they don't want the people at home to know. So I can understand their concerns.

But, wait a minute, oh, no. We just passed a bill to give $70 billion in tax breaks to wealthy investors. Now, where is that money going to come from? Oh, well, they say tax breaks pay for themselves, especially when you give the money to rich people.

This particular piece of work extends a tax break that wasn't going to expire until 2008. The college tuition deduction has already expired. Middle income families can't get it next year, but wealthy investors were worried that starting in 2009 or 2010 they might have to pay the same percentage of their investment earnings, their unearned income, as people who work for a living.

The Republicans said that would just destroy the economy of America. Those investors are the heart blood of our country, not the people who work and build the country; no, they have got to pay higher rates of taxes, but the people who can invest for a living.

What does their $70 billion tax break do? Well, someone who earns $5.3 million, $82,000 tax relief. They really need it too at $5.3 million, hard making ends meet. You know, their Hummer, 3 bucks a gallon of gas for their Hummer too. Well, maybe it is a limousine driven by a chauffeur, but who knows.

How about the retired CEO of ExxonMobil, $400 million, that is what he got, just retired. Well, this bill gives him an extra $2 million off his tax bill. It was going to be hard for him to maintain his lifestyle in retirement with only $400 million in retirement. So the Republicans feel that working people should borrow $2 million to give to him an additional little tax benefit.

But for a family earning a good income, 75,000 bucks, it is worth $110 a year. So the family that earns $75,000 is going to get up to $110 tax benefit under this. But the retired CEO of ExxonMobil is going to get $2 million, and the family who earns wages and salary at $75,000 is going to pay to retire the debt, because we are borrowing the money to give to the wealthy investors.

How stupid do they think the American people are? How profligate and shameless the Republicans are to do this sort of thing. Help the families who are trying to have their kids get it. That is the next generation of earners. You cannot even extend them a modest tax benefit, but you can shower money on the wealthiest among us, those who need it least.

It is time for new priorities in this Congress. It is time for fiscal responsibility. It is time to give a little bit of a helping hand to middle income and working America and let the rich help carry their fair share of the load.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

FIRST ROBOTICS COMPETITION

Mr. LANGEVIN. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Without objection, the gentleman from Rhode Island (Mr. LANGEVIN) is recognized for 5 minutes.

There was no objection.

Mr. LANGEVIN. Mr. Speaker, I had the honor and privilege of attending the 15th annual FIRST Robotics Competition in Atlanta, Georgia at the end of April. I watched teams from both the United States and foreign countries take part in contests using robots that they built with the help of professionals.

While the winning teams were given awards, the primary goal of this competition was to help high school age students discover how interesting and rewarding the areas of math and science can be. As far as I am concerned, all of the students that participated are winners.

Seeing these brilliant students in person inspired me to join my friend and colleague, Congressman CHARLIE BASS on the floor tonight to share the important lessons and insights that we gained from our experience. I am excited to hear what my colleague has to say this evening as well.

Well, For Inflation and Recognition of Science and Technology, or, FIRST as it is known, was founded by my friend Dean Kamen, who is a brilliant inventor with a social conscience. Among his many distinguished achievements, he has invented the first wearable drug infusion pump, the first portable insulin pump, the Segway scooter and the IBOT wheelchair. His real passion, however, is inspiring younger generations and getting them excited about science and technology.

In pursuit of this goal, FIRST uses partnership between businesses, educational institutions and governments. Through FIRST's many programs, students learn the value of teamwork and sportsmanship and have the opportunity to pair up with mentors in their desired field. FIRST also gives students a chance to apply for scholarship awards so they may pursue these schools skills at the college level.

Now the success of this program can be seen by the fact that since 1992, the FIRST Robotics Competition has grown from 28 teams to over 1,000 today. The goal of this organization is one that I have supported since I first cochaired a special legislative commission as a state representative to get young people interested in math and science in Rhode Island.

Now, as many of our colleagues have acknowledged, these are areas that our younger generations are not getting involved in sufficient numbers. This is detrimental to our country in the long run, not only for our reputation as innovators, but also for our national security.

Now, the argument that inadequate research in education systems pose a threat to our national security was made in a 2001 report, the Road Map for National Security: Imperative for Change.

Now, this was issued by the U.S. Commission on National Security, better known as the Hart-Rudman Commission. The report stated American national leadership must understand these deficiencies as threats to national security. Now, if we do not invest heavily and wisely in rebuilding these two core threats, America will be incapable of maintaining its global position long into the 21st century.

This is why I encouraged my fellow members to learn more about the FIRST program. It gets students in their district involved.

It is our job, not only to protect our country, but to inspire the next generation and maintain our status as the world leaders in research and innovation. With programs like FIRST, I am optimistic about the future, Mr. Speaker.

So I would like to congratulate all the teams that participated in the FIRST Robotics Competition and especially the three teams from Rhode Island, La Salle Academy, Middletown High School and Tolman High School, for a job well done. May they all have continued success in their future endeavors.

I would also like to take this opportunity to thank my friend, Dean Kamen, the mentors and everyone who organized the FIRST robotics competition. I congratulate all of them and wish them well.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. NORWOOD) is recognized for 5 minutes.

(Mr. NORWOOD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

FIFTEENTH ANNUAL FIRST ROBOTICS COMPETITION

Mr. BASS. Mr. Speaker, I ask unanimous consent to claim Mr. NORWOOD's time.

The SPEAKER pro tempore. Without objection, the gentleman from New Hampshire (Mr. BASS) is recognized for 5 minutes.

There was no objection.

Mr. BASS. Mr. Speaker, following on my friend of Rhode Island, I had the pleasure of joining him and you, Mr. Speaker, in Atlanta a week and a half ago to witness the 15th international FIRST Competition. It was truly an extraordinary experience. There were 1,133 teams represented there, 904 of them were returning teams, and 229 new teams there.

Let me explain, as my friend from Rhode Island talked about how this works. What happens is a mentor or a company or a small businessman or anybody outside an engineer, outside of a school system, will go to a school, a high school and say they want to start a FIRST team there.

You get together a group of kids, the kinds of kids that you might not see on the football field or the baseball field, the kind of kid who might not be the biggest, most popular person in the school. You get together with them, and you tell them about how you could build a robot, go to a competition, win that competition, go to a regional, go to the nationals and really do something that is exciting.

This foundation was started by, as my friend from Rhode Island said, Dean Kamen, a constituent of mine from New Hampshire. Dean Kamen didn't get a college degree. He spent quite a bit of time in college, but he used the skills that were available to him to learn, what was important to learn in order to become successful, a business person, an inventor, an entrepreneur, and obviously an engineer and a physicist.

His dream is not only to be successful in his own life but to be able to communicate that kind of success to kids who may not have the kind of advantages that many of us enjoy. So he put together this organization which he called FIRST. It is designed to give kids, many of whom come from disadvantaged school systems and disadvantaged neighborhoods, and are from families that may have problems, but to give these kids the excitement that one gets from baseball or from football or from other sports, and, indeed, he succeeded.

My friend from Rhode Island went to the Boston regionals and saw how excited these children were, as I did, when I went to the regional in Manchester, New Hampshire, with their team screaming for them in the audience and the robots competing against one another in a ring with referees dressed in stripes judging them.

They handed out over 2,000 awards to these kids nationally this year. Dean Kamen himself made a beautiful clock out of Plexiglass, a beautiful grandfather clock that is given each year to the winner.

Indeed, Dean is a great entrepreneur, a great businessman, and he has brought a lot of great products to society. But his real passion in the world, I believe, is bringing education and excitement in engineering and physics to children.

Now you may ask, is this just the work of one individual and one person's dream? Well, back in 2002, the FIRST Foundation contracted with Brandeis University to do a study about what happens to their graduates. Here are some of their conclusions, key conclusions.

Participants in the FIRST program were more likely to attend college than an average high school graduate. Eighty-nine percent of the FIRST competition alumni attended college. That compares with a 65 percent national average. Once at college, a high proportion of FIRST alumni took courses at internships that were related to math, science, technology. Eighty-seven percent took a math course in college. Seventy-eight took at least one science course. That compares with a 66 percent average in these fields.

Perhaps the most striking finding is that 41 percent of the alumni that went to FIRST actually ended up majoring in engineering in college. Their educational aspirations were well above the national average; 78 percent of the FIRST alumni reported they expected to earn a graduate degree versus 58 percent among college students nationally.

FIRST alumni were more likely to pursue careers in science, technology and engineering. Compared to students in a comparison group, 45 percent versus 20 percent. FIRST alumni also reported continuing involvement in their communities. FIRST alumni were more than twice as likely to report volunteering in the community in the past years than were students in the matched comparison group, 71 percent versus 30 percent. Site visits indicate also that a variety of positive public impact in schools, including new classes, improve school spirit and other great benefits.

My friends, this is a wonderful program that is in its fifteenth year now, has handed out almost $8 million in scholarships, has business, educational institutions and students working together for science and education.

□ 1745

It is a great partnership. I have two challenges: I want my colleagues to get involved in their first regionals, and I want the first participants to contact their Members of Congress and get them involved. This is a great program that is good for America and good for education.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

(Mr. EMANUEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

NSA DATABASE OF AMERICANS' PHONE CALLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. UDALL) is recognized for 5 minutes.

Mr. UDALL of New Mexico. Mr. Speaker, I rise today to discuss the news reports released today that the National Security Agency has been collecting telephone data on tens of millions of Americans. With these news reports, we have discovered that the NSA, in conjunction with some of our country's largest telecommunications providers, now has a database with the phone records of millions of Americans.

While the creation of this database does not involve the NSA listening to or recording our conversations, the agency now has detailed records of calls people have made to business associates, to maybe a family physician, to friends, to family. This program is a significant violation of the privacy of all Americans.

Unfortunately, this is not the first time the administration has had the National Security Agency spy on Americans. We discovered just this past December that the President had authorized the NSA to spy domestically. While we still do not have much information on the domestic spying program, we know that hundreds, possibly thousands, of Americans had their telephone conversations and e-mails monitored.

President Bush asserts that he authorized the NSA only to intercept the international communications of people with known links to al Qaeda and related terrorist organizations. Yet we find out months later that during the same period of time, the NSA has been creating the largest database ever assembled, with information from millions of people. We can hardly say that millions of people here in the United States whose privacy has been invaded have suspected ties to terrorism.

The President did this yet again without seeking warrants. This administration has long sought to extend its power and authority at every available opportunity, and this is no exception. If the administration truly needed these phone records, they could have, at the very least, obtained warrants from the FISA court.

The fourth amendment clearly states: ''The right of the people to be secure in their persons, houses, papers and effects against unreasonable searches and seizures, shall not be violated, and no warrant shall issue, but upon probable cause, supported by oath or affirmation.''

I strongly believe that gathering information on millions of American citizens without first obtaining warrants or any judicial oversight clearly violates this core principle of our Constitution.

I have to ask, where is the oversight? A program of this magnitude must be considered by Congress. While the President has stated that appropriate Members of Congress have been briefed on intelligence activities, this does not constitute oversight. Congress should

hold hearings, question witnesses about the program, and consider its legality. Congress needs to step up and exercise its proper oversight responsibility, something it has failed to do for 5 years. At a minimum, the oversight committees must make a determination on the legality of this program.

Mr. Speaker, I have no doubt that the administration will contend that questioning the existence of this database is undermining our Nation's security efforts. It is essential that the President must have the best possible intelligence to protect our Nation, and he must be able to gather this intelligence. However, this has to be done in accordance with our Constitution, the bedrock of our Nation.

Despite what this administration would have us believe, securing our Nation from all enemies, both foreign and domestic, can be achieved without violations of our constitutional freedoms.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

(Mr. GEORGE MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CONTINUED VIOLATION OF AMERICANS' PRIVACY BY ILLEGAL SPYING CANNOT BE TOLERATED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. INSLEE) is recognized for 5 minutes.

Mr. INSLEE. Mr. Speaker, the continued violation of Americans' privacy by illegal spying cannot be tolerated. Today we found that this administration is building a database of millions of Americans' phone calls to know who we called and who called us. This is a privacy right that needs to be protected and respected, and we have now seen multiple violations of this principle where illegal spying has occurred.

The U.S. Congress must hold hearings. It must stop illegal spying. I will be offering an amendment on the defense appropriations bill to assure that no taxpayer money can be used for illegal spying to violate the privacy rights of Americans.

The excuse we may hear from the administration is that, no, these conversations may not be taped. But who Americans called is a privacy right and is protected by the law, and who calls us is a privacy right and it is protected by the law. It is protected by section 222 of the Communications Act, it is protected by the fourth amendment to the United States Constitution, and it is protected by the common sense of the American people that we ought to protect our privacy and democracy at the same time we are protecting our security. And both can be protected.

The fact of the matter is that the FISA law builds in the ability of the Federal Government to in fact crack down on terrorism, something we all want to do. We want to have an aggressive program of electronic eavesdropping on al Qaeda and other terrorists, but we want to make sure that that is done within the law on the simple proposition that when the Federal Government does electronic eavesdropping, there is another set of eyes overseeing that program: our judges, our judicial system.

What the law demands and Americans demand and the Constitution demands is that there is a review through the warrant process so that a warrant is obtained when this eavesdropping occurs. And if there is not time for that, under the FISA law, warrants can be obtained 72 hours thereafter retroactively.

So what we are saying, and I think the broad swath of the millions of Americans who have to know tonight, is that somewhere in this country there is a database sitting with your records that belong to you that is subject to your privacy that has now been violated by the Federal Government, without any review whatsoever by a judge and without review whatsoever and oversight of the United States Congress. That is wrong, and it has simply got to stop.

The U.S. Congress has an obligation. It is an obligation to stand up to an administration that refuses to abide by the law. This is a precious thing, democracy; and democracy is most precious when it is threatened. When we are currently involved in a war, it is most important to rise to the protection of our privacy.

We have been involved in these fights for our privacy now for some period of time. We have fought to protect the private records of our cell phone records from being sold to telemarketers; we have fought to prevent our tax records being sold to other people who will market to us; and now we need to fight to make sure there is a review and a warrant given before, or at least after, our phone records are put into some master database with the privacy of millions of Americans violated.

The reason we found out about this today is that the journalists have reported on this. Unfortunately, the administration has not been forthcoming to tell the U.S. Congress what they have been doing; and the U.S. Congress, the folks elected by people from 435 districts in 50 States, ought to have access to this information so that there can be oversight. There is not a review of this.

In conclusion, Mr. Speaker, the U.S. Congress needs to stand up and be counted, stand up and be counted for the privacy rights of America, to stop the violation of privacy that we have in our phone records. Who we called and who called us is a private matter. It ought to be protected, and we are going to ensure that it is.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

DOING BETTER FOR THE AMERICAN PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, earlier today I took the opportunity to wish all of our mothers a very happy Mother's Day. Might I include my colleagues and their relatives, the staff of this House and this Congress, because this is an opportunity for us to simply say thank you, thank you to the many mothers who work every single day, whether in the home or outside the home. Whether they are your mom because they are related, or because they have just simply given you a greater opportunity in life, they deserve a thank you.

Might I also offer my appreciation to the moms who are on the front lines in Iraq and Afghanistan and serving in the United States military.

This is an opportunity, Mr. Speaker, to kind of recount where we are in this Congress and to ensure that we really are working on the kind of legislative agenda that really helps our families.

I guess I would argue somewhat with the statement that we have worked as hard as we should have worked. For example, the tax reconciliation bill gives most of the benefit to the richest of Americans. If you make a certain amount, if you are a hard-working single mom, you might even get the minimal $9 tax break. I know we can do better.

Then let me say as we look to the United States military, we should remember that they are on the front lines so that we might be free. I am very proud today that, almost unanimously, this Congress passed by 415–9 an amendment that I offered to the defense authorization bill that will say happy Mother's Day to all the Reserve and National Guard families, because the amendment provides a clarifying feature, and that feature is that we will take into consideration the number of deployments one has had before further utilization of that particular soldier is enacted. We will take into consideration how many deployments there have been.

I have heard from Reserve families all around the Nation, and particularly

in my district, that they have been redeployed one time, two times, three times. Yes, they are patriotic; but it is necessary to be considerate of the families, of the disruption in their income, and, of course, the children.

So I hope as this defense authorization bill makes its way to conference, that this provision that considers the number of times soldiers have been deployed in order to make the determination whether to deploy again will help our families stay together.

Of course, we know as well that pending is a deadline for the enrollment in Medicare part D. I have said to my colleagues that they know that I did not support the legislation that created a ''donut hole,'' where seniors would have a certain coverage, and then all of a sudden mothers and fathers and others would drop into a donut hole.

But May 15 is the deadline. We will hold a massive citywide Medicare enrollment day in the city of Houston in the Communication Workers Hall on Jefferson. We are asking all of the citywide groups and organizations and adult children and others to bring their seniors to this place, because we will have almost an all-day registration. Eleven computers will be there for you starting at 11 a.m., and we will keep it open as long as necessary so that we can enroll those low-income seniors, some 55 percent who do not know that May 15 is the deadline.

To those of you who may be listening, let's make Mother's Day just a little bit sweeter and ask that senior citizen whether or not they have been enrolled over 65 in Medicare part D. Remember, if it is not extended by the President, and I am going to ask the President by letter today to extend it by executive order, if it is not extended, you will have a lifetime penalty of 1 percent, 1 percent, which is a lot of money, for your lifetime, if you do not enroll by May 15, 2006.

I hope, as I started out, that we will wish a happy Mother's Day to America's mothers and others around the world; and I hope that we will not only give them wishes, but we will also give them action.

I believe the amendment that has clarified when you go back into duty based upon a consideration of how many times you have gone is a gift to our mothers and the families of Reservists all over America. But we can give a further gift by making the kinds of tax laws that benefit hard-working Americans and increasing the minimum wage.

Then finally we can do something that is important, cease the divisive debate on immigration and recognize that immigration is a part of America's fabric. We have a system of laws which we can follow. Amnesty is not the question here, because we are not talking about amnesty. We are talking about earned access to legalization, where those who are undocumented would get online and be able to begin to gain access to legalization. The same individuals who are on the front lines of Iraq who are not citizens, their families would have the opportunity to be documented. We can also provide job training from the fees that immigrants will pay to earn access to legalization.

Mr. Speaker, I simply say, we have it in our power to make Mother's Day every day and make mothers happy by having the legislative agenda that gives a better quality of life for all Americans.

Again, happy Mother's Day to all the mothers.

□ 1800

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. ALLEN) is recognized for 5 minutes.

(Mr. ALLEN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. GILCHREST) is recognized for 5 minutes.

(Mr. GILCHREST addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RUSH) is recognized for 5 minutes.

(Mr. RUSH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) is recognized for 5 minutes.

(Ms. GINNY BROWN-WAITE of Florida addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

MESSAGE FROM THE SENATE

A further message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4297) ''An Act to provide for reconciliation pursuant to section 201(b) of the concurrent resolution on the budget for fiscal year 2006.''.

OUR TROOPS IN IRAQ

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes as the designee of the majority leader.

Mr. KING of Iowa. Mr. Speaker, I appreciate the privilege to address you, Mr. Speaker, and this House Chamber. I do rise in support, and I wish to associate with the remarks of the gentlewoman from Texas (Ms. JACKSON-LEE) who brought up that Mother's Day is coming up, and we need to honor our mothers. They are the source of a lot of the good things about the world. They are the things that civilize us men, I would point out.

And I certainly give my greetings to all mothers and look forward to the day that we formally celebrate that glorious day. A source of compassion and understanding and nurturement, all of the things I will never be in my life are wrapped up in motherhood.

Mr. Speaker, I did come here to speak about a different subject matter, Mr. Speaker. Before I get to the subject of Iraq and the broader war on terror, I feel compelled to address the issue of the National Security Administration and their data mining operations that came to light today in a publication.

I am alarmed in the verbal messages that come around this Chamber, alarmed that there could be that kind of an operation going on in this country.

Before I react, though, Mr. Speaker, I think it is imperative and incumbent upon all of us to step back, to take a good look at the facts, and not run forward with an uninformed response. I concur with the first instincts of the gentlemen from New Mexico and also the gentleman from Washington that spoke on the issue of the data mining of the National Security Administration.

I serve on the Judiciary Committee where we had at least 12 and perhaps 13 hearings on the PATRIOT Act, renewed the PATRIOT Act. We put some insurances in the PATRIOT Act. In a couple of the sections, we set them up with a sunset so that we will be able to go back and review those issues in a shorter period of time to make sure that we are protecting the rights and the privacy of Americans.

Mr. Speaker, when I look at this issue and again, from the sense of alarm that there would be that kind of a potential intrusion into the private lives of Americans. And I would dig a little bit deeper and say this data mining, with the little bit of information that we have at this point, does not look into the details of Americans, and no one is alleging that it does except for the remarks made here in this Chamber, Mr. Speaker.

And it does not, according to the administration, collect any names of anyone, it does not collect any addresses, it does not listen to any telephone calls. None of those things, according to the administration's response at least, and worthy of verification I would add, takes place unless the FISA court is aware of that and unless it happens to be a communication from a domestic call within the United States from or to a caller in a foreign country, and even then the interest would be in al-Qaeda, as the President made clear.

So data mining is a little bit different. It is clear that, you know, it depends on how you define the invasion of privacy. And the allegation was made here, Mr. Speaker, that the administration, and through the NSA's

data mining, that the privacy was invaded. That is a direct quote from the gentlemen from New Mexico.

Well, the definition of the privacy, I think, needs to be clearer before America comes to the conclusion as to whether that privacy was invaded. Now, if it has not been, if no phone calls have been listened to, if none have been recorded, if there were no names, and if there were no addresses that were recorded, if it were just the telephone numbers, and if the telephone numbers were data mined and run through a database to sort out, to see if those numbers also were the numbers that were known phone numbers of suspected terrorists, if that was the indicator that would cause the National Security Administration then to go to the FISA court and ask for a warrant, to perhaps listen in on some of these phone calls, it might have been discovered through the data mining process. That is how I understand this to be.

This is how the administration defends their actions. This is how I hope the facts emerge as we listen more closely to this situation. But I am concerned, Mr. Speaker. I think it is important for Congress to take a real close look at this. And I will be one of the people who will be making these requests to take a close look at it.

Mr. Speaker, I am not willing to go out here and make the allegation that there is a tremendous invasion of the privacy of millions of Americans until I know that factually that is the case.

The administration would need, in order to get a FISA court warrant, probable cause, as the gentlemen from New Mexico stated. And the gathering of information beyond simply an indexing of a phone number that might link to known al-Qaeda phone numbers or suspected al-Qaeda phone numbers, as the administration's position on all of the fervor they have gone with this.

So let's take a deep breath, America. Let's count to 10, America. Let's get the facts in front of us. Let's get a sense of what is actually going on before such time as we would leap to a conclusion.

But I want to announce that I am focused on this and I am concerned about this. And I also would point out that in a hearing before the Judiciary Committee, the Attorney General, General Gonzalez, was asked the question as to whether there were any telephone conversations that were being listened into, domestic calls within the United States without a FISA warrant or without a warrant of any kind.

That answer that he gave that day I recall not to have been a very concise, precise or clear answer. And I intend to look up the CONGRESSIONAL RECORD to determine that answer that was given by Attorney General Gonzalez and see how that comports with this story that came out in the news today of which we will be looking more carefully into.

Just looking at calling patterns of phone numbers, I am not certain that that does rise to the level of invasion of privacy. America will decide that, Mr. Speaker. And we will draw some conclusions ourselves when we get the facts together.

But I would add also, that the White House would not confirm or deny the existence of such a program. I will not draw a conclusion either, Mr. Speaker, as to what that might indicate. But I would point out that perhaps the architect of this plan, the person who was in charge at NSA during the period of time that this data mining was initiated and developed, and certainly during the time of its activity, if indeed it did take place, was General Michael Hayden, General Michael Hayden who has been appointed to be the next Director of the CIA.

And we know that there is friction between the CIA and the White House, and that there is political ideology conflicts going on between the CIA and the White House, and that the appointment of General Hayden, an outsider, a military officer, to come into the CIA to be the Director of the CIA and hopefully to clean up some of the activities within the CIA that have undermined the foreign policy of the President of the United States of America, might just be the reason why there was such a timely leak of this information.

Mr. Speaker, I pose that question to America as perhaps being more important or at least a question that needs to be raised to a high level of importance, alongside the importance of the privacy of the American people.

We will get to the bottom of this, Mr. Speaker. And I will join others in asking these questions and asking for the factual information so that we can draw a conclusion here in the Congress, and that the conclusion in this Congress by right and ought to reflect the conclusions of the well-informed American public. That is the path that we need to go down, Mr. Speaker.

I thank you for your indulgence. I shift then over to the subject matter that I came here to talk about on this floor, and that is the subject of the effort of our great, dedicated, well-trained, well-disciplined, well-performing and well-equipped military of the United States of America.

The effort that they are giving worldwide, globally in this global effort on terror, this global effort that was enjoined against our will on September 11, 2001. And the President went to Ground Zero in New York with a bullhorn and made it clear that we were going to take on this enemy wherever they might be.

And he said, if you are harboring terrorists, you are a terrorist, if you are aiding and abetting terrorists, you are a terrorist. If you are on the side of the terrorists, you are against the side of freedom, and we will identify our enemies as such.

And within months, the Commander in Chief dispatched troops into Afghanistan, a nation of 25 million people, a nation that had never had a free election on that soil ever in the history of the world. A nation that the Khyber Pass was renowned as being a place where you could never send military through there without them being ambushed and shot down, that no nation in the world, including the very powerful Soviet Union, could ever invade and occupy for any period of time a nation like Afghanistan.

And that a military, we were advised that a military effort in Afghanistan would be a failure. And I remember the voices of the people over on this side of the aisle, Mr. Speaker, and they advised America that it would be a defeated effort to presume to go into Afghanistan since all nations throughout all of history had failed in that country because of the rough terrain, because of the tribalism, because of a tenacity of the people there to always reject any outsiders, no matter what kind of good will might come to Afghanistan.

But the Taliban had taken over Afghanistan. And they had been harboring terrorists. They had been harboring al-Qaeda, and they had allowed al-Qaeda to get established on Afghanistan and on the border with Pakistan.

And this al-Qaeda was the worst venom in a very venomous regime there. The Taliban had taken over essentially all of Afghanistan. They has been blowing up the religious symbols and statutes in Afghanistan, trying to wipe out anything that challenged them. They rejected Buddhism, they rejected Christianity.

Afghanistan was one of the few countries in the world, Mr. Speaker, where the life expectancy of the women in Afghanistan was less than the life expectancy of the men, even though the men were the ones that were continually in combat taking on the bullets and the bombs and the missiles and the artillery.

Still, they were so brutal with their women in Afghanistan that their life expectancy was less than that of the men. And the children did not fare much better, Mr. Speaker. Girls could not go to school. The lack of freedom, the lack of an economy had devolved down into barely a survival mode, with a Draconian Islamic cleric regime in place called the Taliban, one of the darkest regimes ever in the history of the world.

But our Commander in Chief saw differently. He got good advice from his military advisers. He took the advice of the military advisers, accepted that. In a period of within a couple of months of September 11, dispatched our troops into Afghanistan, where they joined up with the Northern Alliance.

In a matter of months they swept through Afghanistan, wiped out the Taliban and enabled a free government to be established there. And free elections were held on that soil for the first time ever in the history of the world. That provided the 25 million Afghanis the gratitude of the coalition forces and the United States military. No small feat.

And as that fantastic feat unfolded, the critics from the other side of this aisle, and the liberals throughout America, slowly were muzzled by the success of the operations in Afghanistan. Slowly muzzled, Mr. Speaker, because they came to the realization that it was such a resounding success in all facets of it, from the military perspective, from the security perspective, from establishing a free government having successful elections, and establishing an economy that is now starting to grow and become stable in Afghanistan, from building infrastructure, sewer, water, wells, roads, schools, girls going to school, women voting. The freedom that you see in the eyes of people that are looking out through a burka that had never had the chance to do that before, was an astonishing success that again had not taken place on that place in the globe ever in the history of the world, thanks to the bravery and the courage of our Commander in Chief.

His vision, his courage, his ability to discern the advice that came from his Secretary of Defense, from his military staff, from the Joint Chiefs of Staff, to be able to discern that advice, select the best advice and then act upon that and send an appropriate number of troops with appropriate tactical support with appropriate equipment to be able to initiate and carry out and complete a successful operation in Afghanistan.

And I would point out, Mr. Speaker, that his critics have been muzzled on that issue, even though logistically, population-wise, the degree of difficulty in Afghanistan is greater than the degree the difficulty in Iraq from a military perspective.

The critics have been muzzled because of the resounding success. Slowly their voices have been squelched one after another after another. I point out, Mr. Speaker, that the logistics and the population in Iraq, substantially easier from the military's perspective than the war in Afghanistan, the critics said the same things before the beginning of the operation.

They have not quite been muzzled yet, but one of the people that is helping in that cause is here to join us this evening. That is the gentlewoman from Tennessee who stands up for freedom and free enterprise and our American military, and is there every time they need her and many times comes without even bothering to call, stands up for America on the floor and in committee, and in every facet of her life.

Mr. Speaker, I am proud to share some time here on the floor. I am proud to yield to the gentlewoman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Speaker, I thank the gentleman from Iowa for his leadership on this issue, and how much we appreciate that leadership.

Mr. Speaker, you know, I stand tonight for our men and women in uniform. And in my district, the men and women and families at Fort Campbell, and also our Guardsmen and our Reservists, and all of those that are deployed, how much we appreciate their sacrifice, how much we appreciate, Mr. Speaker, the great work that they do in order to be able to be certain that we preserve freedom, that we have the ability for children in this Nation to know that they are going to grow up in freedom.

□ 1815

This is so those children will have the ability to dream big dreams, to look at the future with hope, with the expectancy of opportunities that will come their way.

We do thank our men and women in uniform. And I thank them. I thank this House today that approved a bill that will allow for a pay raise for our military. We are grateful for that and for the actions of this body.

I am so pleased to join you tonight as we turn our thoughts to Iraq and what is happening in Afghanistan because those are centers and they are battles in the war on terror. The war on terror is a global war. When we talk about the war on terror, we are not talking about one specific place or one specific battle. The global war on terror is something that is localized right now in Iraq; but we do know that while this is the battleground of today, while Afghanistan is the battleground, while the Middle East is the breeding ground for much of the terrorism that has been disbursed all across the globe, we know that we have to look at this as a global war.

We have to know that this is going to be a long war. We have been told that by our leaders. We have been attacked. We know that we were attacked for two full decades before we stopped looking at terrorism as an act of civil disobedience and we started responding to terrorism as an act of war.

That seemed to all come to a head when we looked at Iraq, when we had a very evil dictator who continued to defy U.N. resolutions, who continued to just repeatedly snub the U.N. and snub the free world and say, I can be the bully of the region if I want to. And that came to an end after September 11.

We commend our men and women in uniform that have gone there to set free, to set free a people, to begin stamping out terrorism and to be certain that we are standing up, democracy and partners in democracy that will yield a peace dividend for our children and our grandchildren.

I appreciate that the gentleman from Iowa took a few moments to talk about some of the women in Iraq and some of the women that have fought so valiantly for freedom and for democracy and for liberty.

I have had the opportunity to work with our Iraqi Women's Caucus and work with our Department of State, and stepped forward and helped to mentor some of these women as they take those baby steps and then as they lead in putting democracy in place.

You know, it is so amazing to talk to them and to read the e-mails that they send to us as we seek to encourage them and their work and their efforts. Some of the stories that they have told about atrocities that they have lived through, how they watched the vicious nature of Saddam's henchmen and how they would brutalize people, brutalize families, and how these women have lived through that and have moved forward to take that leadership role and to step forward and say, Do not leave us now. Do not leave us now. We are on the right track. And we know it looks messy, and we know it is going to be a long process and we know this is not easy, but do not leave us.

Mr. Speaker, I cannot help but think when I have these conversations with these women and when I see some of them, maybe they are missing a finger, maybe there is something that is wrong, maybe they have suffered pain and torture and agony and you can see it in their faces and you can see it in their bodies, but in their spirit what you hear is the desire to be certain that they have their shot at freedom. That is what they want. They want the opportunity to live freely, to enjoy the benefits of freedom. And I think that we have to keep that in mind as we move forward.

One of the things we repeatedly hear and, of course, I know the gentleman from Iowa is like me, we all want to see our troops come home, come home victorious, and we would like to have them all come home, but I think we have to keep in mind that there is not going to be one specific event or one announced time where we say, all right, the work is done, because this is a work in progress. It is a work in progress, and we have seen tremendous progress. We have seen some tremendous stepping back. We have seen some failures, but we are seeing progress. And we are going to continue to see progress take place.

We have seen the elections in January of 2005, all the way to the election in December of 2005. We have watched the formation of a new government, and now we can look forward as they are putting in place a permanent government. This is not a provisional government. There is a government that will rule in that country. They will govern. They will be making the laws, setting the laws, and at the same time we are watching the Iraqi security forces train, develop the competencies that they need in order to secure their nation and begin to stand up and take charge.

It is exciting to see that type of progress take place. It is exciting to see progress in Afghanistan. It is exciting to see that there is that hope there, and it raises our concerns we have about the rest of the Middle East, about Iran, about the areas that surround there. And you know, Mr. Speaker, I think we have to keep in mind why we do this, why we are there, why we are rooting out terrorism, why we

have rooted out a brutal dictator. Why we do this is because if we are fighting there, we are not going to have to be fighting that over here. How very important for us to keep that in mind.

Taking this battle to them, right there in the Middle East, in that breeding ground of terrorism, taking the battle there helps us to do our best to keep this Nation secure, to allow us to continue to be a trustee of this great and wonderful legacy that we call freedom.

I want to thank the gentleman from Iowa for yielding. I want to thank him for his excellent work that he continues to do to speak out to support our men and women in uniform and to support our troops with the good work that they are doing and always his good words in protecting the cause of freedom.

With that, I yield back to the gentleman.

Mr. KING of Iowa. I thank the gentlewoman from Tennessee for her presentation here, Mr. Speaker. It is always with great gratitude that I have the privilege to share some floor time and address this Chamber.

Mr. Speaker, picking up on the remarks made by the gentlewoman from Tennessee (Mrs. BLACKBURN), several things pop to mind as I listened to her discussion. One of them is passing the DOD authorization bill here a little more than an hour ago. It is encouraging to see that we come together with that kind of unity in supporting our military here. A few dissenters I would say, but the core of this Chamber does support our military, and that was evident today.

I would also like to compliment Chairman HUNTER, who did an excellent job of putting the bill together. He brought into play a number of interests and was able to work this out in a fashion that I think demonstrates the unity of the American people as voiced through the United States Congress.

One of the elements in that bill that we did not discuss is a directive in the bill that will ensure that the military chaplains can pray reflective of their faith, reflective of their consciences; and that they will not be told by the ACLU or any other anti-faith group out there that may want to interfere with their relationship between God and our soldiers as reflected between them by our chaplains.

When this bill gets to the President's desk, our chaplains will be protected to operate and to pray consistent with their faith, consistent with their consciences, consistent with their duty as they always have until this more enlightened era, as some might call it, when they began to interfere with the faith relationships. We put our soldiers on the battlefield and we ask them to put their lives on the line for us. The least we can do is let them worship in the fashion that they would prefer.

That is one of those constitutional guarantees. We can go overboard in trying to make sure we sanitize our religion to the point where no one is offended. In fact, I think that is a major mistake in the approach to many of the issues that we have, the idea that somehow we can move through this society and make progress without offending anyone. No, there are people who are grievance experts in America and around the world who will be offended no matter what you do. And if you keep backing up and backing up, they just bring their line of offense to follow you back to some point where you get your back against the wall when you cannot retreat anymore and they will still be offended when you cannot back up anymore.

Then what do you do? It is pretty difficult to step back and plant your foot and fight, Mr. Speaker. I submit that we have to draw a line consistent with our moral values, our religious values, our constitutional values and stand up for those principles that we hold dear, but also stand up for the principles that have made the United States of America a great Nation.

Some of those principles of course are on the line right now around the globe. They are on the line in Afghanistan where the President committed troops in the fall of 2001, and successfully I might add. The critics have been muzzled. And yet before Mrs. BLACKBURN took to the floor I had taken this, Mr. Speaker, up to the point where we made the decision in this Congress to endorse the President's authority to go into military operations in Iraq, and I point out the similarities between Iraq and Afghanistan: 25 million people in each of those two countries; both of them being Arab countries, Muslim countries. And some might argue about the Arab-ness about the Afghanis, but Muslim countries certainly. Those similarities. Fair amounts of desert in each. Far more mountains in Afghanistan than there are in Iraq, but similar-size countries, countries without large economies, countries that had not made a lot of progress in the last 35 or more years.

One country was ruled by the Taliban and the other was ruled by Saddam Hussein. Who is to say which is worse. The Taliban did random violence and intimidation and pushed that country back into the Stone Age, sometimes one person at a time, small groups at a time. They turned their soccer fields into execution fields where they executed women in front of a crowd.

□ 1830

It is a brutal thing going on in Afghanistan, but the brutality in Iraq was not quite so obvious. It was not submitted to us so much on the media because those things took place behind the scenes, but Saddam Hussein, the tyrant that he was and tyrant that he is, was committing atrocities against his own people.

The rate of those atrocities can be calculated a number of different ways. The lowest number that I come up with is that he was killing his own people at a rate of something just less than 100 a day. The highest number that I come up with is that he was killing his own people something over 200 per day, but however it is calculated, and if you want to figure the lowest average versus the highest average, and these are numbers that come off the Web pages designed to show how many Iraqis have suffered, it is not a pro-administration Web page by any means, but it is the only numbers we really have about the levels of Iraqi civilians that have died since the liberation of Iraq that began in March of 2003.

By any measure, Mr. Speaker, when one measures the loss of American life, plus the loss of Iraqi troops who are on our side fighting for their freedom, plus the loss of civilian Iraqis, however one measures those fatalities, those killed in action, those casualties that resulted in death, and then one calculates the loss of Iraqi lives under Saddam, that loss of Iraqi life under Saddam was far greater than the loss in lives during any operation or any period of time that one wants to select as broader than a few minutes during the whole period of the operation during 3 years in Iraq.

Saddam's killing of his own people, add up all of those numbers and subtract the lives that have been sacrificed in Iraq that have gotten them to this point of freedom, and there are still, by any measure, at least 100,000 Iraqis who are alive today because of coalition forces, because of our American military, because of the effort of the Iraqi people to step up and defend themselves.

This effort that is ongoing in Iraq is more than the function of our daily casualties, more than the function of the daily casualties of Iraqi military and Iraqi civilians. What we see are bombing in the street. We see the news media that is there. It is as if Al Jazeera gets called whenever there is going to be a bomb detonated and they can be there to turn on their movie cameras and record the videos of what is going on for the level of violence in Iraq.

Now, I think it is too high, and I pray that we can get this violence reduced and get Americans out of the line of fire so they are not taking on the casualties. I also pray that the Iraqis who are taking more casualties than Americans are and other coalition forces will be able to quell this violence, but however we measure this, the loss of American lives, plus the loss of Iraqi military, lives of people that are allied with us, plus the loss of innocent civilian lives that we see on television every day as the bombs detonate, still result in a massive net saving of Iraqi lives because Saddam Hussein was so brutal to his own people.

There are not mass graves that are now filling with bodies in Iraq like they were during the Saddam regime. Those things have stopped. The level of violence that is there in Iraq and Iraqi civilians are taking this violence and

those killed are far greater than Iraqi military who are taking more casualties than the American soldiers who are taking more casualties than the balance of the coalition forces. That is how that rank order of loss goes, tragic as it is.

But if we look at the real circumstances in Iraq, and we ask the question, how can anybody live in that country with daily constant bombings and people being killed every day in the course of going to the barber or going to the store or walking down the street or driving through the intersection or going to school or getting on a bus or lining up to volunteer for the police force or for the Iraqi military or even for the rarest of occasions, I am allowing even going to vote, how can they tolerate that level of violence in their country?

Well, what is the level of violence in Iraq? And so I looked up those numbers, and it turns out that the annual fatalities due to that kind of violence, due to violent deaths in Iraq, the same way we measure violent death in the United States, by a form of murder, first and second degree murder and manslaughter, that kind of violence in Iraq is a rate of just a little over 27 per 100,000 people. So you can multiply that across the 25 plus million people that are there and come up with that number, now 27 for 100,000 people.

How does that compare then being an average civilian Iraqi compared to other places in the world where a civilian has a risk of dying a violent death on any given day? I looked up the statistics for Washington, D.C. I live here part time and part time in Iowa. My wife lives here part time and part time in Iowa. It turns out the risk to me, more important than to me, the risk to my wife Marilyn for being on the streets in Washington, D.C., is almost twice as high here as a civilian in Washington, D.C., as it is to be an average civilian in Iraq. Twenty-seven times per 100,000 in Iraq as civilians due to violent death, and the number here in Washington, D.C., is 45 per 100,000 here, not quite twice as high but significantly higher than Iraq.

So what would it be in some other places around the country? Well, let us see. Detroit, not one of the safer cities but a little safer than Washington, D.C. That number is 41 per 100,000 compared to 27 per 100,000 in Iraq. So it is significantly safer to be an average citizen in Iraq than it is is to be an average citizen in Detroit, Michigan.

If we took a look at where would be the most dangerous place in America, that would be down in New Orleans before Katrina. Before Katrina in New Orleans, the violent loss of life there was 54 per 100,000, and I will say that is statistically twice as dangerous to be a citizen in New Orleans as far as taking the risk of violent death, murder, manslaughter, than it is to be hit by a bomb or a murderer over in Iraq itself.

So that puts it into perspective for us on how dangerous it is in Iraq. I have been both places within the last few months, and I think it is important for us to take a look statistically because what we do not have is the news media sensationalizing the violence in New Orleans or the violence in Washington, D.C., or the violence in Detroit. That is the difference, Mr. Speaker. We do not have the news media sensationalizing. So America gets this sense that it is an intolerable level of violence in Iraq and that it cannot be quelled.

Some Members of this Congress declare, as the junior senator declared from Iowa, that there is a civil war going on in Iraq, and I would submit that if there is a civil war going on in Iraq, if that were to happen, we would know it. It is not what is going on there today. A civil war would be defined as when the uniformed military of Iraq, the 254,000 strong now that are in the field taking the fight to the insurgents and to the enemy, when they choose up sides and start to shoot at each other, Mr. Speaker, there will be a message that there might be a war that has begun in Iraq. Until that happens, they are not choosing up sides.

We have Sunni and Shi'as and Kurds all wearing the same uniform, all defending the same flag, all defending the new free Iraq, all defending the new government that has been established there, the new government that has now finally been formed and been put in place with a cabinet that soon will be approved perhaps by the parliament, and they will be launched upon the political solution of this.

But the violence in Iraq is nowhere near the level that the news media would have us believe, but it is very much sensationalized.

And how does it compare, the violence of an average citizen in Iraq, to maybe a Nation like Colombia or Honduras? Well, it is significantly more dangerous to go to either one of those two countries than it is to go to Iraq. The murder level in Honduras is nine times that of the United States. So it is significantly safer to be a regular citizen in Iraq, again, than it would to be a regular citizen in places like Colombia or Honduras or let alone Swaziland where that country has the highest murder rate in the world at 88 per 100,000 people. So to go visit Swaziland and walk around on the streets in a country like that, you can divide 27 into 88 about as well as I can, Mr. Speaker. It is not quite four times as dangerous, but 3.5, 3.6 times more dangerous to go visit Swaziland. Reading the news media, you could do a Google search and have difficulty finding such a statistic.

I would submit also, Mr. Speaker, that we had some choices. The President had some choices, and engaging in the liberation of Afghanistan was an excellent choice because it took the habitat that bred the Taliban and supported al Qaeda, that habitat that bred terror, erased that habitat, cleaned it up and established a new habitat there. If you want to think about this from an environmentalist perspective, there was an environment that bred the kind of terror that came to visit us on September 11 and had attacked us for 20 years and attacked many of the countries around the world and continues to do so at a far lesser scale than it would be otherwise.

The habitat that was there bred terror. The habitat that replaces it breeds freedom. That is the Bush doctrine. That is the vision that was put in place within 2 months of September 11 when our military was ordered into Afghanistan, when the people over on this side said it cannot be done, that our troops would be bogged down, but it has been a resounding success.

That same approach, with that same philosophy, the Bush doctrine of erasing the habitat that breeds terror and replacing it with a habitat that is a free habitat that grows freedom was brought to bear in Iraq, and I will point out that many of the same advisers that had advised President Bush in Afghanistan advised President Bush in Iraq. Some of the same tactics that were used in Afghanistan were used in Iraq, but the same thought process, the same evaluation, the same willingness to take risk, measure risk, make sure that we had the resources that were necessary to complete the operation was all considered.

To argue that the President did not listen to the right people in Iraq, none of the people that argued against the President's decision-making are willing to endorse that he listened to the right people for going into Afghanistan. They simply do not talk about that operation, as if the global war on terror only has one front, only has one battlefield, and only had one conclusion or one way to conclude it and one way to do so, and that in retrospect for them would be send a half a million troops in there, not 150,000 or 167,000 or 168,000 troops in there to do this operation.

The President sent enough troops to do the job that was in front of them. He used the best information he had at the time. He knew who to listen to before he went into Afghanistan. He listened to a lot of the same people going into Iraq. Tommy Franks has not stepped forward and said, oops, I wish I had another 350,000 troops. I would submit, Mr. Speaker, that another 350,000 troops in Iraq would have taken so long to mobilize, and the cost of mobilization and the difficulty of doing such a thing would also put more of our troops in harm's way.

I would point out that if one looks back statistically, that if you are going to stand up a military, when you put young men and women in the same place where you have machines that move fast and are heavy and instruments that are designed to deal death and destruction, as our military is designed to do, there will be accidents and you will lose people due to accident that are not combat fatalities.

In fact, one out of every five fatalities in Iraq has been a noncombat fatality, the result of an accident, but those accidents take place whether it is a civilian on the streets of America or whether it is a military wearing the uniform on a base somewhere where we never hear about that accident. If we add up the loss of American lives as a price to be ready, because those accidents that take place in training they take place on the base, the in-uniform accidents, if we add them up for the period of time between Desert Storm and Operation Iraqi Freedom, there were 5,000 Americans who gave their life to this country for our freedom as a price to be ready to take on the enemy. We mourn them as well as we mourn the soldiers who we lost in combat. They all paid the price for freedom, and we need to take advantage of this freedom and exercise this freedom and defend this freedom here the same way they defended it overseas for us.

But those loss of lives are still hard when it is a family that gives up a son or a daughter due to a price to be ready as opposed to the price to be engaged in combat. All need to be honored, all need to be respected, and of course, we add an extra level of honor to those who went into the line of fire for our freedom.

But the price remains as a price paid to be readied. There has been a price paid due to accidents in Iraq, as well as loss of life due to combat, but there is freedom there in Iraq. They held three elections in the year 2005, all successful, and they said it could not be done. They said that the violence would be so great that we could not open the polling booths and allow Iraqis to come to the polls and vote, but they did, Mr. Speaker, and each election the number of Iraqis went up, not down.

□ 1845

The smiling Iraqis with the purple fingers coming out of polling places, those numbers got greater and greater. As that happened, we were transitioning from the military security phase of Operation Iraqi Freedom to the political phase. And now we are into this political phase full blown, full bore. The Iraqi people have established their prime minister, their president and their speaker of their new parliament along with names that have been presented to their cabinet. That cabinet is endorsed by a majority of the parliament. They will be up and running.

When they are seated at the United Nations, they will be the most sovereign and most representative Arab nation in the world, the Nation that reflects the will of their own people far greater than any others.

We often think of the United Nations as an organization that is the democracy for the world. It is a voice of all of these nations, and the ambassadors from the countries represent the voices of the citizens of the country that they come from. That is not the truth. The truth is that there are some democratic countries that come to the United Nations, that appoint an ambassador to go to the United Nations to speak the will of the people. That is some of the countries.

Then there are the other countries that are significantly different. These are the ones that come from the dictators and tyrants who do not allow their own people to have a voice, but they send their ambassador to the United Nations and they have a voice there, a voice equally weighted to the voice of the ambassadors who actually represent a free people.

Mr. Speaker, I would submit that the Iraqi ambassador soon to be named to the United Nations will be a voice of a free Arab people, and that is a significant improvement, a significant change from the way it was in the past 3½ years ago. And, in fact, that ambassador will stand out in the United Nations hopefully as a beacon of freedom to the Arab people. And hopefully this freedom that is emerging in Iraq as we speak will be the freedom that becomes contagious and emanates across the borders to the other countries of the Middle East in such a fashion that they will stand up and say I want my freedom, too. I will celebrate when that day comes, but that would be the next phase of the Bush doctrine. That phase where the President understands that the clarion call of freedom calls all people, and that freedom is the right of every person and the future of every nation.

It may not be in this year or this decade or in this generation. It may not be in my lifetime, but it is inevitable that the yearning for freedom will bring every country to a level of freedom over time. I believe, as they say in the Arab world, it is God's will that we arrive at that point.

The alternative that the President had, given the challenges in front of him after September 11 was we could have looked at this from a law enforcement perspective, as did the previous administration. But the President chose to take the battle to the enemy in Afghanistan with a model for that country almost a mirror image of Iraq. If an approach to Afghanistan was wise, and the same approach to Iraq was not wise, I wish the people on the other side of the aisle and the critics of that effort would stand and tell me those distinctions. I can give distinctions, but it is Monday morning quarterbacking now. We must complete this task.

If we should pull out of Iraq, if that should happen, the effects on the future of the United States of America and the free world and the global war on terror would be catastrophic in their magnitude. The message that would be sent to the rest of the world would be that the United States does not stick with its commitment to go in and liberate. The message that came from Muqtada al-Sadr, when I was there on one of my visits a couple of years ago when he said if we keep attacking Americans, they will leave Iraq the same way they left Vietnam, the same way that they left Mogadishu and the same way that they left Lebanon. That is what I heard in live realtime out of the voice of Muqtada al-Sadr.

In fact, I took the trouble to put it in a poster, Mr. Speaker. I would point out that I heard this as I was visiting in Kuwait City watching Al Jazeera TV. He made the statement that if we keep attacking Americans, they will leave Iraq the same way they left Vietnam, the same way they left Lebanon, and the same way they left Mogadishu.

That message gets through to our enemy. They understand that the United States, if we do not stick to a mission, a subsequent military and American civilians will pay the price for not sticking to that mission for a generation or more after the fact.

There are those who add to this argument and who add fuel to this fire. Here would be an example. This is the senior Senator from Massachusetts who said that this was a war made up in Texas, this whole thing was a fraud, and Iraq is George Bush's Vietnam, which is really my point.

This message out of the mouth of this senior Senator from Massachusetts went through the satellite versions of television and within seconds, in fact at the speed of light, can emerge on the other end in the Middle East directly into the ears of Muqtada al-Sadr and Zawahiri and Zarqawi and Osama bin Laden, and you name the leaders over there who are committed to killing people who are not like them. They believe that is the path to their salvation. They are encouraged by these kinds of messages. It cost the lives of American soldiers.

We must stand together and complete this task. If we fail to do so, our only alternative will be to retreat back to the shores of the United States of America, fortify everything that we have that we want to protect, that we hold dear, guard every bus stop, guard every school and hospital, and guard every restaurant. They do that in Israel. If you go down the streets of Israel, the military are required when they are out on the street to carry their gun. They guard everything, and still their women and children, their families are blown to bits by terrorists who are committed to killing them for some religious reason I will never understand. That is our alternative here in America if we do not complete this task in Iraq.

Some of the things that we have done to provide stability in Iraq are demonstrated on this poster. The yellow spots here and the green dots, those are initiated and I believe they are completed operations of construction projects. Yes, the green is completed operations. The yellow are projects that are in progress.

As I traveled around, I was down in Basra in the south and on up to Kirkuk

in the north, and I have been around the Mosul area as well, these projects are all things that American taxpayer dollars have invested to upgrade the infrastructure that is there. That includes water, sewers, hospitals, roads, all kind of structure that are designed to add some stability to the country of Iraq that in the last 38 years, aside from coalition forces and the dollars that have been committed into the country since the liberation, had not made significant progress.

Now there is progress being made in the country. There is more progress that needs to be made before our troops can come home victorious, to quote the gentlewoman from Tennessee some moments ago.

I will submit that we have to stick with this task. We do not have an alternative except to succeed, and we are on the path of success. It is a long, hard slog, as the Secretary of Defense, Mr. Rumsfeld, has pointed out. He has been realistic and upfront and candid in his positions that he has taken. I think he has taken on a yeoman's task to reorganize our military at the same time we are involved in a conflict overseas. But the alternative is not acceptable, and that would be not to reorganize our military at a time when we need to be lighter, quicker, faster and still stronger than we were before.

I have met with the Secretary of the Army who has laid out this plan for me, and I am impressed with the level of organization and level of discipline that they have provided. And I am impressed that Secretary Rumsfeld has gone down this path and has seen the vision and directed that it take place in the reorganization of our military.

I am not surprised though, Mr. Speaker, that some of the generals who were steeped in the old way of thinking and who maybe have a little different approach might be a little disgruntled. We have about six generals that have spoken up. That means there are some 9,000 who have not spoken against the Secretary of Defense. I think it was untimely of them to do so. It did not help this cause for them. I think that if they had stepped back and taken a look at it from the perspective of the long-term best interest of America, they might not have taken these issues to the public because their voice echoes across through satellite TV, picked up by Al Jazeera, spread through the ears of al Qaeda and Osama bin Laden and Zarqawi and Zawahiri and al-Sadr who is maybe on the side of the government of Iraq and doing business there. It does not help to send the message of dissent.

If you have a message of dissent, take it to the White House. They will close the door on the Roosevelt Room or perhaps in the Oval Office and you can have your say and it will be considered. But to have your say and say it to our enemy at the same time you might convey that disagreement to the President of the United States through the media is not a constructive way to fight a war. If this goes on, it will be one of the reasons why democracies have a difficult time in succeeding.

I point out that the country I live in is a constitutional republic, and I am glad it is. I look forward to the day our military comes home victorious. I do not know how soon that might be. But I would point out that the previous administration sent troops to Kosovo and gave a time frame at which time they would be deployed back to the United States, and that time frame was 1 year. It has been well over 10 years since those troops were deployed to Kosovo, and we still have troops there.

I am not raising an issue about that except to say we cannot give a drop-dead deadline for our troops to leave Iraq. That empowers the enemy and allows the enemy to prepare for the day when they can emerge from their holes in the ground, having accumulated their military supplies, and then descend upon the less-equipped people that are there defending the country.

That idea that has taken place in a resolution over in the other body, joined in by the junior Senator from Iowa, is the wrong idea at the wrong place at the wrong time. The right idea and the right message is we will be there, Iraq, as long as you need us. We are going to encourage you to get out of the nest and fly. You are doing a good job so far under difficult circumstances and your fighting spirit is there. The judicial branch is there. Saddam Hussein needs to be tried. You need to get done with the trial. You need to accumulate a record for the Iraqi people so they understand the history that is going on within the country of Iraq. The era of Saddam Hussein must be recorded. When it is recorded, it will be fine with me if justice is served and an appropriate punishment should he be found guilty is made consistent with Iraqi law. And I am advised that there is only one penalty that is provided for an individual who might be found guilty of crimes against humanity and that punishment is death. I believe that is too gentle a penalty for someone who may have committed crimes of that magnitude, but it is the one that they have and it is all that we would have in this country as well.

Mr. Speaker, I urge this body to stand with our military, to stand with their mission, make the point that you cannot be for our military and against their mission. We cannot ask people to put their lives on the line and say you should not be doing this, I am against your mission, but I support you. I will send you some warm socks and an MRE and something cold to drink. I am for you, troops, but you shouldn't be there. That is wrong.

If you are not for the mission, you are not for the troops. You cannot ask them to put their lives on the line for you and be opposed to their mission. They are one and the same. You support the troops and you support their mission all together, not separately. You do not get to choose one or the other. It is a fallacy in the argument.

I stand with the troops and the mission. I am committed to seeing this thing through to the end. We owe that to our brave soldiers and Marines who have given their lives for the freedom of the Iraqi people, for the safety and security of the American people, that have taken the fight to the enemy globally overseas, who all of them volunteered to go over there. All of them volunteered to face the enemy. They knew they were taking a risk. God bless them for it, Mr. Speaker, and God bless our soldiers and our Marines in their effort, and God bless the United States of America.

OUR NATION'S SECURITY

The SPEAKER pro tempore (Mr. CAMPBELL of California). Under the Speaker's announced policy of January 4, 2005, the gentleman from California (Mr. SCHIFF) is recognized for 60 minutes as the designee of the minority leader.

Mr. SCHIFF. Mr. Speaker, the single most important function of the Congress is to ensure our Nation's security. Since the time of the Revolutionary War when the Continental Congress directed the efforts of our fledgling Nation to free itself from British rule, the legislative branch has made the security of our Nation a priority.

Bipartisanship has been at the center of America's national security policymaking for much of our history.

□ 1900

In standing behind our Armed Forces and standing up for our diplomatic priorities, in supporting the Intelligence Community, and in supporting the President in times of crisis, Congress has often spoken with one voice. This unanimity was never stronger than the aftermath of the September 11 attacks on the World Trade Center and the Pentagon.

When President Bush addressed Congress and the Nation on September 20, there were no Democrats or Republicans in this Chamber. There were only Americans. That unity extended around the world to friends and foes alike.

In London, 2 days after the attacks, Queen Elizabeth ordered the Coldstream Guards to play the Star Spangled Banner at the changing of the guard at Buckingham Palace, the first time a foreign anthem had been played at that ceremony.

In Paris, the newspaper Le Monde ran an editorial on September 12 that was entitled simply, ''We Are All Americans.''

In the wake of the attacks, NATO invoked for the first time in its history, article 5 of the NATO charter, declaring an attack on the United States to be an attack on the alliance.

As American military assets rushed towards Afghanistan in preparation for the invasion that would topple the

Taliban regime, NATO Airborne Warning and Control System, AWACs air craft patrolled American skies in round-the-clock patrol to protect us.

Four and a half years later, this national and international unity seems quaint. Here at home, our country is now bitterly divided. Our States are red or they are blue. Our communities are divided too. Americans don't even get their news from the same place anymore. Many Republicans only watch Fox, and many Democrats will only watch, well, anything else.

Overseas, we are isolated. Where America was seen as a victim in the wake of 9/11, in the capitals of even some of our closest allies we are now too often viewed as an aggressor. American troops are fighting and dying in Iraq while many of our closest friends sit on the sidelines refusing to provide even promised economic support.

The policies of the current administration and majority in Congress have not only squandered domestic unity and international goodwill; they have poorly managed the war on terror and failed to adequately improve our security here at home. Even as we spend $1 billion a week in Iraq, basic security at home remains underfunded. And as we shall hear from my friend and colleague, CHRIS VAN HOLLEN, Afghanistan is in danger of slipping back into the grip of the Taliban.

In the days after September 11, the President vowed to capture Osama bin Laden, dead or alive, and that we would smoke al Qaeda out of their caves. Tragically, Mr. Speaker, Osama is still very much alive, and the inability of the pre-eminent super-power to capture him is as dangerous as it is emblematic of the need for a new strategy in the war on terror.

Tonight I have a message for the American people: the Democrats have a plan to win the war on terror. Our plan is tough, it is smart, and it is comprehensive. This plan is part of an overall effort to reconfigure America's security for the 21st century, a plan that we call Real Security.

Several week ago, Members of our party from both the House and the Senate unveiled a comprehensive blueprint to better protect America and to restore our Nation's position of international leadership. Our plan, Real Security, was devised with the assistance of a broad range of experts, former military officers, retired diplomats, law enforcement personnel, homeland security experts, and others who helped identify key areas where current policies have failed and where new ones were needed.

In a series of six Special Order hours in the evening, my colleagues and I have been sharing with the American people our vision for a more secure America. The plan has five pillars, and each of our Special Order hours has been addressing them in turn.

The first is building a military for the 21st century. The second is winning the war on terrorism. The third is securing our homeland. The fourth is a way forward in Iraq. And the fifth is achieving energy independence for America.

Two weeks ago, we discussed the first pillar of our plan, building a military for the 21st century. This would involve rebuilding a state-of-the-art military, making sure that we have the world's best equipment and training, providing accurate intelligence and a strategy for success, providing a GI bill of rights for the 21st century, and strengthening the National Guard.

In future weeks we will address Homeland Security. In the wake of 9/11, there have been numerous commissions and investigations at the Federal, State, and local levels as well as a multitude of private studies. All of them have pointed to the broad systemic and other flaws in our homeland security programs.

Almost 2 years ago, the independent bipartisan 9/11 Commission published its report, but most of its recommendations have yet to be implemented.

The Homeland Security plan will implement the 9/11 Commission recommendations. We will screen all containers and cargo. We will safeguard nuclear and chemical plants. We will prohibit the outsourcing at ports, airports and mass transportation to foreign interests. We will train and equip first responders, and we will invest in public health to safeguard Americans.

We will also be discussing a new course in Iraq that will ensure that 2006 is a year of significant transition to full Iraqi sovereignty, with the Iraqis assuming primary responsibility for securing and governing their country with a responsible redeployment of U.S. forces. Democrats will insist that Iraqis make the political compromises necessary to unite their country and defeat the insurgency, promote regional diplomacy, and strongly encourage our allies in other nations to play a constructive role.

Our security will remain threatened as long as we remain dependent on Middle Eastern oil. The fifth pillar and the one with the most far-reaching ramifications for our country and the world is to achieve energy independence for America by 2020. This will involve eliminating reliance on Middle Eastern oil, increasing the production of alternative fuels in America, promoting hybrid and flex fuel vehicle technologies, and manufacturing and enhancing the energy efficiency and conservation incentives.

The pillar of Real Security that we are going to address tonight is in many ways at the center of all of these issues. Since 9/11, the war on terrorism, specifically radical Islamic terrorism, has affected our entire conduct of national security policy. Unfortunately, there is a clear consensus among most experts that we need a new strategy to win the war on terror.

Tonight, I would like to introduce you to our plan. When Democrats are in charge, we will finish the job by eliminating Osama bin Laden, by destroying terrorist networks like al Qaeda, by finishing work in Afghanistan and ending the threat posed by the Taliban. We will double the size of our Special Forces, increase our human intelligence capabilities, and ensure our intelligence is free from political pressure. We will eliminate terrorist breeding grounds by combating the economic, social, and political conditions that allow extremism to thrive; lead international efforts to uphold and defend human rights; and renew longstanding alliances that have advanced our national security objectives.

We will secure by 2010 loose nuclear materials that terrorists could use to build nuclear weapons or dirty bombs. And we will redouble efforts to stop nuclear weapons development in Iran and North Korea.

Our first priority is to eliminate Osama bin Laden and destroy al Qaeda and its other terrorist networks. Who would have imagined on September 11 that after more than 4½ years, the man responsible, the mastermind of the greatest single loss of American life in a single attack, Osama bin Laden, would still be at large? And now, in fact, al Qaeda has morphed into a worldwide amalgam of discrete cells that are even more difficult to track down.

Under Real Security, Democrats will use all of the tools at our disposal, military, intelligence, diplomatic, legal, to fight terrorism. To destroy al Qaeda and other terrorists on the ground, we will double the size of our Special Forces.

Special Forces were instrumental in working with local Afghan forces to drive the Taliban from Afghanistan, and they are uniquely suited to counter insurgency and counter terrorist operations. Unfortunately, many of the Special Forces units that were working to build a new Afghanistan were diverted to Iraq and replaced with less versatile troops.

Building a military for the 21st century begins with an acknowledgment that we are in a new era that has a set of challenges and threats distinct from those we faced during the Cold War. In this new world, we need a military that is highly mobile, self-sustaining, and capable of operating in small units.

On the one hand, our ability to use air power has extended our global reach and allows us to engage enemies without large numbers of ground troops being employed, as was the case in Kosovo and Afghanistan.

On the other hand, the war on terror, ongoing operations in Iraq, and the increasing need for American forces to play a stabilizing role as peacekeepers and peace enforcers demands the sustained commitment of American forces. Special Forces units are mobile, lethal, adaptable, and trained to work with indigenous forces, a key to winning against insurgencies and terrorists who are expert at portraying

Americans as infidels bent on destroying Islam, undermining local societies and local customs and culture.

But even the best military cannot obtain its objectives without good, sound intelligence. In many respects, 9/11 was a failure of intelligence. Agencies that should have been sharing information with each other could not or would not, and tantalizing, vital threads were left unconnected. This failure was followed by the deplorable failure of our intelligence on Iraq's weapons of mass destruction in which dissenting voices within the intelligence community were stifled, and group think took hold and steered analysis.

The U.S. intelligence community is made up of some of America's brightest minds and most dedicated servants, but these talented individuals are working harder and harder just to maintain a status quo that is increasingly irrelevant to the new challenges presented by weapons of mass destruction.

America's enemies today are different from those we faced during the Cold War and pose far more complex threats to our national and international security. We have more numerous and diverse intelligence targets today, with dozens of national and hundreds of non-state entities able to strike a devastating blow to our territory and our economic interests.

Furthermore, the weapons that pose the greatest dangers to our strategic and economic interests are difficult to detect and even harder to counteract. Both the 9/11 Commission and the Silbermann-Robb Commission advocated sweeping reforms of the intelligence community to streamline procedures and facilitate better flows of information and analysis. Both commissions identified resistance to change as the greatest obstacle to better intelligence for senior policymakers.

What we need is an intelligence community that is flexible, able to respond quickly and effectively to an ever-shifting environment and to the rapid pace of today's technological changes. The dispatch of Porter Goss as CIA director indicates that these changes at the agency have still not been undertaken. The coordination we need is still not present in our intelligence community.

The Intelligence Reform Bill that Congress passed in 2004 created a new Director of National Intelligence, but gave the office only ambiguous authorities to carry out its broad responsibilities. The challenges faced by the DNI are myriad, building better human intelligence networks, improving the quality of analysis produced by the 15 agencies under its control and rebuilding the morale of a community that has been badly shaken by 9/11, by Iraq and which continues to this day.

Even as the DNI, the Director of National Intelligence, struggles to control numerous organizations with separate missions and cultures, he needs to preserve a diversity of analysis and a community-wide culture that encourages structured debate among agencies and analysts over the interpretation of information while cooperating in a common purpose with a shared strategic vision.

□ 1915

For too long, the demands for current intelligence have presented the intelligence community from adopting a broader strategic perspective. Such an approach is essential for developing long-term plans, for penetrating today's difficult targets, and identifying political and social trends, shaping tomorrow's threats.

Perhaps the most important piece of our plan is a commitment to eliminate terrorist breeding grounds. Terrorists who attacked this country on September 11 emerged from a part of the world where oppression often finds its outlet in jihadi extremism and hatred of the West, especially the United States.

After the 9/11 attack, the President and other senior administration officials vowed to ''drain the swamp'' that birthed al Qaeda and other radical Islamists. Despite this boast, the administration has done little to combat the social, economic and political conditions that allow extremism to thrive.

Under Real Security, Democrats will fight terrorism, not only militarily, but also by leading international efforts to eradicate poverty, universalize education and provide economic opportunity for those who now provide such a fertile ground for the recruitment of suicide bombers.

We will also renew the long-standing alliances that have advanced our national security objectives for more than a century. We will encourage the growth of civil society, democracy and free-market economics in the Middle East. Extremism thrives and spreads in countries where brittle, autocratic regimes jealously guard wealth and political power while the vast majority of its citizens languish in poverty.

For example, despite the Arab's world vast oil wealth and its rich cultural history, the region has languished in large part because its leaders refuse to enact the liberalization necessary to release the power of hundreds of millions of people. We will use the power of diplomacy and economic aid much more consistently and effectively to bring about real meaningful change that allows for the growth of political, secular institutions. As we have seen in too many cases in recent years, millions of Arabs face the choice between secular, authoritarianism and theocratic rule by religious extremists.

Strong diplomatic relations are essential to America's security. As Madeleine Albright, who served as Secretary of State under President Clinton, has said, diplomacy is our first line of defense. During the last several years, we have failed to use this essential tool of American power wisely, and it has cost us dearly. Democrats will again make human rights central to our conduct of national security, living up to our values, even as we make ourselves safer.

In a few minutes, I will address in specific terms the threat posed by loose nuclear materials and the lethargy at which we are trying to secure those materials.

But before I do, I want to introduce my friend and colleague, CHRIS VAN HOLLEN of Maryland, to share his thoughts on the dangers posed, in particular in Afghanistan, but also his thoughts on intelligence reform and on the Democrats' Real Security Plan.

I yield to the gentleman from Maryland.

Mr. VAN HOLLEN. Well, let me thank my colleague from California (Mr. SCHIFF) on his leadership on national security issues and helping to lay out the Democratic national security plan, and thank him for taking us back to 9/11/2001 and the new security challenges that posed for our country, indeed for many others around the world, and reminding all of us that at that time the American people rallied behind the President and the Congress and said we need to take action against al Qaeda, we need to take action against the Taliban.

This body, the United States Congress, was united, Republicans and Democrats alike, in taking that action, toppling the Taliban government, and working to try and root out al Qaeda and find Osama bin Laden. Indeed, as Mr. SCHIFF mentioned, the international community rallied behind us as well.

So let us go back to that point in time and see what has been done. If you look at the recent trip that President Bush took to Afghanistan and India, Pakistan last March, it was a reminder to all of us that was probably, number one, the closest he will ever get to the man who masterminded those attacks on September 11th, on the United States, Osama bin Laden, who is believed to be hiding in Pakistan along the very rugged Afghan-Pakistan border. It was a reminder that we have not accomplished our mission of destroying Bin Laden and al Qaeda.

We all recall back in May of 2003 aboard the aircraft carrier, the USS *Lincoln*, when the President unveiled a big banner that said, ''Mission accomplished.''

Well, before that time, before the unveiling of that banner, there had been 138 American troops who died in Iraq, 542 wounded. Since declaring ''Mission accomplished'' aboard the aircraft carrier, there have been 2,405 American troops dead and over 17,000 wounded. As we all know, the situation in Iraq continues to be a very difficult one.

But certainly that ''Mission accomplished'' banner could not have applied to the main objective we had after September 11, 2001, to destroy the al Qaeda network and capture, destroy the person at the top of that network, Osama

bin Laden, and fulfilling that mission. Preventing a resurgence of the Taliban will depend on the actions that we take today and in the months ahead in Afghanistan. This is no time for us to be reducing our commitment in Afghanistan.

At the very time the President was in Afghanistan last March, the Director of U.S. Defense Intelligence, General Michael Maples, was testifying before the Congress, and he testified that the Taliban insurgency is growing and will increase this spring, presenting a greater threat to the Afghan central government's expansion of authority than at any point since late 2001.

Under these circumstances, the plan, the current plan in place to replace 2,500 U.S. troops in southern Afghanistan later this summer with contingents of Canadian, Dutch, British, Romanian and Australian troops should be considered. We welcome having those additional troops there, but given the intensifying Taliban insurgency, we should consider whether or not those new forces should augment and supplement the forces we have there and not replace them. Replacing them could send exactly the wrong signal to the people of Afghanistan and to Osama bin Laden and al Qaeda. Now, it is hard to ignore the fact that the Taliban has stepped up its operations recently.

Last year, attacks by the Taliban and other anti-government troops jumped by 20 percent, according to the Defense Intelligence Agency. Suicide bombings increased almost fourfold, and strikes with improvised explosive devices, which is a tactic imported from Iraq, doubled last year.

The main battlegrounds in this insurgency are in the provinces of Qandahar, Oruzgan, Helmand and Zabol, the Pashtun areas that form the Taliban stronghold in southern Afghanistan. And as recently as January 10 of this year, Mullah Mohammad Omar, who was the Taliban leader, who was born in southern Afghanistan and forged a very close tie with Bin Laden, rejected a call to reconcile with the new government of President Hamid Karzai and publicly exhorted his followers to fight.

It appears from all indications that his followers have been listening. The Assistant Administrator of USAID told Congress earlier this year about the deaths that have been taking place in many of the provinces and the attacks, school teachers killed. As a result, 200 schools in Qandahar and 165 support schools in the province of Helmand closed for security reasons, and on and on. February was a deadly month, and March and April.

In May, earlier this month, The New York Times wrote an article, headline, Taliban Threat Is Said to Grow in Afghan South. I am just going to read a few excerpts. The Taliban and al Qaeda are everywhere, a shopkeeper told the commander of American forces in Afghanistan. He said it is all right in the city, but if you go outside the city, they are everywhere, and the people have to support them. They have no choice.

The article goes on to note that the fact that American troops are pulling out of southern Afghanistan in the coming months and handing matters over to NATO peacekeepers, who have repeatedly stated they are not going to fight terrorists, has given a lift to the insurgents and increased the fears of Afghans.

I think it is very important that we not send a signal that we are reducing our commitment to the people of Afghanistan and to the fight against al Qaeda and Osama bin Laden. But stopping that action is going to require forceful action, stopping that violence and stopping the Taliban attacks.

Until now, the NATO forces have been stationed in relatively quiet areas. Their role has been primarily limited to peacekeeping rather than combat operations, and there are real questions about whether they will be able to engage the Taliban as aggressively as U.S. forces there.

It is also likely that the withdrawal of these 2,500 U.S. forces from Afghanistan will weaken our ability to put pressure on the Pakistan government to cooperate with us in trying to track down al Qaeda elements in Pakistan. We know that Pakistan Interservices Intelligence Agency has historically had a very cosy relationship with the Taliban. Many in the Afghan government, if you talk to them, doubt Pakistan's commitment to denying the sanctuary to Taliban fighters along the Afghan-Pakistan border. So we should be careful about the signals that we send.

Afghanistan's stability depends on strengthening the central government, developing the economy and limiting the booming opium trade there. Progress on these fronts requires that the Taliban be neutralized and security improved.

It has been said now from a number of Afghan leaders that the anticipated withdrawal of some of the U.S. forces has already caused some local leaders to hedge their bets with respect to the Taliban and figure if we are not going to be protected by U.S. forces, maybe we ought to bet on the Taliban being the future here. That is a very, very dangerous thing indeed.

It is important for us to remember that the Taliban came to power in Afghanistan in the chaos that followed the Soviet Union's withdrawal from that country, and the subsequent U.S. disengagement and lack of interest in the region.

With the Bush administration and much of political Washington focused on Iraq, many Afghan leaders worry whether the reduction in our forces there signals a lack of commitment and a signal that we will again lose sight of Afghanistan. We do so at our peril because we need to remember, as my colleague reminded us, that the September 11 attacks, September 11, 2001, did not come from Iraq. They were from Afghanistan. That raises a very serious question about how we came to be in Iraq and raises the question of failure of intelligence.

I think it is important to note that whether or not you were for taking military action in Iraq or against military action in Iraq, we all should be in favor of getting the intelligence information right. It is especially important in this time when we are trying to disrupt terrorist networks.

The fact of the matter is the President told the American people we were taking action in Iraq for two reasons. He said, there are weapons of mass destruction there, and he said that there was a connection between Saddam Hussein and al Qaeda. Well, we know now that both of those statements proved false. It is important, going forward, that we get the intelligence right.

One of the essential components of the Constitution of our country is a system of checks and balances, making it clear that every branch of government has an obligation to take the responsible actions within its own sphere. Unfortunately, this Congress, especially this United States House of Representatives, has failed to exercise that responsibility. Instead of being a check on the executive branch, we have been a blank check for this administration. Instead of being a balance, we have been a rubber stamp.

The result of that failure of oversight has been to allow the mistakes and failures of this administration in the area of intelligence gathering to continue, because if you don't pay attention to failure, if you look aside from failure, if you ignore failure, you are going to get more failure.

One of the greatest failures, of course, has been the failure of this Congress to hold the administration accountable for its failures to gather intelligence information and for its abuse of the use of intelligence.

Now, every administration, Republican or Democrat, is entitled to have its own policies. But they are not entitled to their own facts. Facts are stubborn things.

In the war on terror it is critical that we gather good intelligence information. We need to base our policy on the facts, not decide to make up the facts based on our policy.

Now, we should all agree that we don't want to put our troops in harm's way because we don't have adequate intelligence. We shouldn't sort of make up the facts in a way that leads to those consequences.

But in the lead-up to the war in Iraq, many in the administration ignored those professional voices within the executive branch, the civil servants, who had been there for years, have years of experience, who got it right.

□ 1930

For example, the professionals in the Bureau of Intelligence Research at the State Department and the professionals at the Department of Energy

said these aluminum tubes were not evidence of a nuclear weapons program in Iraq; they were evidence of a rockets program. Yet their information, their input, was relegated to a footnote, because people did not want to see beyond the world as they wanted to see it to justify their own policy decisions.

Those intelligence failures have consequences. Not just immediate consequences for our military and our Armed Forces; they also undermine our credibility around the world and are coming back to haunt us.

Secretary of State Colin Powell, we all remember when he went before the United Nations. He had his charts; he had his displays. He said to the world, Iraq is developing weapons of mass destruction, in fact, has weapons of mass destruction. They did not. Secretary Powell has acknowledged that was one of the low points of his career.

Contrast that to the Cuban missile crisis, when our ambassador to the United Nations, Adlai Stevenson, showed the world satellite photos that the Soviets were putting missiles in Cuba. The Soviets had been denying it, but they couldn't deny it in the face of those facts and that evidence. It was a high point for credibility at the U.N. Our display there was a low point.

The problem is not just that we look bad. The problem is it is hard to make back lost credibility. As we go to the U.N., as we go to international partners around the world now and talk about the situation in Iran, we talk about the situation in North Korea, we talk about the situation and threats elsewhere in the world, people remember what we said before, and even the President, President Bush, has acknowledged that we face increased skepticism as a result of our failures of intelligence. Those have serious, serious consequences.

There is a lot more that can be done in the intelligence area, and I think tonight we should talk about some of the missteps that were made and how we intend to correct those missteps going forward. But I think we should all agree, Republicans and Democrats alike, that getting the intelligence information right is essential to our national security. We need to allow the professionals with the experience to call the facts as they see them, not how any administration would like to see them to justify a certain policy.

I yield back to my colleague from California as we continue this discussion about how we think that this Congress can do a much better job of enhancing the national security of this country.

Mr. SCHIFF. I thank the gentleman for all of his leadership on these issues and the superb work he has done to improve the Nation's security.

You mentioned the growing problems and growing threats we are experiencing with IEDs, with suicide bombings in Afghanistan. I have had a chance to visit our troops there a couple of times.

I was very struck by what one of the soldiers I talked with said during my first visit. He said, You know, we all feel we are in the third front of a two front war, Iraq being the first, then the war on terror, and Afghanistan being the forgotten war. We have Americans fighting and dying there, unfortunately, all the time. For those that are on the ground, Afghanistan is very much the first front. Given the origin of the attacks of 9/11, it really is the first front in the war on terror. Given the presence of Osama bin Laden somewhere in the mountainous regions between Afghanistan and Pakistan, that is the central front on the war on terror.

I want to touch on some of the last two planks of our war on terror plan, and then I would like to come back to some of the comments you made on the lack of oversight in this body, because I think your remarks are right on the money, and it is really an institutional abdication of this Congress not to do its job of oversight.

Under Real Security, we will confront the prospect, the specter, the danger of nuclear terrorism by greatly accelerating the pace at which we are securing nuclear material that can be used to make a nuclear weapon or a dirty bomb, by eliminating loose nuclear material by 2010. We will also redouble our efforts to stop nuclear weapons development in Iran and North Korea.

While Democrats understand that no option can be taken off the table, we are committed to muscular diplomacy as the best option for curbing Pyongyang and Tehran's nuclear ambitions.

Osama bin Laden once termed the acquisition of weapons of mass destruction a religious duty. Intelligence officials have warned that al Qaeda and other radical Islamists are committed to obtaining a nuclear weapon and using it against the United States.

A number of experts feel if we fail to change course, an act of nuclear terrorism is only a matter of time. They are equally united in the conviction that we can avert such an attack by taking a series of steps to prevent nuclear material from falling into the hands of terrorists.

The President has repeatedly called the prospect of a nuclear attack by terrorists the greatest national security threat facing the United States. However, the administration's lackluster efforts to prevent terrorists from acquiring WMD demonstrate a failure of leadership. In fact, the 9/11 Commission Public Discourse Project gave the administration a D grade in this area on its December 2005 report card.

The Democratic Real Security plan commits to an aggressive effort to secure by 2010 loose nuclear material that terrorists could use to build nuclear bombs or dirty bombs. The Democratic approach to prevent terrorists from acquiring WMD is tough and smart. It uses our resources and know-how to make weapons material and capabilities secure and to deter countries from building weapons in the first place.

In many cases, we know where there are nuclear and chemical facilities and materials that aren't adequately protected. Around the world, there are hundreds of tons of weapons grade nuclear material without the level of security we have established for our own nuclear material. This material is spread across hundreds of sites in dozens of countries. We must lock down these materials before they fall into the wrong hands.

But we are moving very slowly. At current rates of progress, it could take us decades to secure materials that could be used in a nuclear attack, a nuclear terrorist attack on the United States. We can do better. To do anything less is grossly negligent with our Nation's future.

A comprehensive strategy to prevent terrorists from acquiring weapons of mass destruction has several parts. It involves securing nuclear material around the world to a gold standard and actually removing nuclear material from the most vulnerable sites. It involves detecting and defeating efforts to smuggle nuclear material and technologies. It involves strengthening the international community's efforts to prevent the proliferation of nuclear weapons.

To protect Americans as fully as we can, we must work in a global partnership to keep these weapons away from terrorists and governments that would use them against us. The United States can't be everywhere, can't catch every violation or pay for every inspection. Illegal weapons networks now span the globe, and our partnerships to stop them must be equally global. We need other nations to help do this hard, expensive work and help communicate the benefits of playing by the rules and the consequences when the rules are broken.

We need our allies to share in the burden of global security. To get our allies' support, Democrats will press to include the security of nuclear material in the agenda and diplomatic efforts at the very highest levels. Without the necessary leadership, cooperation negotiated by mid-level bureaucrats will be limited to the slow pace of the last decade.

In addition, Democrats will work with the international atomic watchdog group, the IAEA, to develop comprehensive gold standards for the security of nuclear material and assure that other nations have the ability and will to implement these standards. The international community has demonstrated its support for this approach through U.N. resolution 2004. It will require American leadership to translate this vision into action.

Here in our government, Democrats will demand interagency cooperation and program innovation to accelerate progress on combating loose nukes.

There are several Federal programs working to secure nuclear material that do not interact well with each other. Further coordination will improve the best use of resources and the sharing of best practices.

The President has not charged the Federal bureaucracy with creating fresh and innovative programs to secure nuclear material, and business as usual or modest increases in funding to limited programs will not reach the goal of securing all bomb-making material by 2010.

We must also move quickly to secure the global supply chain. Millions of containers move around the world every year containing the goods that we need. However, they are also an easy target for terrorists to smuggle WMD material. Under the Real Security plan, every container shipped to the United States will be scanned at the point of origin.

Despite the urgency of this global threat, the administration and majority have not taken action commensurate with the threat. On more than one occasion, legislation has been introduced by Democrats to provide real security, but has been blocked.

An amendment by Representative OBEY would have provided an additional $2.5 billion for homeland security, including substantial support for nuclear nonproliferation activities, but it was blocked by the majority. An amendment offered by Representative MARKEY to scan all shipping containers was also blocked. Legislation that I introduced to require the screening of cargo on commercial planes, on passenger jets, commercial cargo on passenger jets was also denied a hearing. The administration and majority have failed to translate the urgency of preventing WMD and nuclear terrorism into action. This must change.

After the attacks of September 11, senior officials repeatedly asserted that we had failed to prevent the attacks because of a failure of imagination. This was the central finding of the 9/11 Commission.

We know about the danger of nuclear terrorism. We are in a race with terrorists who are actively seeking nuclear weapons. The choice is ours: accept the present failure of leadership and risk a nuclear disaster, or take action to prevent it. When one considers the consequences, the choice is really no choice at all.

But I would like to turn now to an issue that was raised by my colleague from Maryland, and that is the role that we have in this body to provide oversight, oversight of the security of our troops overseas.

Today I offered an amendment to the defense department authorization that requires periodic reports on our efforts to disable, to interdict, and to destroy these improvised explosive devices that are claiming the lives of so many Americans.

I have lost at least four of my constituents in Iraq, most of them from improvised explosive devices. I am not satisfied that we are doing all we can to up-armor our vehicles, to provide the state-of-the-art body and side armor that will keep our troops alive. I am not satisfied that we are acting swiftly enough to deploy these technologies that are being developed to jam and otherwise disable these improvised explosive devices.

My constituents would be willing to line up around the block to work in a factory overnight around the clock to produce these materials to protect our troops. There is no lack of a willingness to serve. There is no lack of a willingness to sacrifice among the American people. But they have to be asked, and we in Congress have to provide the leadership to make sure that we are doing everything we can to provide the protection of our troops.

We also have to make sure we are doing our oversight in this body, to make sure that we have the intelligence agencies doing the work to protect us, and, at the same time that we protect our Constitution.

My friend from Maryland makes the point that administrations and majorities can choose their own policies, but they can't choose their own facts. I would add to that, Mr. VAN HOLLEN, they can't choose their own Constitution either. We all operate under the same Constitution. It is a Constitution that has served us very well. It is a Constitution that has allowed us to adapt to the changing needs of the Nation and its people and to the emerging threats facing the country.

As one of our justices said some time ago, the Constitution is not a suicide pact. It doesn't prevent us from taking the steps we need to protect the country. But it does do an awfully important job of making sure, at the same time, that we protect our civil liberties.

I, like my colleague, have been very concerned that some of the NSA programs which could be done under the oversight of the FISA court, and in my view are legally required to be done under the oversight of the FISA court, are not being done with court review.

Today there was yet another revelation of a broader NSA program that may be obtaining information about tens of thousands, perhaps millions, of calls within the United States, a program that probably until news leaks today, Americans and Members of this body were unaware of.

□ 1945

Now certainly there is a need for confidentiality. But at the same time in this body, in classified hearings, there is a need for oversight. And we have not been willing to do it. There has been an allergy by the majority to do the oversight, to make sure that the limits on the executive go beyond the mere good faith of the executive.

When the Attorney General testified in the Judiciary Committee, I asked him what were the limits of the authority as Commander in Chief? Could they bug purely domestic calls without court approval? And the Attorney General said, well, he would not rule it out.

If that is the case, then what is the limiting principle? It is nothing other than the good faith of the executive, and that is not the limiting principle of our Constitution.

I would be delighted to yield to my colleagues the gentlemen from Maryland.

Mr. VAN HOLLEN. Mr. Speaker, I thank my colleague from California in his leadership on these issues. We both serve on the Judiciary Committee. And we know the revelations about the domestic wiretapping program came out back in December. And as of today, we have not had a single nearing in the House Judiciary Committee devoted specifically to that issue.

And whether people are for it or against it or undecided, we have an obligation as a separate branch of government to do our oversight, to get the facts, to ask the hard questions. And that committee has been AWOL on this issue, just as it has been, this Congress has been on so many other issues.

And I am very pleased that my colleague pointed out in the 9/11 Commission's sort of final report card they issued last November with respect to the issue of nuclear nonproliferation. They did give this Congress and the Bush administration a big fat D, D on that effort.

My colleague from California has been active in proposing different ideas for how we can strengthen those, but this Congress has not moved ahead. I just want to cite from that report card where it says, ''Countering the greatest threat to America's security is still not the top national security priority of the President and the Congress.''

What is that top priority, they say? A maximum effort by the U.S. Government to secure WMD. The fact of the matter is, we know after 9/11 that the most toxic combination of all would be some terrorist group getting their hands on weapons of mass destruction and the consequences to the people of our country.

We are getting a D on that. We can do a lot better. That same report card gives this Congress a D in another area, an area we have been talking about. Under the category of congressional and administrative reform, there is a subcategory, intelligence oversight reform.

Grade D. We would be embarrassed if our children brought back Ds from school, and yet Congress gets a D for this. And it is important to point out in this area, this is an area entirely under the control of the leadership in Congress. The Republican leadership could decide today to fix this.

This one has nothing to do with the administration. This has to do with decisions that can be made tomorrow by this Republican leadership. They have decided not to do it. Apparently a D is acceptable to them. And I think it is

important to go back to the consequences of that failure of oversight.

Now, we know in the lead-up to the Iraq war the failures of intelligence. The former Director of CIA, George Tenet, very decent guy, said it is a ''slam dunk case'' that there are weapons of mass destruction.

Well, what happened? Well, first the President awarded him the Presidential Medal of Freedom. The guys in intelligence and research in the State Department who got it right, they have never gotten any recognition. And then what happened?

Mr. SCHIFF. If I can interject, Mr. VAN HOLLEN. Prior to the vote on the authorization to use force, several of us were invited to the White House to sit down with Mr. Tenet. I was most concerned about the nuclear program, Iraq's nuclear program, about the evidence that you discussed a moment earlier.

And I asked Mr. Tenet and then head of the NSA, our now Secretary of State, Condoleezza Rice, how confident were they in the intelligence on Iraq's nuclear program? On a scale of 1–10, how confident were they?

They were a 10. They were supremely confident. And they were supremely wrong. And as you very well point out, this has had the most enormous of consequences in terms of this Congress making a decision to go to war, in terms of our credibility vis-a-vis Iran now.

When we talk about oversight, the lack of oversight has these most far reaching consequences.

Mr. VAN HOLLEN. Mr. Speaker, that is exactly right. Very serious consequences for the American people. And that is why it was surprising, I must say, that after George Tenet left the CIA as Director, that the administration decided to replace him with Mr. Porter Goss. Now Mr. Goss is a very decent, well-meaning person. But the fact of the matter is he was the chairman of the House Intelligence Committee at a time when this House failed to ask the hard questions and failed to do its oversight job. It accepted what the administration told them at face value, and it was a rubber stamp when it came to taking the administration's word on intelligence.

And yet he was the one they decided to make the head of Central Intelligence. And he brought with him some of the members of his committee staff. He brought his staff director and some of the other people who were very politically close to him, including his staff director, Patrick Murry.

And what was the result of that? Well, I think it is important to take us back to, this is what happened right after that appointment at the CIA. And I am reading from a Post story back from November 2004.

The deputy director of the CIA resigned yesterday after a series of confrontations over the past week between senior operations officials and CIA Director Porter Goss's new chief of staff that have left the agency in turmoil, according to several current and former CIA officials.

John McLaughlin, a 32-year CIA veteran who was Acting Director for 2 months this summer until Goss took over, resigned after warning Goss that Goss's top aide, former Capitol Hill staffer Patrick Murry, was treating senior officials disrespectfully and risked widespread resignations.

The day after this, the story says, the agency official who oversees foreign operations, Deputy Director of Operations Stephen Kappes, tendered his resignation after a confrontation with Murry.

It goes on to say, it is the worst roiling I have ever heard of, said one former senior official with knowledge of the events. There is confusion throughout the ranks and an extraordinary loss of morale and incentive.

That was the result of the Goss appointment at the CIA. Now, we see that Goss is being pushed out. And they are trying to bring back the guy, Kappes, in fact it looks like he will be coming back, that Goss's chief of staff essentially pushed out. He got in a confrontation and Kappes said, the person with great experience said, I am out of here.

But a recent Post article of today, looking back on this period, said, former and current intelligence officers say Goss never had a strategic plan for improving spying on terrorist networks.

I think it is also important to note another recent development with respect to people who were brought in at the top of the CIA, because another one of those people was a gentleman by the name of Kyle ''Dusty'' Foggo. It says, and I am quoting from a very recent Washington Post story, other Goss lieutenants at the agency also appear to be on the way out following Goss, who resigned Friday.

Kyle ''Dusty'' Foggo, brought in by Goss as the CIA's Executive Director, number 3 official, announced to agency staff in an e-mail yesterday he plans to resign as well.

The FBI said it is investigating whether Foggo steered contracts to a friend, Brent R. Wilkes. People may recognize that name, Wilkes. He is the defense contractor who got caught up in the Duke Cunningham bribery scandal that we all know about and is an example of what is wrong in this House.

So these people who are at the CIA were appointed by this administration. I do not think it gives people confidence to know that the same people who appointed Michael Brown as the head of FEMA were the people who made these appointments to the CIA, an agency the American people depend on to gather good intelligence for our security.

And yet we have been a rubber stamp in that area. And the 9/11 Commission report continues to give us a D. And this Congress deserves a D because the Republican leadership has not done anything. Until we get our act together with respect to conducting serious oversight in the intelligence area, we are going to continue to get policies that are not based on fact, but instead policies that are based on the world as people would like to see them, not the world as it really is.

In this day and age, we need people who are clear-eyed and can see the world as it is, because that is necessary for our national security.

I yield.

Mr. SCHIFF. Mr. Speaker, I thank my colleague. I was struck, and perhaps you were too, as some of the networks pointed out with the near identity of language that the President used in describing his proposed nominee, General Hayden, for the post of Director of the CIA, saying that he was the right man at the right time for the right job, which was merely identical to what he said about Porter Goss a year and a half earlier, which kind of begged the question about what time he was referring to today. Is his proposed nominee the right man at the time a year and a half ago, or the right man right now when the last right man is being pushed out the door?

But I suspect what it means is that during the last 18 months the agency has been adrift and that we are not much farther ahead than we were a year and a half ago in assimilating our intelligence agencies and coordinating them and improving the quality of our human intelligence which was identified as such a glaring weakness within our overall intelligence capability.

But getting back to the consequences of all of this, the consequences of Congress' lack of oversight. When we talk about Congress being in the dark about this new NSA program, for example, the problem is that without someone being able to review whether these programs make sense, whether they are getting the results we need, we may be expending enormous sums of money and manpower and time and energy in fishing expeditions that lead us nowhere.

Even if they were within the confines of the Constitution, which is a substantial enough question, that does not mean that they are actually effective. We may have mountains of data about domestic calls to the United States that is of little or no value except to raise the anxiety of the American people that their privacy is being eroded.

There would be nothing worse than the erosion of our privacy without any commensurate benefit to the national security. But unless we do our oversight, it is impossible for us to know. And, unfortunately, I think that dearth of oversight has allowed these intelligence reforms to drift along or, worse, allowed the coordination of intelligence to degenerate over the last year and a half.

Mr. VAN HOLLEN. Mr. Speaker, that is right. If I can just say to my colleague, you know this Congress was

relatively quick when the 9/11 Commission recommended changes to the executive branch, in redesigning our national security review apparatus. We have the Director of National Intelligence now, Mr. Negroponte, and trying to change around the oversight within the administration, even though it is important to remember that the Bush administration originally resisted that reform and fought the reform.

They realized that when the 9/11 Commission on a bipartisan basis came out in favor of that recommendation that change would have to be made.

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But here in the Republican-led Congress they have not done anything to address the 9/11 Commission's recommendations with respect to oversight. And I think everybody understands that at a time when we are trying to identify terrorists who are trying to do harm to our country and respond against them, it is absolutely essential that we get it right. It is important that we get it right for our military men and women. It is important that we get it right for the American people. It is important that we get it right for our own credibility.

In order for us to do that, we know we have to expand our abilities in human intelligence gathering overseas. You need to have people who know more foreign languages. It is a shift in paradigm somewhat. And what is absolutely clear is that this administration has not had that paradigm shift when it comes to intelligence. Certainly the leadership in this House of Representatives has not had a paradigm shift, because they have not supported the bipartisan recommendations of the 9/11 Commission with respect to the issue of oversight. And so unless we do something, we are going to be caught with our lenses looking one way when the danger to this country sneaks up from another direction.

We need to get it right. We need this oversight. It is like a board of directors that decides to go on vacation for four years and not pay any attention to the company. That board of directors would be sued for malpractice by the stockholders if something went wrong. We know some things are not going right and you have got to hold people accountable. And when you reward people who fail to punish or ignore people who get it right, you have got a recipe for failure. We need a recipe for success.

Mr. SCHIFF. That is very well put, and we have seen the consequences of our intelligence failures. They manifest. We have seen the consequences of our diplomatic failures as we are seeing in abundance now with Iran where we just had a terrible setback in our efforts to mobilize the international communities to deal with Iran's weapons program.

We have seen the consequences in our failure to stop North Korea from proliferating. But I am confident with our Real Security plan we can reverse the decline in our own national security, and I want to thank the gentleman from Maryland again for all of his great work and for joining this Special Order hour.

Mr. VAN HOLLEN. I thank my colleague from California.

THE OFFICIAL TRUTH SQUAD

The SPEAKER pro tempore (Mr. REICHERT). Under the Speaker's announced policy of January 4, 2005, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 60 minutes.

Ms. FOXX. Mr. Speaker, if all the American people listened to the Democrats and what they say here night after night, day after day on the floor, you would think that we lived in the worst country in the world.

It is just amazing to me that people are risking their lives every day to get into this country when you hear what they have to say, because from their perspective all Republicans are evil. All Republicans are liars. All Republicans are no good, and this is the worst place in the world to be living. And yet we have one of the best economies that the country has ever had, and as I said, people are risking their lives every day to get into this country. I think because it is the greatest country in the world. And frankly, I think that it is not good for this country, for our colleagues to constantly, constantly be saying negative things about it.

We are not perfect. Nobody is perfect. The President is not perfect. No Member of Congress is perfect. No elected official is perfect. But we certainly do work hard trying to have a good country where the basic instincts of the people are good and people are trying to do good for their neighbor as well as for their country. And frankly, I get a little tired of it and I know a lot of my constituents tell me that they are tired of it too.

I want to come here tonight and talk a little bit about positive things. I think that while we can all acknowledge that we are not perfect and the country is not perfect, we do not have to dwell on the negative all the time. And I want to talk a little bit about our economy tonight and some other things relating to the economy and the impact that actions of the President and the Republican Congress have had on the economy.

I am going to put up one chart to start with because I want to keep with our theme that a group of us have come up with so that we can present the truth. The Truth Squad is here tonight. Just part of the Truth Squad is here, but we are going to try to keep our record of getting out the truth to the American people.

The economy is strong and it is continuing to grow; 138,000 jobs were created last month alone. That is April 2006. In the past 12 months, 2 million new jobs have been created; and since August of 2003, more than 5.2 million jobs have been created. Our unemployment rate is 4.7 percent, lower than the average of the 1960s, 1970s, 1980s and 1990s. The GDP grew at a strong 4.8 percent annual rate in the first quarter of this year. This follows economic growth of 3.5 percent in 2005, the fastest rate of any major industrialized nation.

Over the past 12 months, employment increased in 48 States and four States set record-low unemployment rates.

Now, our colleagues on the other side would say, well, you know, yeah, there are new jobs being created, but they are not good jobs. They are just service jobs; they are no good. So I thought I would share a little bit about where those jobs are.

Between May 2003 and March 2006, job growth in key sectors, the five key sectors, in transportation, 197,000 new jobs; in the financial area, 294,000 jobs; in construction, 808,000 jobs; in education and health services, 1,039,000 jobs; in professional and business services, 1,288,000 jobs.

Now, those do not sound like bad jobs to me. And they must not be real bad jobs since our unemployment rate is only 4.7 percent. It must mean that Americans like those jobs pretty well because they are taking them.

Now, our tax policies, Republican tax policies, have spurred this economic momentum. Republicans have reduced income taxes for every American who pays income taxes. Republicans doubled the child tax credit, reduced the marriage penalty, cut taxes on capital gains and dividend, created incentives for small businesses to purchase new equipment and hire new workers, and put the death tax on the path to extinction. Together this tax relief has left $880 billion in the hands of American workers and businesses.

Now I have said this before, there is an easy explanation or easy definition for the difference between Democrats and Republicans. Democrats think that the government knows how to spend your money better than you know how to spend your money. Republicans believe that you know how to spend your money better than the government knows how to spend it. We do not want to take any more of your money than we absolutely have to to do the things that Americans cannot do for themselves. The Democrats want to take all of your money.

If you listened to their leader this weekend, she talked about no deficit, no deficit if Democrats were in charge. But when pressed to say how she would get rid of the deficit, she really could not quite bring herself to say raise taxes, but the commentators pointed out that is the only way you can keep spending and do away with the deficit, and especially spend more as they have said on this floor they want to do and in committees. They want to spend billions more dollars, and all that would do would be to add to the deficit.

Now, I want to share a chart that shows some information about what

Americans pay in taxes because, as I mentioned, the tax cuts benefit all Americans. Let me put this one up first. I will start at the lower-income levels. The top 20 percent of people in this country pay 87 percent of all Federal income taxes. And if you look at the chart, people who make between 10 and $20,000 a year get a rebate of $686. They do not pay anything in taxes. In fact, people earning more are actually giving some of their money to these people in the form of a rebate, mostly earned income tax credit.

People making between 20 and $30,000 get a rebate of $183. People earning between 30 and 40,000 pay approximately $1,000 a year in taxes. People earning between 75 and 100,000 pay approximately $7,500 in taxes.

Now let's look at the higher incomes. People making between 100 and $200,000 pay almost $16,000 in income taxes. People who make more than a million dollars pay $609,670 in taxes. So as I said earlier, the top 20 percent pay 87 percent of all Federal income taxes.

This information is very widely understood and produced so it is not something Republicans are making up. These are the facts, again, coming from the Truth Squad. But if the Democrats in Congress had had their way, they would have let tax relief expire.

Earlier this week we were able to extend the tax relief that had been put in place 3 years ago because we know that cutting those taxes is what is going to keep our economy going forward. And we did not want to see a tax hike on all Americans. Middle Americans would have been hit with that tax hike as well as all other Americans. But the Democrats all voted against that bill, or most of them voted against the bill, I think we did pick up a few, but they understand what this is all about.

They understand that the economy depends on you having more of your money in your hands and not the government having that money. But they do not want to vote for tax cuts because they want to keep their mantra going that all we are doing is giving tax cuts to the rich. Well, it is the wealthier people that are paying the taxes and the people who are not paying any taxes are not going to get those tax cuts. They will wind up, probably many of them, getting more in rebates.

Well, early on Saturday morning, I got up and turned on the TV and I heard the last few minutes of the ''Neil Cavuto Show'' and it really struck a nerve with me, something that I had been thinking about that was going on in this country, and he presented some information that I want to share with you tonight as well as some information from a study being done, that has been done by a very well respected organization in this country.

Neil Cavuto called it ''the greatest story never told.'' He talked about how this very, very positive economic news is not getting out and not being presented to the American public by and large by the news media.

Now, we know that some of our news media do give us fair and balanced reporting. However, some of our media has failed to share the good news with the American public. And so people depend, they are working hard. They are doing their jobs. They are depending on hearing what is going on in the country and forming their opinions from it. But our economy is humming along under this Republican Congress and the leadership of President Bush, but the American people are not hearing that. They are hearing a very slanted story that affects what they think about the economy.

So despite one of the strongest economies in recent history and last month we collected the largest amount of money in revenue, the second highest that has ever been reported and collected in this country, that did not get reported very well. Neil Cavuto said this weekend this quote: ''I think it's the greatest story never told: an economy that is humming but most in the media insist we are bumming.''

Many in the media would report that ''only'' 138,000 new jobs were created last month. Well, 138,000, that is a whole lot of jobs. I do not understand why some in the media continually put qualifiers like ''only'' in front of such an accomplishment.

You know, I have spoken before on the floor about the importance of language. Our language is very, very important. It governs our perception of things. When we have done our best to try to cut spending here, we have been merely trying to cut the rate of spending and the rate of increases, but the Democrats say we are engaging in massive budget cuts.

Another example I could use is just the words ''unemployment rate'' or ''employment rate.''

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We talk all the time about the unemployment rate. Our unemployment rate right now is about 4.7 percent. So the employment rate is 95.3 percent. Again, you get the perception if you are always putting the emphasis on the negative, then that is what you are going to think about, but our employment rate is 95.3 percent.

I want to give you some other examples of the way some in the media try to influence the way we think about things through the use of their language.

When is the last time that you have heard the media follow the statistic about our unemployment rate with the phrase that I used earlier, lower than the unemployment rate of the 1960s, 1970s, 1980s and 1990s? You almost never hear that in the media, and you will never hear again an employment rate of 95.3 percent because that sounds way too positive.

Now, I am not the only one who is concerned about this issue. As I listened to Mr. Cavuto this weekend, and it was very, very early in the morning when I heard it, but it really struck a nerve for me. I was thinking back to the comparison of the way many in the media compared things that were happening in the Clinton presidency with what is being said now.

I do not have a whole lot of real positive things to say about the Clinton presidency, but during parts of his time in office, our economy was strong and, in many ways, similar to the economic surge we are experiencing today.

However, I seem to remember that during the Clinton presidency, the good news about the economy was everywhere, often shouted from the rooftops by the media to anyone who would listen.

Now, during the Bush presidency, the economy is just as strong and, in some cases, even stronger, but many in the media are nowhere to be seen.

I am not the only one, again, who has noticed the difference in coverage between the Clinton days and today.

The Media Research Center is the largest media watchdog organization in America. It was formed in 1987, and it has made media bias a household term, tracking it and printing the compiled evidence daily. The founder and president of the Media Research Center is Brent Bozell, a nationally syndicated writer whose work appears in publications such as the Wall Street Journal, the Washington Post, the Washington Times, the New York Post, the LA Times and the National Review.

So let me talk a little bit about one economy and two spins. In a recent report, the MRC compared economic conditions during the Clinton presidency and the Bush spit. Amazing: Economic conditions portrayed as positive during Clinton were presented as negative for Bush. For example, economic growth under President Clinton averaged 2.2 percent; under President Bush, 3.7 percent.

Many in the media have given President Bush consistently negative press about perceived poor job creation and unemployment, especially in the summer of 2004, but their reports were overwhelmingly positive when President Clinton ran for reelection in the summer of 1996 under similar circumstances.

Let me give you some highlights of the report. Clinton, good; Bush, bad. Stories about jobs during Bill Clinton's reelection campaign were positive 85 percent of the time, more than six times as often as they were for Bush, despite similar economic data. Reporters praised the Clinton unemployment rate of 5.6 percent as low, but they downplayed a 5.4 percent rate under Bush and called job growth anemic.

Now, let me repeat that. The unemployment rate in 2004, when President Bush was running for reelection, was 5.4 percent, lower than the unemployment rate was under President Clinton when he was running for reelection, but many in the media portrayed the unemployment rate under President Bush as something a lot worse than it was under President Clinton.

How do they make good news become bad news? Under Bush, reporters presented good economic data as bad news stories by minimizing positive achievements and emphasizing people who might be out of work or regions of the United States that were still ''struggling.'' The opposite approach was taken under President Clinton. Then, reporters explained away a 2/10ths of 1 percent rise in unemployment as minor.

The media's slanted scorecard is presented in a chart in Brent Bozell's report on this. In 1996, they did a list of the stories for Mr. Clinton. Positive stories: On ABC, 4; CBS, 6; CNN, 3; NBC 4; New York Times, 12; Washington Post, 6. These are positive stories. Negative stories: ABC, 1; CBS, 0; CNN, 3; NBC 0; New York Times, 1; Washington Post, 1. A total of 35 positive stories, 6 negative ones.

Now, President Bush in 2004, positive stories: ABC, 1; CBS, 0; CNN, 1; NBC, 1; New York Times, 1; Washington Post, 2. Six positive stories. Negative stories about President Bush and the economy: ABC, 6; CBS, 7; CNN, 4; NBC, 4; New York Times, 10, Washington Post, 7. A total of 38, a flip-flop. Actually, more negative stories in 2004 when the economy is actually better off than it was in 1996. Thirty-eight negatives for President Bush, six positives. Thirty-five positives for President Clinton, six negatives.

I am a former college professor and president and sort of teacher all my life. So I always like to look for the data when you can get it. Again, my gut was telling me this, and I think the American people see this, but it is always great when you have got the data to back up what you are thinking about.

While the business press reflected the strong economy, much of mainstream media coverage of employment did not. The reporting under Clinton was overwhelmingly positive. For Bush, it was overwhelmingly negative. Eighty-five percent of the stories portrayed the economy under Clinton in a good light. Only 13 percent of the stories gave the employment situation under Bush the same treatment.

Many in the media commenting about employment and job growth during the Bush reelection campaign tell the whole story. They used terms like ''poor,'' ''stalled,'' ''struggling,'' or ''lackluster.''

Comments during the similar time period during the Clinton presidency were the exact opposite. Many in the media instead used terms like ''showing its muscle,'' ''encouraging,'' ''surprisingly strong'' and ''impressive, but not excessive.''

I have come to the floor many times and talked about, again, the importance of language in our country. To everybody, actually, language is very important, and in many ways, we are not as precise with our language in this country as some other languages are, but I think it is important that we point out the bias that occurs in much of our media about what is happening in the economy.

It is one of the reasons why the Truth Squad has been so concerned about getting out the truth. We realized that we have challenges presented to us. Not only do our colleagues misrepresent the facts, but we have many in the media where a lot of Americans get their information about the economy and form their opinions are being presented negative kind of information.

Now, I want to give a couple of more charts to show some other positive things that are occurring in the economy that have been put together by members of the Truth Squad.

Since the President signed the Jobs and Growth Act in May 2003, this is an example of how the GDP has gone up. Again, that is a result of our having cut taxes, letting people keep more of their money. It works to cut taxes. Again, if you listen to our colleagues on the other side of the aisle, you would think that cutting taxes is the beginning of Armageddon, but cutting taxes is what helps make this economy grow. If the government has your money to spend, it is not investing it. It is spending the money. It is not an investment. People do the investments in the private sector, not in the government.

Again, this chart shows when the President signed the Jobs and Growth Act and what happened with unemployment. We see unemployment going down. We see job growth going up and going up significantly. This is not a small little line going up here. This is major in terms of what we have seen, the job growth, in this country since we cut taxes, and I am really proud that Republicans have understood that and voted this week to extend many of those tax cuts.

What we need to do now is to work to get the death tax made permanent. We heard a lot from businesspeople this week about that. They can then plan their lives, plan for investments, plan to know what they are going to be able to do, so that businesses can stay in the families. That is one of the biggest challenges still facing us, and if we can get the Senate to understand more about economics and what that means to us, then hopefully we will make that permanent.

Now, let me give you a couple of other charts. Again, we can tie this very directly to the Jobs and Growth Act, and you can see how that spurred business investment and how that went up. This is before President Bush came into office. You can see that the economy was beginning to slow down, and then, of course, we had 9/11 and we saw investments go down. Once we got the tax cuts made, we see investment going up, and that is what we needed to do in this country to get the economy growing.

The last one shows revenue growth and what we project revenue growth to be in the next 5 years. We expect it to grow at the rate of 5.3 percent in the next 5 years. The President has promised that he would cut the deficit in half by 2009, and we think we can do even better than that, especially with the revenue that came in last month, the second highest amount in the history of this country.

So cutting taxes spurs growth in the economy. That is the economic lesson here, and it is the facts. We can point to it. We can see it, and I think it is, again, very, very unfortunate that it is so difficult to get that message out to the American people, but I can promise you that there is a group of us that is going to continue to do that, despite the fact that our colleagues are always shouting gloom and doom and the fact that many in the media do not want you to know that there are a lot of positive things happening in this country and many of them are related to the tax cuts that the Republicans have put into place.

□ 2030

30 SOMETHING WORKING GROUP

The SPEAKER pro tempore (Mr. INGLIS of South Carolina). Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes.

Mr. MEEK of Florida. Mr. Speaker, it is an honor once again being before the House. We would like to thank the Democratic leader for allowing us to have the time on the floor here, NANCY PELOSI; and Mr. STENY HOYER, who is our Democratic whip; Mr. JAMES CLYBURN; Mr. JOHN LARSON, Mr. JAMES CLYBURN, the chairman of our caucus; Mr. LARSON, who is our vice chair. Once again to come to the floor to share not only Democratic ideas but American ideas, to help push this country forward. Also, to point out some of the issues that are being thrown upon the American people by the Republican majority and their lack of working with the Democratic side of the aisle to bring about good policies for our country.

Tonight I am joined by my good friend from Ohio, Mr. TIM RYAN, who is a great American. That is just not by my standards but by the people in his district and many people throughout the country.

Mr. Speaker, I think it is important to be able to identify or point out the fact that once again this week the Republican majority tried to pass an unjust budget on the backs of the American people. Well, due to the fact that we, those of us on this side of the aisle and hopefully a couple of the Republicans on the majority side is saying no, saying no to the fact that we are here every day at the highest level that we can be without Members being absent from the floor to make sure that we vote en bloc against this Republican budget, that we will set America back versus moving it forward.

I think also there are some Members on the majority side that understand by casting a positive vote for this unjust budget that was supposed to have been passed by April 15, they know that if they vote in the affirmative for that budget that they may very well be making a career decision. The American people are watching this process daily and they have been made aware of what is going on here under the Capitol dome due to the fact of the lack of governance on their behalf. I encourage the American people to continue to pay attention.

Tonight, Mr. RYAN and I will attempt to share with the American people and with Members of Congress, mainly Members of Congress, of their responsibility to have the backing of the American people and not the special interests. This budget that the Republican Congress passed long ago to bring to the floor out of committee, if it was so great, it would have been passed by now. It is very, very important that we share this with the Members, if we had the opportunity or were given the opportunity to have some positive input into this budget, that maybe, just maybe, we would have passed the budget and we wouldn't have appropriation bills moving through the process without a budget.

Right now, appropriation bills are being heard in committee and will be heard in committee for the next 3 weeks, but without a passed budget. I think it is important that Members and the American people pay very close attention to how the Republican-controlled 109th Congress, be it House, Senate or White House, continues, even under the light of a 22 percent approval rating by the American people, and, in the White House, a 31 percent approval rating by the American people based on the White House and 22 percent here in Congress. Still, Republican leaders are trying to shove this budget down the throats of the American people.

I yield to my friend from Ohio.

Mr. RYAN of Ohio. Just to clarify and add on to what you said, the process down in Washington is that we pass a budget, broad outlines with specific numbers to say, Department of Defense can spend this much, Health and Human Services this much, Education this much. It is all broken down, just like a family budget. And then after you get the budget, then you start divvying up the money as to where it is going to go and which program based on the revenue that you take in.

What is happening now is that the Republican majority has not passed a budget, but yet next week they are going to come and start writing the checks. Checks for what? They are going to start the process of spending the money without a budget. I know there are many families at home and this Republican Congress that came in in 1994 talked a lot about, it is like a family budget. And what does the family do? Well, the family needs a budget and they need to live within their means. This Republican Congress, the bobblehead Congress that says ''yes'' to everything President Bush wants, continues to go down the road of undisciplined spending.

Some people, Mr. Speaker, may say, well, TIM RYAN from Ohio and KENDRICK MEEK from Florida are just talking again. This isn't us. It is not just us talking about it. It is not just the Democrats. I want to get our third-party validators up and running early here tonight.

Mr. MEEK of Florida. Why not?

Mr. RYAN of Wisconsin. This is Pat Toomey, President of Club for Growth, a conservative advocacy group. He was one of the most conservative Members of Congress for many years here, I believe, all through the nineties.

Here is Pat Toomey in the Philadelphia Inquirer last Monday:

''Republicans have abandoned the principles of limited government and fiscal discipline that historically have united Republicans and energized the Republican base. Too many Republicans have gotten too comfortable in office.''

That is Pat Toomey. That is not TIM RYAN. That is not KENDRICK MEEK.

Mr. Toomey went on to say:

''There is a very high level of frustration and disappointment among rank-and-file Republicans when they see a Republican-controlled Congress engaging in an obscene level of wasteful spending.''

We see it day in and day out: $9 billion in Iraq, nobody knows where it is; $16.3 billion, corporate subsidies to the oil companies; $16.3 billion of public tax money that hardworking citizens sent down here, the Republican Congress took that money and gave $16.3 billion of it to the energy companies. Wasteful spending, corporate welfare, time and time and time and time again. The family budget would not allow for money just to be spent. You ask yourselves, where did it go?

Former House Speaker Newt Gingrich, another third-party validator, talking about the Republicans. This was at the end of March:

''They are seen by the country as being in charge of a government that can't function.''

That is not me. That is Newt Gingrich, the father who gave birth to the Republican revolution. When Newt Gingrich is saying this, when Pat Toomey is saying this, we have a real problem in our country.

What Democrats have tried to do, Mr. Speaker, time and time and time again is implement rules of the House that will constrain spending by saying, if you want to spend money, you either need to cut it from a program that we currently have or you need to raise the revenue somewhere, but it has got to be budget neutral. It is called PAYGO, pay-as-you-go. We have tried to do this.

Mr. SPRATT, the ranking member on the Budget Committee, tried to offer an amendment, rollcall number 87, on March 17, 2005. Not one Republican voted for it. Again, this is rules that we can put in place here that won't allow you to spend more money than you have. Or if you are going to spend it, you have got to get it from somewhere. Democrats offered an amendment here. Mr. SPRATT offered a substitute amendment again on March 25, 2004. Republicans shot it down. Charlie Stenholm when he was here tried to do it. DENNIS MOORE of Kansas tried to do it. Time and time and time again, Mr. Speaker, the Democrats want to put these fiscal restraints in place. So it doesn't matter if there is a Republican Congress or a Democratic Congress, the rules are in place. These rules were in place all throughout the nineties. That is why we had surplus money. That is why we made the targeted investments, focused in certain areas that yield results, that yield tax money.

Investments in education, you get a good return on that. We had a study done at the University of Akron, Mr. Speaker, a few years back, this was on State tax money in Ohio, but when the State spent $1 on tax money that went towards higher education, they got $2 back in taxes. Education is a great investment. Let's make this investment. Let's invest and do it in a way that we can get a good return on our money down the line. But today the Republican Congress has just been tied up in knots with the special interests, the oil companies, the energy companies, the health care industry. Time and time again they are given public tax dollars in the form of corporate welfare. Stop the corporate welfare. Stop the corporate welfare and let's move forward.

But I want to say that it is not me, Mr. Speaker. It is not me. It is Pat Toomey. It is Newt Gingrich. It is a lot of the conservatives, or some of the conservatives that are still left on the Republican side. All we want to do is get this country back together. Because where we are getting the money, because we are running deficits, how do you plug the hole? You got to go borrow it. The Republican Congress continues to borrow from the Chinese government, from the Japanese government, from OPEC countries.

This is really happening. This is one of the K Street fairy tales. This is like a K Street fairy tale. The Republican majority is borrowing money. As we run these deficits and they give millionaires tax cuts, $42,000 they are going to give them more next year. As they do that and we run these huge budget deficits, we can't fill the gap, so this Republican Congress and this Republican President, they are going to OPEC to borrow money from OPEC to help plug the hole. Can you imagine? It is like you are making it up. It is another K Street fairy tale that we have here. Running huge deficits. Gas is $3 a gallon. You not only give the oil companies $16.3 billion in corporate subsidies, but you also borrow money from OPEC countries to help plug the deficit because you are giving tax cuts to millionaires.

Now, I am not opposed to giving middle class people a tax cut. I am not opposed to giving a small business a tax cut. But I am against giving a millionaire $42,000 back when you are fighting two wars, your average people are struggling, tuition costs have doubled in the last 5 years, and you are giving Bill Gates another tax cut? That just doesn't make any sense. I don't care what your party affiliation is. That is irresponsible. That is irresponsible governing. And until we get the Republican Congress out and the Democratic Congress in, we are not going to be able to fix this thing, because we have tried. Mr. SPRATT has tried. Mr. SABO has tried. We have all tried.

But, Mr. MEEK, as you know, we are having a very difficult time doing it.

Mr. MEEK of Florida. When we start talking about what Republicans are saying, prominent Republicans, the chart that you had up with Newt Gingrich saying they are seen by the country as being in charge of a government that can't function, number one, Mr. Speaker, he is saying ''they.'' ''They'' means he is separating himself and he no longer knows the Republican Congress that he gave birth to and that he was the Speaker of. I guess all along the game plan was when we get really in the majority, let's get some years down the road that people forget about the Contract with America, and we will start catering to the special interests. What is so unfortunate here is that the fiscal irresponsibility that has taken place in this Chamber, in the committee rooms down the hall, Mr. Speaker, across the hall, in the White House, has taken this country in a direction that it has never been in in the history of the Republic.

□ 2045

I am not talking about in the 108th Congress or the 107th Congress or the 93rd Congress. I am saying in the history of the Republic, this Republican Congress and the President have taken us down the road.

Now, I just want to say this to my colleagues, those that are Republicans and the one Independent that we do have here. This is not a local, Democratic club. This is the U.S. Congress. And we are here to share fact and not fiction, because we believe that the American people should be leveled with. And we also believe that they deserve a government that is going to represent them, not represent the individuals on K Street.

Let me explain K Street. Mr. RYAN mentioned K Street fairy tales of what is actually happening. The Republican majority embraced a program called the K Street Project. And in this K Street Project, it was a system of individuals on K Street contributing to Republican campaigns. And it was a pay-to-play philosophy. And I still feel that it is a pay-to-play philosophy, because they are getting what they want. The oil companies are getting what they want out of this Congress, not the American people. Other special interest groups are getting what they want out of this Congress and not the American people. If the American people were getting what they wanted out of this Congress, Mr. Speaker, Congress would not be rated and viewed by the American people with a 22 percent approval rating.

Members come to the floor and talk about the President of these United States at a 31 or 30 percent approval rating. We are here, we vote here every day; and the Republican Congress, this Congress that is led by Republicans are at a 22 percent approval rating. So that means that there is a super-majority of the Americans that are not agreeing with this majority. But, still, Members, the Republican majority is still going down the line of fiscal irresponsibility. They are irresponsible. Irresponsible.

Now, let me just say this. Some may say that is a heavy charge there, Mr. RYAN. Well, it is nothing like the printed word. This is not my stationery; this is the U.S. Department of the Treasury. Let me put up my Treasury Secretary's picture here, Mr. Snow, who I think is a decent man. He is just doing his job. He is the accountant for the United States of America. He lets us know pretty much when we are headed down a dark path. And at the end of the tunnel it is actually a train and it is not sunlight.

Here is a letter that he wrote December 29 of 2005. Now, let us think, on the 29th, Mr. RYAN, I was back in my district in Miami with family and friends. Actually, that was a couple of days, maybe 4 days, it was 4 days after Christmas, the birth of Jesus Christ, a very religious time for many religions. As a matter of fact, Kwanzaa is being celebrated during this time.

But Secretary Snow found himself in his office on this day. And he wrote a letter to the majority whip in the U.S. Senate saying that, in essence, he is saying that this letter is to inform you that we must raise the statutory debt limit, or we will be unable to continue to finance government operations.

Okay. When you get a letter on the 29th, the end of the year, saying hello, excuse me, I'm sorry, we don't have enough money to run the company. You have to raise the debt limit.

Now, Mr. Speaker, I want to make sure the Members understand what I am saying. Raising the debt limit means that you have not done a good job of being stewards of the taxpayer dollars.

That is not the only letter, Mr. RYAN. Just in case we didn't hear the Secretary, he turns around on February 16. Mr. SPRATT wants to know what's going on, who is the ranking member on the Budget Committee. I got this letter that you wrote on the 29th. I mean, we were on recess and all, and you were here in Washington writing this letter. Tell me more.

He goes on. On December 29 I wrote to Congress regarding the need to increase the statutory debt limit. Because the debt limit has not been raised, I must inform the Congress, pursuant to 5 U.S. Code, that, in my determination, that by the reason the public debt limit is not raised, I will be unable to fully invest in the government security investment fund that is called the G fund of the Federal Employee Retirement System in a special interest-bearing account.

Now, let me just say this. Again, a letter by Secretary Snow, appointed by the President of the United States, confirmed by the U.S. Senate, wrote a letter saying we are in trouble. Mr. Speaker, I wish that was the only letter, but it is not. Here's another letter on the 6th of March. Again, I am notifying you, and he gives his reason why he is notifying, that I have determined that the debt insurance suspension period will be on March 6 and last until March 26. During this debt insurance suspension period, the Treasury Department will suspend additional investment of the amount credited to what we call the G fund again. But he is saying that we are not in fiscal good standing at this point. He is saying that he is going to have to suspend.

Mr. RYAN, he is saying that he will suspend it on March 6 of 2006, and he wrote the letter on March 6, 2006.

So the Secretary, Mr. Speaker, waited till the last day to inform the Congress, you know, I have already written you two letters. You are embarrassed to raise the debt limit because it will let the American people know that you are not governing.

Now, if we worked in a bipartisan way, Mr. Speaker, maybe, just maybe I wouldn't be able to come to the floor and say that this is a product from the Republican majority, but it is.

Bipartisanship can only be allowed if the leadership allows it. The Republican leadership has shut out the Democratic voices in this Congress and shut out the one Independent voice we have here in this Congress. So now, for Members that come to the floor and start saying, well the Democrats this, that and the other, we are not in the majority. We cannot bring a bill to the floor. We cannot stop this Republican majority and this out-of-control spending.

One other point, Mr. RYAN. I will take Secretary Snow down for now. Again, Mr. Speaker, you all have seen this chart before. 224 years of 42 Presidents, prior to President Bush, borrowed from foreign countries $1.01 trillion. That is 224 years. That is a long time; 224 years? That is at least four or five generations, if not more of my family personally. Was only able to borrow $1.01 trillion. The President, and the Republican Congress that we have a picture here of, in 4 years, from 2001 to 2005, and this chart will be updated, from 2001 to 2005, have borrowed from foreign nations $1.055 trillion. They have beat out 224 years of history, Great Depression, World War I, World War II, Vietnam, Korea, you

name it, bad economic times, good economic times, they have beat out natural disasters. They have beat out 42 Presidents, Democrat and Republican, Mr. RYAN, $1.01 trillion, 42 Presidents. That is all they could muster up. But we give this Republican Congress and President Bush the gavel, $1.05 trillion in 4 years, just 4 years. How does that shake out? Well, who is investing in America now? Who is owning a part of the American apple pie? Who will continue to own, if this Republican budget, Mr. Speaker, is passed, who will get even more of the American apple pie?

Mr. RYAN of Ohio. As you are going into that, it is very important, just a day ago, we passed, the Republican Congress, passed another tax cut that will give a millionaire $42,000 back, okay? Money that we don't have we are going to go out and we are going to borrow it and you will tell us from who, to pay for the tax cut. And in 2003, Mr. MEEK, if you made $10 million a year, you got $1 million back in taxes. You made $10 million, you got $1 million back. We don't have it to give you.

We are political people. I mean, we are Members of Congress and we are public servants, okay? I would love to go to my constituents and say, I am going to give all of you a tax cut. And the really rich ones who may donate to my campaign, I am going to give you a big tax cut, real big. You made $10 million last year. I am going to give you $1 million back. I would love to do that. Everybody would love to do that, Mr. Speaker. We can't afford to do that. We can't afford to go borrow money from a foreign country and give it to someone who made $10 million last year so they could have a tax cut. And the old argument that they are going to take that money and invest it in the United States, that doesn't exist. They are going to get the money and invest it in Asia. They are going to invest it in funds, invest it in other countries. I yield back to my good friend.

Mr. MEEK of Florida. Thank you for yielding back, Mr. RYAN. Let me just point out real quickly: we will start out with the big one here. People look at Japan; they look at the United States. They say how could a country that size invest in the United States of America $682.8 billion, Japan? American apple pie. They have a big piece of it. China, Red China, Mr. RYAN. Communist China, Mr. RYAN and Mr. Speaker: 249.8 billion of the American apple pie. I know that makes our World War II veterans feel pretty comfortable right about now. And I am saying that in a way that I know that they are highly upset at the point that Japan can come back and own so much of the American apple pie, and not because of their doing but because of the irresponsible spending on the Republican majority side. I am just calling it what it is, Mr. Speaker, because like some folks say, it is what it is, Mr. RYAN.

The U.K., $223.2 billion of the American apple pie. Caribbean nations. Many of us go to vacation. I represent a lot of folks from the Caribbean. But guess what, they own $115.3 billion of the American apple pie, buying our debt. Our debt. Historic debt that we have given them in the last 4 years. And I am going to explain that a little further, Mr. RYAN, because I think people need to understand that prior to this Republican Congress and President Bush being elected, there were surpluses. That means that folks were projecting, not a deficit, but money left over for things that we need to tackle. Yes, we need a middle-class tax cut. Yes, we need to shore up Social Security. Yes, we need to have a health care plan so that businesses don't have to ask people to be on Medicaid to pay for their health care on the backs of the American people.

No, this Republican Congress and the President opted to give it to millionaires. I don't know how many times I can say that. Millionaires. It is not what I am saying. You can pick up the paper and find out what is happening up here. Taiwan, $71.3 billion of the American apple pie that has been sold away because of irresponsible policies. Canada, $53.8 billion. Korea, again, my veterans, $66.5 billion.

Meanwhile, under the Republican budget, Mr. RYAN, veterans are going to be paying a higher copayment, thank you, a la the Republican majority, that is saying that we are for you. Germany, $65.7 billion. Again, our veterans. OPEC nations. This is very interesting, Mr. RYAN, and it is actually covering my State of Florida and Georgia and South Carolina. OPEC nations. Who are they? I mean, these are the nations that are in charge of all the oil. Iraq is in that, owning some of our debt. Iraq. We are spending all kinds of money in Iraq, but guess what? They have enough time to own some of our debt. Iran. Iran. Oh, my goodness. Is this the country, Mr. RYAN, that we are concerned about, that Israel is concerned about and many of our friends in the Middle East that are trying to bring about democracy we are concerned about? You have a number of the United Arab Emirates, again, nations that we are concerned about as relates to Dubai, port deals. There are a number of countries that are here that we are bringing into question.

Let me just, Mr. Speaker, let the Members take a look at this map. Empty without the debt on it. I think it is important that Members understand that Democrats, we are the only party in this House that has actually balanced the budget.

□ 2100

People can talk about it. They can write great studies about it. But until you do it, you don't know what it takes. Obviously, based on those letters from Secretary Snow, and based on the fact that the Republican Congress has taken pride in endorsing everything that the President has said, we want to give millionaires a tax break and give middle class people a $10 tax break or a $50 tax break. Done.

We want to give oil companies, as a matter of fact, I read this last night, I think it is important and I am going to read it again, since I passed by a gas station today and it was $3.07 right here in Washington, DC.

This is a Washington Post article dated November 16 of 2005. The White House documents show that executives from big oil companies met with Vice President CHENEY's energy task force in 2001, something long suspected by environmentalists but denied, as of November, 2005, last week, by industry officials testifying before Congress.

The document obtained by the Washington Post shows that officials from ExxonMobil, also from Phillips and Shell Oil Company and BP of America met in the White House complex with Vice President CHENEY's aides in developing a national energy policy, parts of which became law, parts of which are still debated in Congress.

I rest my case on that. Again, Republican Congress said, energy bill, Mr. President, so shall it be written, so shall it be done, without a question asked.

Do you want to go down to the whole issue of what is happening with our seniors now, prescription drugs? So shall it be written, so shall it be done; propane, from the Republican Congress, we will do it because you told us to do it. All this debt that I have right here, under this stamp. Mr. President, do you want to raise the debt limit, okay, fine, we are right with you. Let us raise the debt limit on the back of Americans.

Meanwhile, I must add, that when we look at raising the debt limit they are cutting student aid to students to be able to be our workforce in the future and to be able to afford a college education. I am glad to announce that this is actually a bill proposed by Democrats here in this House. This is not a Democratic proposal, this is an American proposal.

I believe that Americans are sick and tired of being sick and tired. This is legislation that is now filed by Representative MILLER here in this House and also from Senator DICK DURBIN in the Senate reversing the rate on student loans or student aid. The bill cuts interest rates from 6.8 percent to 3.4 percent for students, with subsidized loans, which can go to students with the most financial need and move it from 8.5 percent to 4.25 percent for parents starting July of this year.

This is legislation that is filed now. Earlier this year, in the Republican budget earlier this year a Republican-led Congress cut $12 billion out of the Federal student loan program in order to finance tax breaks for the wealthiest Americans.

Mr. RYAN, I am just going to go to this page, and I am going to yield to you, sir.

Yesterday, reading is fundamental. I blew it up because I thought it was important for me to come to the floor and share with Members because there are

to be some Members come this November that will say I don't know what was going on. Do you think they hoodwinked me on this? Here is a copy of the paper right here if you have it on their desk.

This is the way the cover looks, Republicans Reaches Deal on Tax Cuts. What does that mean, Mr. RYAN? I will tell you what that means. That means that for Americans that make between $10,000 and $20,000 a year, the average tax savings will be $2. That means for those that are making $20- to $30,000 a year, that means that their average tax break will be $9; $30,000 to $40,000, $16. $40,000 to $50,000, $46; $50,000 to $75,000 a year, household income, $403; $100,000 to $200,000, $1,388; $200,000 to 500,000, $4,599; $500,000 to $1 million, $5,562; and those that are making more than $1 million will receive $41,977.

Who has whose back? People that I represent, I can tell you right now, very few, I can probably count on both hands and maybe one foot that are making more than $1 million that will celebrate the $41,977 tax break.

Meanwhile, guess what? We have men and women that are at war in Iraq. We have men and women that are in Afghanistan right now, and we have companies trying to figure out how they are going to provide health care for their employees. Meanwhile, we have the Republican Congress here saying everything is fine. What are you talking about?

I yield, Mr. RYAN.

Mr. RYAN of Ohio. The thing is, my friend, we don't have the money to give a millionaire a tax cut. We have had 5.4 million people slip into poverty since President Bush took over. We have middle class families struggling with gas, fuel costs, energy costs, tuition costs, health care costs. We have got a lot of issues for middle class people, lower class people, people who are slipping into poverty, living paycheck to paycheck. It is so irresponsible to give someone who makes millions of dollars a year a tax cut, it just doesn't make any sense.

I said it before, Mr. Speaker, I would love to go to the folks that I know that make millions of dollars a year and say I am going to give you a tax cut. You could put a little more Italian marble in your home. But that is not just reality.

We represent the public. We get paid by the taxpayer. We represent 700,000 people apiece. We need to start talking about the common good, decisions that could be made down here that benefit everybody. Ask everybody in the country to contribute. Wealthy, middle class, poor, everyone is going to have to contribute something, but everyone will benefit them. A rising tide does lift all boats.

Right now, this tide is not lifting everyone up. It is lifting a very small group of people that continue to make money and profits after profits after profits.

I think profits are great. I think they are super. But when the oil companies are making $113 billion, almost up $80 billion from 2002 and everyone is struggling and the Republican Congress gifts the oil industry $16.3 billion in public money, something is wrong there. I think the structure has broken down. I think you are absolutely right. We don't have the money to do this, not only don't have the money, we are neglecting our priorities in education, health care, reform. Let's think about this for a second.

Government is not working, and I showed the quote from Newt Gingrich, when he said the Republican Congress is perceived by the country as running a government that cannot function.

When you look at what happened with Katrina, and the inadequate response from FEMA, when you look at the war, losing $9 billion, losing $9 billion and nobody knows where it is. When you look at what is happening, all the struggles for body armor and up-armored Humvees, we fought for tooth and nail for years to make sure that the troops had that equipment that they didn't have out of the gate. The lack of preparation, the lack of an exit strategy, the lack of recognition of a long-term strategy in Iraq and in the region, these are colossal mistakes.

These aren't boo-boos, these are big-time mistakes that, quite frankly, I get frustrated because I think what have you dealt to my generation? This is kind of personal and may be a little bit selfish. But what are you leaving this next generation? We started this 30-Something group to talk about issues facing our generation and 20s and 30 somethings.

Look at what is being left to us to fix. I mean, I do not know how long I am going to be in government. I don't know how long you were going to be in government.

But we are going to spend the better part of our lives trying to fix the colossal mistakes that this President and this Republican Congress have made. Budgets, lack of fiscal discipline, the war, lack of investment in education.

When you look at what the Democrats want to do, when you look at what we want to do. One is balance the budget, put in these PAYGO rules to make sure that we can only spend money that we actually have and stop borrowing money from all these foreign interests, Democrats have been trying to do that for years. We did it in the 1990s and it worked.

We want to do it again and get the country back on the right path. We want to invest in innovation. Our innovation plan has every household getting broadband technology in the next 5 years so that everyone in our society can compete within this global economy against 1.3 billion Chinese workers, again over 1 billion workers from India, against Ireland, who is just going gangbusters. Their economy is just going gangbusters. We want to be able to compete against these people.

If we don't make the proper investments, we won't be able to do it. We are going to have a plan that we will invest into the Pell Grant. We will cut student loans in half to try to relieve some of the pressure from middle America, from middle income families. This is something that we need to do. We have a responsibility to do it.

I want to make a point, because I believe if we unleash the potential of the American people, that we will be able to address some of these problems. I can't be convinced that we can't solve the energy problem. I just can't believe it.

I am so glad that this President and this Congress weren't around during World War II, weren't around when we were trying to go to the Moon, because there would never have been that challenge. We can do this. Let us unleash the potential of the American people.

The different philosophy here is that our Republican friends want to think that if they give a tax cut to millionaires that will trickle down and somehow help middle America. It is not working. It is not working.

Rich people keep getting richer, middle class people keep struggling and falling behind. More people keep slipping into poverty, 5.4 million more people have slipped into poverty since President Bush became president, 5.4 million people. That is a drain on Nation's resources. Invest in those people, get them broadband technology, make sure they have adequate health care, make sure they have an opportunity to go to college, and you will see the potential of this country unleashed.

It is just frustrating as we talk on the floor and off the floor about a lot of these issues about the challenges that our generation is going to face down the line. You can't tell me that we can't be a competitive country, because I just don't believe it. The Republican philosophy is saying we hope that maybe one day it works its way down, the tax cuts to millionaires work their way down to the middle class. We hope one day that happens.

What the Democratic plan is just to invest into the American people, everyone. We want businesses to do well. We want middle class to do well. We want rich people to do well, we want poor people to do well. This is America. This is the American family. This isn't just your family and your family and everyone separate and nothing ever connects. That is not what made America great.

What made America great is our policies coming out of World War II. Our policies in the 1960s, we are about the common good.

I know that we don't need those same policies. We know as Democrats that it needs to be different because it is a different world. It is not what would Johnson do, what would Kennedy do or what did Johnson do, what did Kennedy, what did Roosevelt do?

□ 2115

It is not about what they did, it is about what would those great leaders do today?

I believe that the Democrats have this plan, with our innovation agenda, with our real security agenda that reduces our dependence on foreign oil. We are just so entangled in this oil mess. Let's stop.

Let's invest in the American people, Mr. MEEK. We will come up with an alternative energy source, bio-diesel, hydrogen, ethanol, sugar. We'll figure this out. But unleash the potential of the American people. We will do this and create another great surge in the middle class of the United States of America, and everything then will take care of itself; pensions, wages, health care. Everything else will take care of itself, because we are going to unleash the potential of the country.

I believe it just takes leadership to do that, and we haven't been getting much leadership here. It is really a lack of leadership that has put the country in the position it is.

When times change, when circumstances change, you have to change. Unfortunately, this President and this Congress, no matter what the facts are, stay focused on tax cuts for millionaires and let's hope that that solves all the problems.

We are starting to see now with this increase in interest rates, 16 times, what a terrible problem this is going to be; higher credit card rates, higher mortgages, cars, everything else. You are going to pay more money. So even if you do get a little bit out of the tax cut, if you are a middle class American getting 30 bucks back, gone. That is gone, eaten up with higher interest rates.

Mr. MEEK of Florida. Thank you, Mr. RYAN. I think it is important for us to identify, you mentioned our real security plan, Democratic homeland security plan, balanced budget plan. We have actually done it. We know how to do it. We have experience there.

Mr. RYAN of Ohio. In 1993, my friend, not one Republican vote.

Mr. MEEK of Florida. Not one Republican vote in passing the Democratic balanced budget plan. Mr. Speaker, that is fact, not fiction.

Mr. RYAN of Ohio. I am not saying that to brag. The Republicans could do it. They just don't. We have done it. And it is not being a braggart, but it was Clinton as President and it was a Democratic House and it was a Democratic Senate. And out of the House, not one Republican vote to balance that budget. It led to 20 million new jobs, Mr. MEEK, in the United States, the greatest economic expansion in the history of the country. So we have proof. As you said, we know how to do this stuff, and we are asking for a shot to try to do it again.

Mr. MEEK of Florida. The energy plan, Mr. Speaker, it is ready to go. The bottom line is we offer these plans and amendments, we offer these plans here on the floor.

Mr. RYAN mentioned something, Mr. Speaker, that I want to just make sure that Members are clear on, crystal clear.

Mr. RYAN of Ohio. Clear?

Mr. MEEK of Florida. Crystal clear, Mr. RYAN, that we don't just come to the floor, Mr. Speaker, to talk about Republicans, what they are not doing or what they are doing to the American people versus for the American people. We actually fight in the Rules Committee that is on the third floor of this Capitol to beg the committee, I think it is really heavily weighted, I think it is like 14 Republicans on that committee, or 14 or 12 Republicans, versus 7 Democrats. So that means that two or three Republicans can have a cold and they still prevail and are making sure they keep control of this House and what comes to this floor. So much for bipartisanship. The Rules Committee sets the rules, Members, on what comes to the floor and what doesn't come to the floor.

This is what we were able to muster up. Ranking Member JOHN SPRATT from South Carolina offered a substitute amendment to pay-as-you-go. Now, this means pay-as-you-go. That means that if you are going to spend, you have to identify where you are going to get the money from. Can I have that chart again.

I am not talking about any of this business of borrowing from Japan, from China, from OPEC nations or any of these countries that are out there. I don't blame these countries, don't get me wrong. I don't blame them for getting a piece of the American apple pie. I just wish more Americans could get a piece of the American apple pie.

JOHN SPRATT put forth an amendment on House Concurrent Resolution 95, the 2006 budget resolution. It failed with 165 voting for it, 264 voting against it. All Republicans voted against it. 228 Republicans voted against it. All Democrats voted for it. Again, that is Rollcall No. 87, and that happened on March 17, 2005.

The same Member, ranking member JOHN SPRATT from South Carolina, a Democrat, a good Member of this House, substitute amendment to House Concurrent Resolution 393, 2005 budget resolution. Republicans voted against this, not one Republican voted for pay-as-you-go, which was the responsible way to get us out of the pockets of these foreign nations. The vote was 224–0 from Republicans. Mr. RYAN, Mr. Speaker, not one Republican.

Mr. RYAN, I will yield to you in a minute. I want to get this chart again. I think it is important. I can't bring this chart up enough, Mr. Speaker. We are trying to make this so.

If a Member can e-mail us or bump into us in the hall or a staffer or someone from the majority budget office or the minority office can come to us and explain to us how we can break this down further. 224 years, $1.01 trillion from foreign nations. Four years, 4 years, Mr. RYAN, $1.05 trillion since President Bush has been President and the Republican Congress has been working with the President, 4 years from 2001 to 2005.

These are not my numbers, Mr. Speaker, this is the U.S. Department of Treasury numbers. These are not my numbers. So this means that the Republican Congress knows this. You know how I know they know it? Because we tell them night after night. You know how I know they know it? Because we were here last night with the same chart. They voted against this PAYGO resolution twice. I can even go further back to show committee votes on partisan lines of voting against it.

So this means only one thing, Mr. Speaker and Mr. RYAN, that the Republican Congress is wearing this stamp with pride, that they are willing to rubber stamp anything that the President of the United States sends into this Chamber. I am saying the Republican Congress on that side of the aisle, because the history and the facts are there. This is fact and not fiction, Mr. RYAN.

I am hoping. Some days I wake up and I say, you know, I wish the situation this country is in, and when I see my children, my 9-year-old and my 11-year-old and look at their burden, they are going to look back, Mr. Speaker, and say there are some people on this floor that fought for their future and the future of America.

White, black, Hispanic, Anglo, American Indian, whatever the situation may be, we are giving them a fixed debt. And if you are a Republican, you have to have a problem with this. If you are a Democrat, you have got to have a problem with this. If you are an independent, you have to have a problem with this. If you are an American, you must have a problem with this, because it is weakening the financial standing of this country.

Meanwhile, back at the ranch here in Congress, we have got folks telling the oil companies, don't worry about it. We have your back. As long as we have the K Street Project going on, as long as you keep what we need to stay in control, we have your back.

Mr. RYAN, I just want to say this, when I give it to you, sir, I want to make sure you have the last word before we close out, but I want to make sure your constituents, that you share with the Members of this House what happened in Ohio.

Mr. Speaker, I want to say it here on the floor, because I want to make sure my Republican colleagues when they come down to vote on a PAYGO amendment again, that they think about this.

There was a race in Ohio, Mr. RYAN, and I want you to talk about it, and I want you to tell the Members of the House what happened, what happened with the write-in candidate that got more votes and the number of candidates on the ballot.

So, Mr. RYAN, with that, I want to yield to you, sir, so you can close this out.

Mr. RYAN of Ohio. I appreciate that. I think you made a lot of points. I

think one of the things that you mentioned is that we come down here every night. I have got to tell you, you know, you mentioned the race in which our Democratic write in candidate got more write-in votes than all of the Republicans combined, and the Democrat was in the three-way primary. It is unbelievable, because of the energy with which I think a lot of people in this country are willing to go to the polls and make some kind of changes.

But I am tired of coming down here and talking about this. I will be honest with you, Mr. Speaker. I want this fixed. I want an opportunity for us to put the PAYGO rules in place, to make the tough decisions. We get paid to make these tough decisions. Let's make them.

I mean, come on. You know what frustrates me? And it hit me as you pulled out the PAYGO chart. Zero Republicans voted for the PAYGO rules to be put in place. Of the millions of times we have actually tried to put them through, amendments and on the floor and motions to recommit and everything else, all of these different times that we have tried to do this, zero Republicans. But now they are having trouble passing the budget.

Well, maybe if they would have put these procedures in place, these constraints in place, we wouldn't have the problems. We don't even have a budget yet. It is May. It is the middle of May. The law says you are supposed to have it by April 15. So all of this is happening.

I think, Mr. MEEK, as we begin to wrap up here, that everything is happening in secrecy, under the dome, on Pennsylvania Avenue, with K Street. When you look at these K Street fairy tales that you just can't believe, it is the environmental meeting, everything is done in secret. A lot of the consumer groups and conservation groups are saying you are meeting with the oil companies and the oil companies are going to write this. They say no, no, no, no, and oil executives come before the Senate. Coincidentally, the Republican Senate does not swear them in to a hearing. Unbelievable.

They all say, ''We weren't there. We don't know anything about it.'' Then we find out a few weeks ago they were all there. The White House memo comes out that they were there, all done in secrecy. Look at the energy policy we have. It is atrocious. Come on. Everyone knows it doesn't work. Go to the gas pump. We don't have to explain it.

Look at the war, all done in secrecy. Nobody is allowed in, not a lot of debate. The information, intelligence, everything is in secret, cherry-picking intelligence and all of this other stuff, all done in secret. Look at the end result. $9 billion lost, no exit strategy. We are not greeted as liberators. We are not able to use the oil money for reconstruction. All the promises made haven't happened. Terrible.

Look at the Medicare bill. Same thing. All done in secret. The numbers were wrong that they gave to the Congress about how much it was going to cost.

Then we find out today, Mr. MEEK, and I hate to end on this because we don't have a lot of time to talk about it, we find out now that the National Security Agency is secretly monitoring phone calls of the American people. This is the largest database ever assembled in the world, monitoring the phone calls of American citizens.

Now, give me a break. Enough of the secrecy, enough of the mismanagement, enough of the incompetence. Let's get the Democrats back in so we can implement some of these ideas that we have.

Thank you, Mr. Speaker, for allowing us to be here. I would also like to thank the staff who is here who stays late with us many nights.

Mr. MEEK of Florida. Just very quickly, Mr. Speaker, I know we have a minute left, I just want to say this, that it is important that we thank the Democratic leader and the Democratic leadership for allowing us to be here tonight.

Mr. RYAN, the web site that you gave out, www.housedemocrats.gov/30Something, all of the charts you have seen here tonight and throughout the week, the Members can pull that down off of the website, Mr. Speaker.

TIME RUNNING OUT TO SIGN UP FOR MEDICARE PART D

The SPEAKER pro tempore (Mr. INGLIS of South Carolina). Under a previous order of the House, the gentlewoman from Florida (Ms. CORRINE BROWN) is recognized for 5 minutes.

Ms. CORRINE BROWN of Florida. Mr. Speaker, I want to commend the 30-Something Group for their leadership.

□ 2130

I come to the floor to remind all of the seniors that Monday, May 15, is the drop-dead date for signing up for Medicare part D. I am very concerned that over 15 million Americans have not signed up.

Congressman MEEK, may I ask you a question? Do you know why Monday, May 15, is the drop-dead date to sign up?

Mr. MEEK of Florida. Well, it is set by the legislation passed by the Republican majority. And after that, Americans will be penalized.

Ms. CORRINE BROWN of Florida. Mr. Speaker, Americans are going to be penalized. I have been elected for 25 years. And this is the first time I have ever heard of being penalized until the day you die. I mean, it is ludicrous that we, the House of Representatives passed a bill that was so complicated and confusing, and gave you a time period of less than 5 months to sign up. And then if you do not sign up, you are going to be penalized until death.

I know in Florida we have 41 different plans. And it is very confusing. Seniors should have an opportunity to take their time and to select a plan that best meets their needs.

Now, Mr. MEEK, do you know why in the law the Secretary does not have the authority to negotiate the price of drugs? Do you know why Americans pay 50 percent more than people in Canada?

Mr. MEEK of Florida. Well, that was set forth by the Republican Congress. Many Democrats on this side, the super majority, voted against that measure.

Furthermore, this Government agency has found that even during this 5-month period that seniors were given the wrong information from the White House, the recommendation to go on those websites and call these numbers, the wrong information was given on the plan.

But better yet, they are still held responsible to this date. That is going to happen on Monday. And they will be penalized from this point on.

Ms. CORRINE BROWN of Florida. Mr. Speaker, you know in Florida, we have over 1 million people who have not signed up. And nationwide it is over 15 million people.

Now, I do not understand why the President with an executive order cannot be Presidential and extend the date or do away with the penalties.

People should not be held accountable for a program that is complicated and confusing. I have a cousin that is a Ph.D. graduate from the University of Miami, a principal for 30 years, and had to go to Social Security to get someone to help and assist to make the right decision because it is very, very complicated.

Mr. Speaker, I am asking seniors, please sign up—but there is no reason why this program, a program that is so needed, I voted against it because it was bloated, can you imagine, supposedly fiscally responsible Republicans coming up with a program that is billions of dollars, costing more than it needs to, and the money is going to the pharmaceutical companies.

The money is going to the industry, and not to the people that we need to be serving. It is a shame that in this people's House that we are not doing the work of the people.

Mr. Speaker, I am calling on the Members of this body and I am calling on the President so we can make it retroactive. Let us not punish seniors for our incompetency.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KENNEDY of Rhode Island (at the request of Ms. PELOSI) for the week of May 8.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Mr. FRANK of Massachusetts, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. ALLEN, for 5 minutes, today.

Mr. RUSH, for 5 minutes, today.

Mr. INSLEE, for 5 minutes, today.

Mr. LANGEVIN, for 5 minutes, today.

Mr. UDALL of New Mexico, for 5 minutes, today.

(The following Members (at the request of Mr. POE) to revise and extend their remarks and include extraneous material:)

Mr. GINGREY, for 5 minutes, today.

Ms. GINNY BROWN-WAITE of Florida, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, May 16, 17, 18, and 19.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. CORRINE BROWN of Florida, for 5 minutes, today.

BILLS PRESENTED TO THE PRESIDENT

Karen L. Haas, Clerk of the House reports that on May 11, 2006, she presented to the President of the United States, for his approval, the following bill.

H.J. Res 83. To memorialize and honor the contribution of Chief Justice William H. Rehnquist.

ADJOURNMENT

Ms. CORRINE BROWN of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 35 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, May 12, 2006, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

7435. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communication Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Lancaster, Pickerington, and Westerville, Ohio) [MB Docket No. 03-238; RM-10820] (File No. BPH-20040108ALM) received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7436. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (Fernandina Beach and Yulee, Florida) [MB Docket No. 05-240; RM-11261] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7437. A letter from the Special Assistant to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Bend and Prineville, Oregon) [MB Docket No. 03-78; RM-10684] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7438. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Cuney, Texas) [MB Docket No. 05-33; RM-10756] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7439. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (Port Isabel, Texas) [MB Docket No. 04-274; RM-11016] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7440. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (Cuba and Knoxville, Illinois) [MB Docket No. 05-118; RM-11183; RM-11301; RM-11302] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7441. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (Tomahawk, WI) [MB Docket No. 04-202; RM-10985]; (Waynoka, OK) [MB Docket No. 04-271; RM-11013]; (Wasco, CA) [MB Docket No. 04-272; RM-11014]; (Richland Springs, TX) [MB Docket No. 04-273; RM-11015]; (Hermitage AR) [MB Docket No. 04-431; RM-11115] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7442. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (New Harmony, Indiana and West Salem, Illinois) [MB Docket No. 04-341; RM-10779; RM-11110] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7443. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Otter Creek, Florida) [MB Docket No. 05-54; RM-11151] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7444. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations. (Matagorda, Texas) [MB Docket No. 04-215; RM-10993] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7445. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Okeene, Oklahoma) [MB Docket No. 05-296; RM-11289] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7446. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Grand Portage, Minnesota) [MB Docket No. 04-432; RM-11121] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7447. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations. (Harrisburg, LA) [MB Docket No. 04-266; RM-11005]; (Mecca, CA) [MB Docket No. 04-267; RM-11008]; (Taos, NM) [MB Docket No. 04-268; RM-11009]; (San Joaquin, CA) [MB Docket No. 04-269; RM-11010]; (Rosepine, LA) [MB Docket No. 04-270; RM-11012] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7448. A letter from the Legal Advisor to the Bureau Chief, MB, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Bairoil and Sinclair, Wyoming) [MB Docket No. 05-117] received April 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7449. A letter from the Secretary, Federal Trade Commission, transmitting the Commission's final rule — Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act (''Appliance Labeling Rule'')—received March 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7450. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule — New Animal Drugs; Adamantane and Neuraminidase Inhibitor Anti-influenza Drugs; Extralabel Animal Drug Use; Order of Prohibition [Docket No. 2006N-0106] received April 4, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7451. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule — Medical Devices; Immunology and Microbiology Devices; Classification of Reagents for Detection of Specific Novel Influenza A Viruses [Docket No. 2006N-0100] received May 1, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7452. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Scott City Municipal Airport, KS [Docket No. FAA-2006-23896; Airspace Docket No. 06-ACE-2] received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7453. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Gothenburg, Quinn Field, NE [Docket No. 23545; Airspace Docket No. 06-ACE-1] received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7454. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Enroute Domestic Airspace Area, Vandenberg AFB, CA. [Docket No. FAA-2005-23271; Airspace Docket No. 05-AWP-15] (RIN: 2120-AA66) received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7455. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of the St. Louis Class B Airspace Area; MO [Docket No. FAA-2005-22509; Airspace Docket No. 03-AWA-2] (RIN: 2120-AA64) received April 27, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7456. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Beatrice, NE [Docket No. FAA-2005-23375; Airspace Docket No. 05-ACE-35] received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7457. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Class E5 Airspace; David City, NE [Docket No. FAA-2005-23374; Airspace Docket No. 05-ACE-34] received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7458. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of the St. Louis Class B Airspace Area; MO [Docket No. FAA-2005-22509; Airspace Docket No. 03-AWA-2] (RIN: 2120-AA64) received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7459. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Sand Point, AK [Docket No. FAA-2005-23026; Airspace Docket No. 05-AAL-39] received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7460. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of the Norton Sound Law, Woody Island Law and 1234L Offshore Airspace Areas, AK [Docket No. FAA-2005-22024; Airspace Docket No. 05-AAL-38] (RIN: 2120-AA66) received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7461. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Scott City Municipal Airport, KS [Docket No. FAA-2006-23896; Airspace Docket No. 06-ACE-2] received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7462. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Amendments to Colored Federal Airways; AK [Docket No. FAA-2005-23081; Airspace Docket No. 05-AA1-31] (RIN: 2120-AA66) received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7463. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Airspace; Nicholasville, KY [Docket No. FAA-2005-23075; Airspace Docket No. 05-ASO-12] received April 27, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7464. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Class E Enroute Domestic Airspace Area, Vandeberg AFB, CA [Docket No. FAA-2005-23271; Airspace Docket No. 05-AWP-15] (RIN: 2120-AA66) received April 27, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7465. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; McDonnell Douglas Model DC-8-33, DC-8-51, DC-8-53, DC-8-55, DC-8F-54, DC-8F-55, DC-8-63, DC-8-62F, DC-8-63F, DC-8-71, DC-8-73, DC-8-71F, DC-8-72F, and DC-8-73F Airplanes [Docket No. FAA-2005-22425; Directorate Identifier 2005-NM-066-AD; Amendment 39-14468; AD 2006-03-04] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7466. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB-135 Airplanes and Model EMB-145, -145ER, -145MR, -145LR, -145XR, -145MP, and -145EP Airplanes [Docket No. 2003-NM-271-AD; Amendment 39-14470; AD 2006-03-06] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7467. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A330-200 and -300 Series Airplanes, A340-200 and -300 Series Airplanes, and A340-541 and -642 Airplanes [Docket No. FAA-2005-21702; Directorate Identifier 2005-NM-024-AD; Amendment 39-14473; AD 2006-03-09] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7468. A letter from the Program Analsyt, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Short Brothers Model SD3-60 SHERPA, SD3-SHERPA, and SD3-60 Airplanes [Docket No. FAA-2005-22875; Directorate Identifier 2005-NM-179-AD; Amendment 39-14469; AD 2006-03-05] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7469. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Aero Advantage ADV200 Series (Part Numbers ADV211CC and ADV212CW) Vacuum Pumps [Docket No. FAA-2005-20440; Directorate Identifier 2005-CE-05-AD; Amendment 39-14472; AD 2006-03-08] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7470. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Hamburger Flagzeugbau GmbH Model HFB 320 HANSA Airplanes [Docket No. FAA-2005-22401; Directorate Identifier 2004-NM-93-AD; Amendment 39-14480; AD 2006-03-16] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7471. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Fokker Model F.28 Mark 0070 and 0100 Airplanes [Docket No. FAA-2005-22748; Directorate Identifier 2005-NM-127-AD; Amendment 39-14471; AD 2006-03-07] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7472. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A318-100 and A319-100 Series Airplanes; A320-111 Airplanes; A320-200 Series Airplanes; and A321-100 and A321-200 Series Airplanes [Docket No. FAA-2005-22528; Directorate Identifier 2005-NM-125-AD; Amendment 39-14474; AD 2006-03-10] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7473. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; McDonnell Douglas Model DC-10-10, DC-10-10F, DC-10-15, DC-10-30, DC-10-30F, (KC-10A and KDC-10), DC-10-40, DC-10-40F, MD-10-10F, MD-10-30F, MD-11, and MD-11F Airplanes [Docket No. FAA-2005-22503; Directorate Identifier 2005-NM-062-AD; Amendment 39-14477; AD 2006-03-13] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7474. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Rolls-Royce plc RB211 Trent 500 Series Turbofan Engines [Docket No. FAA-2005-23279; Directorate Identifier 2005-NE-44-AD; Amendment 39-14478; AD 2006-03-14] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7475. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 737-100, -200, -200C, -300, -400, and -500 Series Airplanes [Docket No. FAA-2005-20354; Directorate Identifier 2004-NM-166-AD; Amendment 39-14476; AD 2006-03-12] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7476. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Polskie Zaklady Lotnicze Spolka zo.o. Model PZL M26 01 Airplanes [Docket No. FAA-2006-23733; Directorate Identifier 2006-CE-09-AD; Amendment 39-14481; AD 2006-03-17] (RIN: 2120-AA64) received March 24, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7477. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Weighted Average Interest Rate Update [Notice 2006-39] received April 7, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7478. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Taxation of Fringe Benefits (Rev. Rul. 2006-13) received March 29, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7479. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Transition Relief Regarding the Application of Section 409A(b) to Nonqualifed Deferred Compensation Plans [Notice 2006-33] received March 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7480. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Last-in, First-out Inventories (Rev. Rul. 2006-15) received March 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7481. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Revocation of Qualified Intermediary Branch Rule [Notice 2006-35] received March 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7482. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property (Rev. Rul. 2006-22) received March 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7483. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Administrative, Procedural, and Miscellaneous (Rev. Rul. 2006-17) received March 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

7484. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — GO Zone Resident Population Estimates [Notice 2006-21] received March 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on International Relations. H.R. 4681. A bill to promote the development of democratic institutions in areas under the administrative control of the Palestinian Authority, and for other purposes; with an amendment (Rept. 109–462 Pt. 1). Ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 or rule XII the following action was taken by the Speaker:

H.R. 4681. Referral to the Committees on the Judiciary and Financial Services extended for a period ending not later than May 15, 2006.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. REICHERT (for himself, Mr. PASCRELL, Mr. MCCAUL of Texas, Mr. ETHERIDGE, Mr. KING of New York, Mr. THOMPSON of Mississippi, Mr. SHAYS, Ms. LORETTA SANCHEZ of California, Mr. DANIEL E. LUNGREN of California, Ms. HARMAN, Mr. SIMMONS, Mrs. CHRISTENSEN, Mr. ROGERS of Alabama, Mr. LANGEVIN, Mr. PEARCE, Ms. GINNY BROWN-WAITE of Florida, Mr. BUTTERFIELD, Mr. ROGERS of Kentucky, Mr. SWEENEY, Mr. MCHENRY, Miss MCMORRIS, Mr. FORTENBERRY, Mr. SCHWARZ of Michigan, Mr. CARTER, and Mr. MEEK of Florida):

H.R. 5351. A bill to amend the Homeland Security Act of 2002 to establish a Directorate of Emergency Management, to codify certain existing functions of the Department of Homeland Security, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Homeland Security, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MANZULLO:

H.R. 5352. A bill to reauthorize programs to assist small business concerns, and for other purposes; to the Committee on Small Business.

By Mr. FLAKE (for himself, Mr. BASS, and Mrs. MUSGRAVE):

H.R. 5353. A bill to permit United States companies to participate in the exploration for and the extraction of hydrocarbon resources from any portion of a foreign maritime exclusive economic zone that is contiguous to the exclusive economic zone of the United States, and for other purposes; to the Committee on International Relations.

By Mr. BOUSTANY (for himself, Mr. MCKEON, Mr. MARCHANT, Mr. POE, Mr. ALEXANDER, and Mr. SAM JOHNSON of Texas):

H.R. 5354. A bill to authorize the Secretary of Education to extend the period during which a State educational agency or local educational agency may obligate temporary emergency impact aid for elementary and secondary school students displaced by Hurricane Katrina or Hurricane Rita, and for other purposes; to the Committee on Education and the Workforce.

By Ms. HART:

H.R. 5355. A bill to amend the Internal Revenue Code of 1986 to allow a credit against tax for volunteer firefighters; to the Committee on Ways and Means.

By Mr. MCCAUL of Texas (for himself, Mr. BOEHLERT, Mr. SMITH of Texas, Mr. CALVERT, Mr. EHLERS, Mrs. BIGGERT, Mr. INGLIS of South Carolina, and Mr. SCHWARZ of Michigan):

H.R. 5356. A bill to authorize the National Science Foundation and the Department of Energy Office of Science to provide grants to early career researchers to establish innovative research programs and integrate education and research, and for other purposes; to the Committee on Science.

By Mr. MCCAUL of Texas (for himself, Mr. BOEHLERT, Mr. SMITH of Texas, Mr. CALVERT, Mr. EHLERS, Mrs. BIGGERT, Mr. INGLIS of South Carolina, and Mr. SCHWARZ of Michigan):

H.R. 5357. A bill to authorize the National Science Foundation and the research, development, demonstration, and commercial application programs of the Department of Energy to provide grants to early career researchers to conduct high-risk, high-return research in areas relevant to industry; to the Committee on Science.

By Mr. SCHWARZ of Michigan (for himself, Mr. BOEHLERT, Mr. SMITH of Texas, Mr. CALVERT, Mr. EHLERS, Mrs. BIGGERT, Mr. INGLIS of South Carolina, and Mr. MCCAUL of Texas):

H.R. 5358. A bill to authorize programs relating to science, mathematics, engineering, and technology education at the National Science Foundation and the Department of Energy Office of Science, and for other purposes; to the Committee on Science.

By Mr. BARTON of Texas:

H.R. 5359. A bill to amend the automobile fuel economy provisions of title 49, United States Code, to authorize the Secretary of Transportation to set fuel economy standards for passenger automobiles based on one or more vehicle attributes; to the Committee on Energy and Commerce.

By Mr. BARTON of Texas (by request):

H.R. 5360. A bill to enhance the management and disposal of spent nuclear fuel and high-level radioactive waste, to assure protection of public health and safety, to ensure the territorial integrity and security of the repository at Yucca Mountain, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Resources, Transportation and Infrastructure, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BERMAN (for himself and Mrs. BONO):

H.R. 5361. A bill to harmonize rate setting standards for copyright licenses under sections 112 and 114 of title 17, United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. GEORGE MILLER of California (for himself, Mr. RANGEL, Mr. DINGELL, Mr. ANDREWS, Mr. LEVIN, Mr. STARK, Mr. CARDIN, Mr. BROWN of Ohio, Mr. POMEROY, Mr. STRICKLAND, Mr. MCDERMOTT, and Ms. BEAN):

H.R. 5362. A bill to ensure the equitable provision of pension and medical benefits to Department of Energy contractor employees; to the Committee on Education and the Workforce.

By Mr. LUCAS:

H.R. 5363. A bill to provide assistance to agricultural producers for crop and livestock losses resulting from recent, catastrophic natural disasters, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. BALDWIN (for herself, Mr. GEORGE MILLER of California, Mr. WEXLER, Mr. OWENS, Mr. CONYERS, Mr. GRIJALVA, Mr. FRANK of Massachusetts, Ms. JACKSON-LEE of Texas, Mr. HASTINGS of Florida, Mrs. CAPPS, Mr. PAYNE, Mrs. MALONEY, Mrs. CHRISTENSEN, Mr. KUCINICH, Mr. AL GREEN of Texas, Mr. CROWLEY, Mr. SERRANO, Mr. LEWIS of Georgia, Ms. CARSON, Mr. KILDEE, and Ms. SCHAKOWSKY):

H.R. 5364. A bill to amend the Family and Medical Leave Act of 1993 to eliminate an hours of service requirement for benefits under that Act; to the Committee on Education and the Workforce, and in addition to the Committees on Government Reform, and House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BOUCHER (for himself and Mr. DINGELL):

H.R. 5365. A bill to provide for the establishment of a Strategic Refinery Reserve; to the Committee on Energy and Commerce.

By Mr. DAVIS of Illinois (for himself, Mr. WAXMAN, Mr. PORTER, Ms. NORTON, Mr. CUMMINGS, Mr. OWENS, Mr. HOYER, Mr. WYNN, and Mr. VAN HOLLEN):

H.R. 5366. A bill to provide for a demonstration project to enhance the ability of Federal agencies to continue to operate during an extended emergency situation, and for other purposes; to the Committee on Government Reform.

By Mr. EMANUEL (for himself, Mr. MORAN of Virginia, and Mr. JEFFERSON):

H.R. 5367. A bill to amend the Internal Revenue Code of 1986 to require broker reporting of customer's basis in securities transactions, and for other purposes; to the Committee on Ways and Means.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. SIMMONS, and Mr. WELDON of Pennsylvania):

H.R. 5368. A bill to amend the Internal Revenue Code of 1986 to provide for small business tax incentives, to amend the Fair Labor Standards Act of 1938 to increase the minimum wage and to increase the exemption for annual gross volume of sales made or business done by an enterprise, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FERGUSON (for himself, Mr. ENGLISH of Pennsylvania, Mr. RUSH, and Mr. THOMPSON of California):

H.R. 5369. A bill to amend title XVIII of the Social Security Act to improve payments under the Medicare clinical laboratory fee schedule; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FORTENBERRY:

H.R. 5370. A bill to amend the Clean Air Act to require that gasoline contain at least 15 billion gallons of renewable fuel by the year 2012, and for other purposes; to the Committee on Energy and Commerce.

By Ms. HARMAN (for herself, Mr. CONYERS, Mr. HASTINGS of Florida, Mr. BOSWELL, Mr. REYES, Mr. CRAMER, Ms. ESHOO, Mr. RUPPERSBERGER, Mr. BOUCHER, Mr. NADLER, Mr. SCOTT of Virginia, Ms. ZOE LOFGREN of California, Ms. JACKSON-LEE of Texas, Mr. WEXLER, and Ms. HOOLEY):

H.R. 5371. A bill to reiterate that the Foreign Intelligence Surveillance Act of 1978 and title 18, United States Code, are the exclusive means by which domestic electronic surveillance may be conducted, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Intelligence (Permanent Select), for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HERSETH (for herself, Mr. ETHERIDGE, Ms. PELOSI, Mr. PETERSON of Minnesota, Mr. DELAHUNT, Ms. KAPTUR, Mr. INSLEE, Mr. POMEROY, Mr. HOLDEN, Mr. FORD, Mr. SALAZAR, Mr. KIND, Ms. DELAURO, and Ms. MCCOLLUM of Minnesota):

H.R. 5372. A bill to promote the increased utilization of domestically produced, renewable, biobased motor vehicle fuel supplies and the increased manufacture of flexible-fuel vehicles in the United States, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Agriculture, Science, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HINOJOSA (for himself and Mr. RAHALL):

H.R. 5373. A bill to promote the development of affordable, quality rental housing in rural areas for low-income households; to the Committee on Financial Services.

By Mr. LINDER:

H.R. 5374. A bill to amend the Federal Election Campaign Act of 1971 to ban soft money, and for other purposes; to the Committee on House Administration.

By Mr. DANIEL E. LUNGREN of California (for himself and Mr. COSTA):

H.R. 5375. A bill to provide incentives to reduce dependence on foreign oil; to the Committee on Ways and Means, and in addition to the Committees on Science, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. MCKINNEY:

H.R. 5376. A bill to require nationals of the United States that employ individuals in a foreign country to provide full transparency and disclosure in all their operations; to the Committee on International Relations.

By Ms. MCKINNEY:

H.R. 5377. A bill to require nationals of the United States that employ more than 20 persons in a foreign country to implement a Corporate Code of Conduct with respect to the employment of those persons, and for other purposes; to the Committee on International Relations, and in addition to the Committees on Government Reform, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. MCKINNEY:

H.R. 5378. A bill to amend the Internal Revenue Code of 1986 to reduce by 50 percent certain tax benefits allowable to profitable large corporations which make certain workforce reductions; to the Committee on Ways and Means, and in addition to the Committees on International Relations, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MUSGRAVE:

H.R. 5379. A bill to authorize the Secretary of the Army to acquire land for expansion of Pinon Canyon Maneuver Site, subject to certain conditions; to the Committee on Armed Services.

By Mr. POMEROY (for himself, Mr. OSBORNE, and Ms. HERSETH):

H.R. 5380. A bill to reward the hard work and risk of individuals who choose to live in and help preserve America's small, rural towns, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Agriculture, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SAXTON (for himself and Mr. KIND):

H.R. 5381. A bill to establish a volunteer program and promote community partnerships for the benefit of national fish hatcheries and fisheries program offices; to the Committee on Resources.

By Mr. SMITH of New Jersey (for himself, Mr. MCINTYRE, Mr. MCCOTTER, Mr. LANTOS, Mr. PITTS, Mr. BURTON of Indiana, and Mrs. JO ANN DAVIS of Virginia):

H.R. 5382. A bill to promote the development of democratic institutions and full respect for human rights in the countries of Central Asia; to the Committee on International Relations, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UDALL of Colorado (for himself, Mr. STUPAK, Mr. RYAN of Ohio, Ms. CARSON, Mr. GRIJALVA, Mrs. CHRISTENSEN, and Mr. CASE):

H.R. 5383. A bill to amend the Consumer Credit Protection Act to ban abusive credit practices, enhance consumer disclosures, protect underage consumers, and for other purposes; to the Committee on Financial Services.

By Mr. BURTON of Indiana (for himself, Mr. CALVERT, Mr. CHABOT, Mr. COBLE, Mr. DAVIS of Florida, Mr. TOM DAVIS of Virginia, Mr. GALLEGLY, Ms. GRANGER, Ms. HARRIS, Mr. ISSA, Mr. KIRK, Mr. MACK, Mr. MICA, Mr. MCCAUL of Texas, Mr. MCCOTTER, Mrs. MYRICK, Mr. PENCE, Mr. ROGERS of Michigan, Mr. ROHRABACHER, Ms. ROS-LEHTINEN, Mr. SMITH of New Jersey, Mr. SOUDER, Mr. WELLER, and Mr. WILSON of South Carolina):

H. Con. Res. 400. Concurrent resolution expressing the sense of Congress that the Government of Venezuela should actively support strategies for ensuring secure airport facilities that meet international certifications to prevent trafficking of controlled substances, narcotics, and laundered money; to the Committee on International Relations.

By Mrs. NAPOLITANO (for herself, Mr. MURPHY, and Mr. KENNEDY of Rhode Island):

H. Con. Res. 401. Concurrent resolution supporting the goals and ideals of Mental Health Month, and for other purposes; to the Committee on Energy and Commerce.

By Ms. WATERS:

H. Res. 813. A resolution honoring Reverend John Deron Johnson, pastor of Phillips Temple Christian Methodist Episcopal Church in Los Angeles, California, for his long history of work, commitment, and love for the Church and the South Los Angeles community, and extending the appreciation of the House of Representatives on the occasion of the Anniversary Celebration held in his honor; to the Committee on Government Reform.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 9: Ms. ZOE LOFGREN of California, Mr. BERMAN, Mr. KENNEDY of Minnesota, Ms. SCHWARTZ of Pennsylvania, Ms. WOOLSEY, Mr. ISSA, Mr. ENGLISH of Pennsylvania, Mrs. WILSON of New Mexico, Mr. GREEN of Wisconsin, Mr. FRANK of Massachusetts, Mr. KILDEE, Mr. BROWN of Ohio, Mr. ALLEN, Mr. BRADY of Pennsylvania, Mr. DELAHUNT, and Mr. GRIJALVA.

H.R. 268: Mr. HAYWORTH.

H.R. 303: Mrs. CUBIN.

H.R. 305: Mr. HAYWORTH.

H.R. 389: Mrs. JOHNSON of Connecticut.

H.R. 408: Mr. YOUNG of Alaska.

H.R. 414: Mr. BOUSTANY, Mr. RAHALL, Mr. NEUGEBAUER, Ms. HART, and Mr. MELANCON.

H.R. 500: Mr. PICKERING.

H.R. 503: Ms. NORTON.

H.R. 552: Mr. MCKEON.

H.R. 559: Mr. PETERSON of Minnesota.

H.R. 699: Mrs. BONO.

H.R. 857: Mr. FOLEY.

H.R. 933: Mr. SALAZAR.

H.R. 998: Mr. INSLEE.

H.R. 1016: Mr. SHIMKUS.

H.R. 1108: Mr. CONYERS and Mr. MCINTYRE.

H.R. 1120: Mr. BILIRAKIS.

H.R. 1177: Mr. BOOZMAN.

H.R. 1249: Mr. OSBORNE and Mr. DAVIS of Tennessee.
H.R. 1275: Mr. RUPPERSBERGER.
H.R. 1366: Mr. ROSS.
H.R. 1370: Mr. PENCE and Mr. FRANKS of Arizona.
H.R. 1425: Mr. GONZALEZ and Mr. BARTLETT of Maryland.
H.R. 1462: Mr. JENKINS.
H.R. 1545: Mr. TIAHRT, Mr. THOMPSON of Mississippi, and Mr. REHBERG.
H.R. 1554: Mr. WOLF and Mr. GOODE.
H.R. 1575: Ms. NORTON.
H.R. 1578: Mr. UPTON.
H.R. 1582: Mr. RAHALL and Mr. UDALL of Colorado.
H.R. 1583: Mr. DICKS.
H.R. 1704: Mrs. SCHMIDT.
H.R. 1748: Mr. SOUDER.
H.R. 1791: Mrs. BONO.
H.R. 1994: Ms. SCHAKOWSKY and Mr. PAYNE.
H.R. 2000: Mr. WEXLER.
H.R. 2014: Mr. PORTER.
H.R. 2089: Mr. KING of New York.
H.R. 2178: Mr. MCGOVERN and Mr. MCINTYRE.
H.R. 2357: Mr. YOUNG of Alaska.
H.R. 2386: Mr. NORWOOD.
H.R. 2421: Mr. FORD and Mrs. EMERSON.
H.R. 2561: Mr. SOUDER.
H.R. 2694: Mr. DAVIS of Illinois.
H.R. 2828, Ms. WOOLSEY.
H.R. 2861: Mr. MCCAUL of Texas.
H.R. 3006: Mr. SHAYS, Mrs. MALONEY, Mr. DAVIS of Illinois, Mr. UDALL of Colorado, and Mr. BISHOP of New York.
H.R. 3080: Mr. FRANKS of Arizona.
H.R. 3098: Ms. BERKLEY.
H.R. 3138: Mr. VAN HOLLEN.
H.R. 3198: Mr. BECERRA.
H.R. 3385: Mr. HALL.
H.R. 3427: Mrs. LOWEY and Mr. NADLER.
H.R. 3471: Mr. FRANK of Massachusetts.
H.R. 3555: Ms. MATSUI, Mr. MOORE of Kansas, Ms. WASSERMAN Schultz, Mr. GEORGE MILLER of California, Mr. SANDERS, and Mrs. MALONEY.
H.R. 3584: Mr. SMITH of Washington.
H.R. 3616: Mr. BISHOP of Georgia.
H.R. 3628: Mr. WAMP.
H.R. 3644: Mr. FALEOMAVAEGA.
H.R. 3753: Mr. STEARNS.
H.R. 3883: Mr. NEUGEBAUER.
H.R. 3957: Ms. WATERS.
H.R. 4021: Mr. CARDIN.
H.R. 4033: Mr. LARSON of Connecticut.
H.R. 4050: Mr. SABO.
H.R. 4188: Mr. MORAN of Virginia.
H.R. 4228: Mr. MICHAUD.
H.R. 4291: Mr. ACKERMAN.
H.R. 4318: Mr. GARY G. MILLER of California.
H.R. 4411: Mr. SOUDER.
H.R. 4550: Mr. TOWNS.
H.R. 4551: Mr. SOUDER.
H.R. 4574: Mr. WOLF, Mr. FALEOMAVAEGA, Mr. SMITH of Washington, Mr. EVANS, Mr. STRICKLAND, Mr. BISHOP of Georgia, Mr. REYES, Mr. SCHIFF, Mrs. NAPOLITANO, and Mrs. CAPPS.
H.R. 4580: Mr. CALVERT.
H.R. 4597: Mr. PAUL.
H.R. 4673: Mr. DELAHUNT.
H.R. 4703: Ms. SCHWARTZ of Pennsylvania and Mr. KLINE.
H.R. 4712: Mr. BRADY of Pennsylvania and Mr. BROWN of Ohio.
H.R. 4720: Mr. LANTOS, Mr. NUNES, Ms. LINDA T. SÁNCHEZ OF CALIFORNIA, MR. DANIEL E. LUNGREN of California, and Mr. HERGER.
H.R. 4726: Mr. PORTER.
H.R. 4739: Mr. HOLDEN.
H.R. 4755: Ms. ROS-LEHTINEN.
H.R. 4857: Mr. RENZI and Mr. HERGER.
H.R. 4859: Mr. MCCAUL of Texas and Mr. MCHENRY.
H.R. 4894: Mr. PLATTS and Mr. WOLF.
H.R. 4901: Mr. WEXLER.
H.R. 4974: Mr. MARCHANT, Mr. SAM JOHNSON of Texas, Mr. HALL, and Mr. CONAWAY.
H.R. 4980: Mr. ROTHMAN.
H.R. 5005: Mr. KLINE and Mr. FEENEY.
H.R. 5015: Mr. SHAYS.
H.R. 5018: Mr. JINDAL.
H.R. 5035: Mr. NADLER and Mr. CROWLEY.
H.R. 5063: Ms. SCHAKOWSKY.
H.R. 5072: Mr. CANNON.
H.R. 5087: Mr. CONYERS and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 5099: Mr. THOMPSON of Mississippi.
H.R. 5113: Mr. SCOTT of Virginia, Mr. VAN HOLLEN, Mr. HIGGINS, Ms. KILPATRICK of Michigan, and Mr. MICHAUD.
H.R. 5120: Mr. HYDE.
H.R. 5121: Mr. MARCHANT, Mr. CLAY, Mrs. DRAKE, Mr. MILLER of North Carolina, Mr. LINCOLN DIAZ-BALART of Florida, Mr. ENGLISH of Pennsylvania, Mr. MARIO DIAZ-BALART of Florida, Mr. MCKEON, Mr. DREIER, Mr. CALVERT, Mr. RADANOVICH, Mr. CAMPBELL of California, and Mr. ROHRABACHER.
H.R. 5150: Mr. FRANK of Massachusetts.
H.R. 5159: Ms. GINNY BROWN-WAITE of Florida, Ms. SCHWARTZ of Pennsylvania, Mrs. TAUSCHER, Mr. SMITH of Washington, Mr. BRADY of Pennsylvania, Mr. STUPAK, Mr. CAPUANO, Mr. SCHIFF, Mr. LANGEVIN, Mr. ORTIZ, Mr. SCOTT of Georgia, Mr. RUPPERSBERGER, Mr. HOLDEN, Mr. KANJORSKI, and Mr. SABO.
H.R. 5160: Mr. MCHUGH.
H.R. 5170: Mr. DANIEL E. LUNGREN of California and Mr. DEAL of Georgia.
H.R. 5201: Mr. SANDERS, Ms. HOOLEY, Mr. BUTTERFIELD, Mr. NEAL of Massachusetts, Mr. BOUCHER, Mr. HINOJOSA, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. ORTIZ, Mr. REYES, Mr. EDWARDS, Mrs. JONES of Ohio, Mr. FOLEY, Mr. BISHOP of Utah, Mr. SHERWOOD, and Mr. MCINTYRE.
H.R. 5203: Mr. SOUDER.
H.R. 5206: Ms. BERKLEY, Mr. MCHUGH, Ms. HART, Mr. ISSA, Ms. ZOE LOFGREN of California, Mr. BISHOP of New York, and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 5225: Mr. OLVER.
H.R. 5230: Mr. BARRETT of South Carolina, Mr. BARTLETT of Maryland, and Mr. SOUDER.
H.R. 5231: Mrs. DRAKE.
H.R. 5234: Mr. STARK.
H.R. 5236: Mr. MICHAUD and Mr. CONYERS.
H.R. 5252: Mr. SPRATT, Mr. EVERETT, Mr. BROWN of South Carolina, Mr. HASTINGS of Florida, Mr. FOLEY, Mr. MEEK of Florida, Mr. MILLER of Florida, Mr. WEXLER, Mr. WICKER, Mr. MARIO DIAZ-BALART of Florida, Mr. FEENEY, and Mr. ROGERS of Alabama.
H.R. 5264: Mr. MORAN of Virginia and Mr. KENNEDY of Minnesota.
H.R. 5273: Mr. DOYLE, Ms. SCHAKOWSKY, Mr. GEORGE MILLER of California, Mr. BROWN of Ohio, Mr. SANDERS, Mr. FRANK of Massachusetts, and Ms. LEE.
H.R. 5289: Mr. LAHOOD.
H.R. 5291: Mr. WOLF, Mr. FOSSELLA, and Mr. PLATTS.
H.R. 5293: Mr. GEORGE MILLER of California and Mr. SOUDER.
H.R. 5315: Mr. FORD and Mr. PETERSON of Minnesota.
H.R. 5316: Mr. BONILLA.
H.R. 5319: Mrs. BIGGERT, Mr. MCCAUL of Texas, Mr. PLATTS, Mr. WELLER, Mr. SESSIONS, Mr. PORTER, and Mr. SHIMKUS.
H.R. 5333: Mr. WEXLER, Mrs. MCCARTHY, and Mr. SIMMONS.
H.R. 5336: Mr. SCHWARZ of Michigan, Mr. GOODE, and Mr. MCCAUL of Texas.
H. Con. Res. 336: Mr. LEACH.
H. Con. Res. 346: Mr. MARCHANT.
H. Con. Res. 348: Mr. FILNER, Mr. MCNULTY, and Mr. KUCINICH.
H. Con. Res. 391: Mr. FILNER and Mr. MCNULTY.
H. Res. 316: Ms. HERSETH.
H. Res. 723: Ms. WOOLSEY.
H. Res. 760: Mr. BISHOP of New York, Mr. DAVIS of Florida, Mr. HOLT, and Ms. SCHAKOWSKY.
H. Res. 773: Mr. HALL, Mr. SOUDER, and Ms. SCHWARTZ of Pennsylvania.
H. Res. 784: Mr. CONYERS.
H. Res. 785: Mr. HINOJOSA, Mr. MCNULTY, Mrs. BONO, Mr. ALEXANDER, Mr. PALLONE, Mr. BILIRAKIS, Mr. CASTLE, Mr. HOLT, and Mr. HINCHEY.
H. Res. 786: Mrs. KELLY and Mr. ENGLISH of Pennsylvania.
H. Res. 788: Mr. HOYER.
H. Res. 793: Mr. ROGERS of Alabama, Mr. GARY G. MILLER of California, Mr. AKIN, Mr. GOODE, and Mr. SODREL.
H. Res. 799: Mr. ROYCE, Ms. WATSON, Mr. MCCOTTER, and Mr. BERMAN.

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PROCEEDINGS AND DEBATES OF THE *109th* CONGRESS, SECOND SESSION

Vol. 152 WASHINGTON, THURSDAY, MAY 11, 2006 *No. 57*

Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The PRESIDENT pro tempore. Today's prayer will be offered by the Reverend Dr. Guy Prentiss Waters of Fairhaven College, Jackson, MI.

The guest Chaplain offered the following prayer:

Let us pray:

Almighty God, You are infinitely wise, holy, and just. You are the one who has made us and the one who sustains us. Our conscience bears witness to Your righteous love.

We acknowledge that in Your providence You dispose of and govern over all things. You are the ruler of nations and You have appointed civil government for Your glory and the good of human beings.

We thank You for the work of civil government and acknowledge that those entrusted with this high responsibility stand under You. Be pleased to bless the work of our Senators this day. We would not presume upon Your blessing but ask that You might show mercy so that their work would be for this Nation's good and for Your glory.

Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

TAX INCREASE PREVENTION AND RECONCILIATION ACT OF 2005—CONFERENCE REPORT

The PRESIDENT pro tempore. Under the previous order, the Senate will proceed to the consideration of the conference report to accompany H.R. 4297, which the clerk will report.

The legislative clerk read as follows:

The committee of conference of the disagreeing votes on the two Houses on the amendment of the House to the bill (H.R. 4297), to provide for reconciliation pursuant to section 201(b) of the concurrent resolution on the budget for fiscal year 2006, having met, have agreed that the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment and the Senate agree to the same, signed by a majority of the conferees on the part of both Houses.

The PRESIDENT pro tempore. The Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of May 9, 2006.)

The PRESIDENT pro tempore. Under the previous order, there are 8 hours of debate equally divided on the conference report.

RECOGNITION OF THE MAJORITY LEADER

The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, in a moment, we will begin consideration of the conference report to accompany the Tax Relief Act. Our order from last night provides for up to 8 hours of debate from the statutory limit. The chairman and ranking member of the Finance Committee will be on the floor throughout the day to yield some of that time to Senators to speak. I hope we will not need the entire 8 hours and that we could yield back some of that time and vote a little earlier today. We will see how we are progressing in the early afternoon and alert Members if that is possible and, indeed, I hope that it will be.

Following the vote on the adoption of the Tax Relief conference report, we will have up to 1 hour of debate before the vote on invoking cloture on the small business health plans bill. If cloture is invoked on the small business health plans bill, then we would stay on that bill until we complete it. I hope the Senate will invoke cloture on the bill and will not miss the opportunity to help our small businesses provide more affordable health care benefits to their employees and families.

We have two important votes this afternoon. We will alert Senators as to the timing when we get a better idea of the amount of debate that is needed.

UNANIMOUS CONSENT AGREEMENT—S. 2611

Mr. FRIST. Mr. President, I ask unanimous consent that unless cloture is invoked on the pending substitute to S. 1955, on Monday, May 15, at a time to be determined by the majority leader after consultation with the Democratic leader, the Senate proceed to the consideration of S. 2611, the immigration bill. I further ask that when the Senate agrees to a request for a conference or the Senate requests a conference on this bill and the Chair is authorized to appoint conferees on the part of the Senate, the ratio of conferees be 14 to 12; provided further that from that ratio, the first 7 Republican Senators from the Judiciary Committee and the first 5 Democratic Senators from the Judiciary Committee be conferees; finally, I ask unanimous consent that the majority leader select the final 7 from the majority side and the Democratic leader select the final 7 for the minority side.

Before the Chair rules, I wish to be clear that the two leaders anticipate full session days on this bill, with a considerable number of amendments debated and voted on each day. We intend to allow amendments to come forward and to be voted on in an efficient way. This is a comprehensive immigration bill, and therefore it is important for Senators to have adequate time to have their amendments considered.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The minority leader is recognized.

IMMIGRATION

Mr. REID. Mr. President, this is one of the rare times that we have been able to move forward on a bipartisan basis. The procedural aspects of this immigration debate are over with. The two leaders want a comprehensive immigration reform bill. What is going to be in it? I don't know and the Republican leader doesn't know. But, Mr. President, this is going to take a lot of hard work.

I want to extend to the majority leader my appreciation and my acknowledgment of the difficulty of arriving at this point. It has been very hard for both of us. And as the time went on after the Easter recess, it didn't get easier, it got harder. But I do believe that this is what the Senate is about, and we can move forward in a way that I think the country will acknowledge. There is a lot of hard work to be done, but we can do it well.

I receive my fair share of criticism, as does the Republican leader. But I want everyone to know we try very hard to move things along. It is not easy with the political atmosphere we find in the country today, but we have done this on this bill, and it has been extremely difficult. I don't want to sound like poor me, but that has been pretty hard to do. I will always remember the difficulties we have had, but also things such as this, as we know, in life bring people closer together. I think the majority leader and I have had—if we have talked about this bill once, we have talked about it 25 times. I have nothing but admiration for the Republican leader for arranging things so we can be at this spot today.

Mr. FRIST. Mr. President, what the Democratic leader and I have laid out is a way to get onto this bill, and as you can tell, both of us have been working in good faith on various issues that have been raised on the floor. We both appreciate our colleagues' patience in arriving at this point. We both anticipate a lot of challenging times over the period which will begin, in all likelihood, on Monday on what we all know is a very difficult bill.

The process that has been laid out is one that we both feel is very fair and will give the opportunity for the will of the Senate to express itself on a difficult issue to which there are not very many clear-cut answers. So I look forward to beginning that debate in the very near future, and I look forward to having dignified debate, debate that under the leadership of the two managers will need to be efficient, effective, and fair, but we will need to keep moving through that debate in order to allow the Senate's will, through amendment and voting on those amendments, to be reflected.

MODIFICATION TO UNANIMOUS CONSENT AGREEMENT—S. 2611

Mr. FRIST. Mr. President, I modify the unanimous consent request so that it is clear that it is applicable to S. 2611 or a House bill in which we conference using the language of S. 2611.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

IMMIGRATION

Mr. REID. Mr. President, I also want the RECORD to be spread with the fact that this is not a time for anyone to claim victory. Certainly, in this process, I didn't get everything I wanted. I think the majority leader didn't get everything he wanted. But in the legislative process, building consensus is the art of compromise.

I look back to the days when I tried cases. I found some of the best settlements were those where basically both sides were kind of unhappy about it, and I think that is what we have gotten. I certainly feel that this is a fair compromise procedurally with these intricate rules we have in the Senate. This is going to work well.

I also want to repeat what the majority leader said. This is going to take a lot of work. We have a lot of amendments. This is not a two- or three-amendment bill. There are a lot of amendments. People on both sides of the aisle have been waiting for weeks to offer amendments. We are going to have to work our way through these. It is going to take a lot of cooperation.

There may come a time during this debate that the managers are going to have to move to table some of these amendments. I hope we can arrange for time on these amendments. If we can't, we will do what has to be done in the Senate and move forward as expeditiously as we can. People have strong feelings about this bill on both sides of the aisle. But I feel very good that we have a road forward, and I believe we will complete this legislation and have, for the American people, comprehensive immigration reform that deals with security, deals with the guest worker program, deals with the people who are undocumented, and also will deal with a better way of enforcing employer sanctions.

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. FRIST. Mr. President, I will close by saying it is important we finish this bill before the Memorial Day recess. I have said that several times in my statements over the last couple of weeks, and I think in my discussions with the Democratic leader, we both agree that once we start this bill, we will stay on the bill until we complete it.

Mr. GRASSLEY. Mr. President, am I right that we are prepared to proceed to the text of the conference reconciliation report?

The PRESIDENT pro tempore. The Senator is correct. That is the pending business. There are 8 hours equally divided.

Mr. GRASSLEY. Mr. President, before I explain what is in the conference report, I want to make clear what the tax policy is we are talking about. For 90 percent of the legislation that is before us, we are talking about maintaining existing tax policy as it has been, either from the 2001 Tax Reduction Act or the 2003 Tax Reduction Act. The reason I want to take some time to explain that—and that is not part of my explanation of the conference report—is because the public listening in and/or my colleagues are going to be confused over the words ''tax cuts.'' For 90 percent of this legislation, we are not cutting anybody's tax bill. What we are trying to do because of sunset is we are maintaining for the next year, or in some cases the next 5 years, existing tax policy. So I don't want anybody to come over and say we are cutting taxes.

If we don't pass this legislation in the year 2006, or in some cases in the years 2009 and 2010, people are going to get an automatic increase of taxes without a vote of Congress. So we are talking about maintaining existing tax policy. The reason we are talking about maintaining tax policy would be for two reasons. In the case of dividend and capital gains tax policy, the tax policy we adopted in 2003 is the reason we have created 5.2 million jobs.

That is why the economy is rolling. I know the public is listening. When they pay $3 for gas, the $3 for gas blinds them to the fact that we had 4.8 percent growth last quarter. It blinds them to the fact that we have 4.7 percent unemployment, which is practically full employment, and some economists would tell you it is full employment, or that we have a low inflation rate.

It seems that when my constituents, and probably constituents in every State, see high gasoline prices, that is all that is on their mind. I don't blame them because I put gasoline in my car—I don't have some driver do it, I put it in myself—and I know what the price of gasoline is. I know a lot of my constituents go out of the same convenience stores I do with a bottle of water. Bottled water, if you buy it in these small containers, you are paying about $8 a gallon for water and never complaining about the cost for water but complaining about $2.63 gas that you can buy in Des Moines, IA, this very weekend.

We are talking with regard to capital gains as maintaining existing tax policy. Just so everybody understands, we are not cutting anybody's taxes below what they are today. We are maintaining existing tax policy. But if we didn't take the action we are taking today, taxes would automatically go up in these areas by 33 percent, and for low-income people, who have zero capital tax gains, they go up—what would that be? One hundred percent. If they are not paying taxes today and they start paying taxes at the rate everybody else pays, it is a 100-percent increase in taxes.

I don't know why people would argue with us, when we have a zero capital gains for lower income people, that you would want to tax lower income people. But if we do not continue this tax policy, that is the case.

I wish to emphasize again what Chairman Greenspan has said about the 2003 tax policy we are continuing today, and that is that it is responsible for the economic recovery we have had of 18 quarters of economic growth and 5.2 million jobs being created.

The other part of the bill is to continue tax policy existing since 2001. That existing tax policy is that 22 million Americans—well, no, I better say it this way. That tax policy since 2001 has been that when we reduce people's taxes here on the one hand, we are not going to take it away from them on the other hand by having them hit by the alternative minimum tax. I am going to explain this in greater detail, but up front, a good part of this bill is to maintain the policy Senator BAUCUS and I have had in place since 2001 of holding people harmless from the alternative minimum tax. In other words, if you get a tax decrease here, we are not going to have the same people pay a tax over here on the alternative minimum tax.

As far as the alternative minimum tax is concerned, I think the best policy is what we did in the late 1990s when this body sent to President Clinton a bill to repeal the alternative minimum tax, and he vetoed it. I don't know how many Democrats we are going to have condemning us for not doing more on the alternative minimum tax. What more could you do than what we did in 1999 and repeal a very bad tax policy, the alternative minimum tax? And a Democratic President vetoed it. But they will probably be the ones complaining and crying the most because we are not doing more.

What we are talking about here today is maintaining present tax policy through this reconciliation bill for roughly 90 percent of it. Ten percent of it would be some change in tax policy. If people want details on that, I will be glad to go into that.

Maybe another thing I ought to explain—and it is more personal because I am going to be the chief negotiator for the Senate on this bill because I am chairman of the Senate Finance Committee—I have negotiated for a long period of time with Chairman THOMAS, and everything has worked out fine as compromises have to work out fine, and I think I have done a very good job of protecting the Senate's position.

Let me remind everybody, all of my colleagues, particularly Republicans, particularly about a telephone call from the President on the Thursday before we began our Easter break—the exact date I don't have in mind—and in meetings with the leader and the Speaker and all this, we were just very anxious to get something done before Easter. At that point, the position of the House was that we were not going to have hold harmless on AMT. Consequently, I didn't agree to this agreement. I believe I probably disappointed a lot of my colleagues and the leader and the Speaker and the President of the United States because I just didn't, how would you say, surrender to a House position that we were doing too much on AMT.

Our policy since 2001 has been hold harmless, and I believe that is what we passed three times on the floor of the Senate: in November last year, January this year, February of this year, as the Democrats made us go through three periods of 3 days of debate on the same tax bill that ended up passing by a bipartisan majority of somewhere between 64 and 67. So it has been the policy of the Senate since 2001, reaffirmed by three votes of this body in the last 6 months, to hold harmless.

I didn't believe I was doing 66 Senators a favor by agreeing to something which would have 3.5 million—let's say more accurately 2.5 to 3 million taxpayers being hit by the alternative minimum tax out of the 22 million to whom I have already referred. So it took a little longer, and here we are—what, May 11, 1 month later than when it originally happened. But we have hold harmless in this bill. Hold harmless is in this bill.

Everything is going smoothly between Chairman THOMAS and me. Nobody is going to believe that because if you read the papers, we are always at each other's throat. You know, those characterizations are entirely wrong. He has strong convictions about tax policy, and he is the negotiator for the U.S. House of Representatives. He has a right to stand firmly for their positions, but I have a responsibility to stand firmly for the Senate position, with the understanding that someplace there are some compromises. I guess enough said on that point.

I have mentioned, in summation, before I go into explanation about the conference report, and this is the third time, but it cannot be said too many times because I don't know how many times you are going to hear today—in fact, we ought to count how many times we are going to say we are cutting taxes, we are cutting taxes, we are cutting taxes. Would you keep track of that for me? I want to hear how many times that is used. We are not cutting anybody's tax. Maybe we ought be cutting people's taxes, but we are not. We are maintaining existing tax policy as expressed by this body in the 2001 and 2003 tax bill so 22 million Americans don't get hit by the alternative minimum tax and so that we have incentives for investment and taxes don't go up, and capital gains and dividends, without a vote of the people in 2009 and 2010; so that we keep the incentives Chairman Greenspan said are the reason we are having the economic recovery we have had for 18 quarters, creating 5.2 million jobs, 4.8 percent economic growth, 4.7 percent unemployment, et cetera.

We have moved to the final step in the tax reconciliation process to which I have already referred that we dealt with three times and probably 3 days each time during November, January, and February. We have an agreement of the conferees from the House and Senate on a conference report. The basic objective of this conference was to produce a conference report that will pass both the Senate and the House and be sent to the President.

To achieve that objective, we needed to focus our efforts on a true bipartisan, bicameral compromise. As I said and will probably say again today—but you have heard me say it over the last 3 months to my colleague and friend, Senator BAUCUS—a compromise must be bicameral. Likewise, I said to Chairman THOMAS of the House and to House conferees that the compromise should be bipartisan.

In the Senate, we passed a reconciliation bill for the second time but the contents of the bill for a third time, on February 2, with a bipartisan vote that included 66 Senators. So that obviously includes a vast number of Democrats.

My preference was to continue working in conference to produce a bipartisan compromise that could pass in the Senate. Unfortunately, I doubt if we will get 66 votes for this conference report. But I am very hopeful that we will pick up some Democratic votes.

Going into conference, everybody knew that the House bill and the Senate bill were significantly different. The centerpiece of the House bill was a 2-year extension of the 15-percent maximum tax rate on dividends and capital gains and the zero percent tax rate that will apply to taxpayers in the lowest two tax brackets. Such an extension would continue the bipartisan tax policy enacted in 2003, a policy which has been vital to our economy's recovery and continued growth.

The centerpiece of the Senate bill was a 1-year extension and modification of the alternative minimum tax hold-harmless provisions. This provision would keep 15 million American families from being hit by the stealth tax. The AMT is a stealth tax because you really never know when you are going to be hit by it. Hitting Americans with such a stealth tax, the alternative minimum tax, is wrong. So, as I said before, the AMT should be abolished. It is not abolished. We did vote to abolish it in the late 1990s, but President Clinton vetoed that. So here we are, since 2001, working in a bipartisan way to do what we call hold harmless.

As I said at that particular time, my highest priority was to make sure we kept our promise to make certain that no additional taxpayers are brought into the AMT system on an annual basis, and that is the purpose of the Senate's hold-harmless provision on alternative minimum tax.

I will expand on that notion for a moment and be somewhat repeating myself from my extemporaneous remarks,

but exactly 5 years ago today, May 11, 2001, Senator BAUCUS and I announced the bipartisan deal that became the basis for historic 2001 bipartisan tax relief legislation. I say historic because taxes were as high as they had ever been in the history of the country as a percentage of the gross national product.

When newly elected President Bush released his budget for that first year in 2001, his tax relief plan did not contain a general hold harmless on the alternative minimum tax, and the House passed a bill that did not have hold harmless provisions for the alternative minimum tax. When Senator BAUCUS and I were negotiating the bipartisan plan, we agreed on that bedrock principle of hold harmless—hold harmless on AMT so no new people would get hit with it. Because they got a tax decrease over here, we should not take their taxes away over here.

We agreed to make sure the AMT would not take the tax relief we were providing. This is how we came up with the concept we refer to as hold harmless. To me, it goes to a fundamental principle of transparency in government: Don't promise taxpayers relief that you know they are not going to really get.

Some of my friends on this side of the aisle—meaning Republicans—rightly complain about doubletalk on alternative minimum tax that we hear from Members on the other side, Democratic Members, the Senators from so-called blue States. You remember the blue-red map in Presidential elections of 2000 and 2004? Blue States generally go for Democratic candidates for President, red States go for Republican candidates for President.

I am going to refer to the blue States which are those that generally vote Democratic. Senators from these States are generally hostile to the tax relief we have provided in 2001 and provided again in 2003, and seem to be sympathetic to tax hikes. They take this position despite the fact that their constituents in these blue States, and represented for the most part by Democratic Senators, tend to bear the highest per capita Federal tax burden. The hostility of these Members seems to grow to a white-hot intensity when anybody above, say, $100,000 in income benefits from any tax relief package.

It has always been a strange disconnect to those of us on this Republican side of the aisle because that intensity—and at times what appears to be outright anger—seems to grow as the States' shade of blue grows much darker. Ironically, the per capita income, living costs, and Federal tax burdens tend to rise as the shade of the State tends to get a darker blue. The implication appears to be that constituents in these blue States should be happy to bear this high tax burden as their Senators fight against tax relief for them. In fact, Members from blue States seem to have no limit to the level of Federal taxes they believe folks in their States should bear. Taxes can never be too high, goes the rationale, as long as we keep growing the public's dependence on more Federal programs.

When Members on the Republican side hear demagoguery on taxes emanating from Members from blue States on a daily basis that we shouldn't have tax cuts for high-income people, they ask, Why do these folks then seem to change their mind when we are talking about the alternative minimum tax? As you tend to get intense debate that we ought to do something about the alternative minimum tax from the same Senators who are complaining because we are giving too much tax relief to high-income people in their various States, and the AMT happens to most dramatically impact taxpayers between $100,000 and $500,000. How is this any different from other forms of tax relief? They are hot and heavy to have the AMT which helps their taxpayers in blue States, but they are not hot and heavy to have tax relief in the first instance when you vote to reduce tax rates.

If I go to some extent talking about this contradiction, it is a contradiction that affects and bothers a lot of people on the Republican side of the aisle. It is an argument we do not understand. Frankly, it is a sentiment I have to overcome in my caucuses as I argue for the AMT and for tax relief; and I have had to argue this contradiction particularly with my House counterparts as we go to conference to negotiate differences between the House and Senate and try to explain to them why we need to do a hold-harmless provision on AMT.

I had people from the other body who would say, What is wrong with having an alternative minimum tax hit people in blue States who are in the high bracket because their Senators are arguing we shouldn't reduce the tax rates in the first place? It is a very difficult thing to argue that sort of contradiction. I think it would help me a lot if they would get off this kick.

I want to take a chart on the AMT and explain some of what we are talking about. This chart will show the alternative minimum tax hold-harmless benefits that have always been the bedrock of our tax bill since 2001 because it is something Senator BAUCUS and I agreed on to be our tax policy, how the hold harmless benefits taxpayers everywhere but is especially important in the blue States.

We don't have a map with blue States versus red States. But the chart you are looking at, and which I need to explain, is based upon 2003 return data because it is the most up-to-date data we have. But projecting out the numbers, we think it would be entirely possible and intellectually honest to double the 2003 figures. As a rule of thumb, I am going to do that as I explain California being a blue State with 2 million taxpayers; Texas, not a blue State, a red State, but 1.2 million; Florida, a blue State, 900,000 taxpayers affected if we don't do something about the alternative minimum tax as we have it in this legislation; Illinois, a blue State, 848,000; New York, a blue State, 822,000; Pennsylvania, 694,000; Michigan, 640,000; New Jersey, 632,000; Virginia, 568,000; and Massachusetts, 490,000.

I go to this length because Senators, particularly on the Democratic side of the aisle, might think about voting against this bill; that in all these States so many hundreds of thousands of people are going to be hit by the alternative minimum tax if you do not help us get this bill passed. Those are people who were not hit in 2005 but who will be hit when they file on 2006 income.

The bottom line is in blue States versus red States implications shouldn't decide this issue. As you can see, there are plenty of red States affected as well as blue States. Again, that shouldn't matter. We ought to do the right thing—and the right thing would be to pass this bill and continue the hold-harmless policy Senator BAUCUS and I have led the Senate through in the 2001 and 2003 tax bills, and also on the Senate consideration of hold harmless in this conference report.

Senator BAUCUS and I understood that when we took resources in the Finance Committee package to make sure that for at least 5 years this broad-based tax relief we promised will not be undermined by the alternative minimum tax.

Moving on, this conference agreement also contains some loophole closures and tax-shelter-fighting provisions that raise revenue. There are two reasons to raise revenue. The most important one is when we have tax shelters that allow people to cheat on their income tax and when we have loopholes that don't make sense, they ought to be closed as a matter of fairness to all taxpayers. But they also raise some revenue. We need some revenue in this bill to offset some provisions of this bill so we didn't exceed the $70 billion reconciliation instructions of Congress for us in the Finance Committee.

The House bill, however, didn't contain any revenue raisers. Although we didn't come back with all the loophole closures, especially clarification of something that needs to be done with the economic substance doctrine defined, and the House conferees very much oppose any change in that, we did make some headway on loophole closings and closing tax shelter abuse.

Let me go back to economic substance. My argument for it: It raises a lot of revenue. But we have had several courts that have instructed Congress—and courts cannot make Congress do anything we don't want to do—to define economic substance. By defining it, it brings in some revenue.

I don't understand why it shouldn't be defined. My feeling is there are a lot of K Street lobbyists and maybe a lot of lobbyists who aren't on K Street who benefit from the loopholes that can

stretch economic substance in the Tax Code.

The Senate bill and the House bill that went to conference also shared some similarities. Both bills sought to extend and extend and in some cases modify certain provisions that expire at the end of 2005—provisions such as the research and development credit, increase small business expense, cost recovery for leasehold improvements, the savers credit, or better said, the small savers credit; the deduction for State and local sales tax in those States that is not particularly valuable to those States that don't have a State income tax; the qualified tuition deduction for college; and teachers' classroom expense deductions. Local teachers who spend money out of their own pockets to bring tools to the classroom can deduct that from their income tax.

A true bicameral compromise would merge both bills in a way that takes care of these common extenders which I mentioned, and many more I did not mention.

Second, it accommodates the centerpieces of each bill which, as I have explained this morning, are the AMT hold-harmless provisions on the one hand and the extension of the dividends and capital gains tax provisions as they now exist, not cutting capital gains and dividend taxes below what they are presently, and providing as much tax relief as possible by using appropriate revenue-raising measures.

We ended up with cornerstones of each bill in this conference report and made progress on some of the revenue raisers, meaning loophole closings, and tax shelter abuse closings. The extenders for the most part—I guess almost entirely—will be addressed in another vehicle. They are not part of this conference report. We have compromised and agreed on that point. We also agreed to resolve key Senate priorities in the extender vehicle.

Can I tell Members exactly what is going to be in that vehicle? I can't because we are still negotiating. What I can tell Members is we had good preliminary negotiations and I feel we have a solid foundation to come to a fair compromise on these issues. The final determination of those key Senate priorities will depend upon the vehicle that we will go with and other parts of the agreement when it is finalized.

After laying out the basic structure of the conference agreement and the Senate's key provision, AMT hold harmless, I want to talk about the parts of the agreement the House needed.

The dividend and capital gains provisions in the House bill were met by strong opposition from the other side.

A principal argument against this policy made over and over again by the Democrats is that it is simply a tax cut for high-income people. I use the words ''tax cut,'' and that brings me to emphasize once again that if anybody says we are cutting taxes, we are maintaining existing tax policy for an additional number of years. Without doing that, then, we would get an automatic increase in taxes basically undercutting what Chairman Greenspan has said about the goose that laid the golden egg—the tax policy we adopted in 2003 being responsible for the 18 quarters of economic growth which we have had.

In support of their claim, Democrats cite distorted statistics that include taxpayers who don't receive dividends or capital gains. They fail to take into account the zero percent rate for lower income taxpayers in 2008 and ignore the size of the overall income tax liability that taxpayers bear.

My analysis of 2005 data that I received from the Joint Committee on Taxation shows that lower income taxpayers actually have more at stake than higher income taxpayers. The Joint Committee on Taxation is not a Republican or Democratic operation. These are professional people who spend whatever time they are in public service on this committee becoming experts on the Tax Code, the economic implications of tax policy, and whether it is good or bad for the economy, whether it brings in more or less money to the Federal Treasury. These are not people wearing a Republican hat or a Democratic hat. My quoting of their statistics ought to have a great deal of credibility because they are professional people.

This is 2005 data received from the Joint Committee on Taxation showing lower income taxpayers actually have more at stake than higher income taxpayers. Of course, I don't mean to speak in absolute dollar amounts because I cannot say that, but I can say in percentage advantage to various income classes that lower income taxpayers have more at stake than higher income taxpayers. It is common sense for me to say that because higher income taxpayers receive higher tax cuts measured in dollar terms, quite simply, because they pay more taxes to begin with. But the extension of the lower rates on dividends and capital gains will give lower income taxpayers greater tax savings as a percentage of their total tax liability.

I will refer to a couple of charts that summarize tax savings as a percentage of total income tax liability of average gross income levels. The chart illustrates the dividend tax savings as a percentage of the total tax liability for those who benefit from the reduced rates. The savings percentages include 2008 savings, when the tax rate for lower income taxpayers drops to zero percent. That we will continue, then, for an additional period of time. That is the rate we are talking about extending.

Based on my staff's analysis of the Joint Committee on Taxation data, taxpayers with adjusted gross income of less than $50,000 will save 7.6 percent of their total income tax bills and seniors will save 17.1 percent. Those making more than $200,000 will save a lot less as a percentage of their taxes paid, at 2.2 percent.

Opponents of this policy want to persecute these taxpayers—I point to those earning $200,000 and over—by taking back their 2.2 percent savings.

At the same time, they would punish these taxpayers, those under $50,000 at the lower income level, by taking away their 7.6 percent savings and punish the seniors in the same tax bracket by taking away their 17.1 percent savings.

One cannot help but wonder, as we are all concerned about senior citizens having a decent opportunity to have a greater retirement, one that is comfortable as when they worked, with a chance to keep their tax savings at what they are right now, and not raise them or lower them anymore—but raise their taxes by 17.1 percent?

This chart illustrates the relative savings from reduced capital gains taxes across the alternative minimum tax levels. Now, here again, extending the lower tax rates will give a bigger percentage reduction in their tax bill for taxpayers making less than $50,000. Opponents of this policy want to persecute these taxpayers earning $200,000 and over by taking back their 7.6 percent savings. But that also has a negative impact, then, upon lower income people, people making $50,000 and under, by taking away their 10.2 percent savings. And they would punish senior citizens in that same tax bracket of $50,000 and under, by taking away their 13.2 percent savings.

Extending this tax policy, not cutting taxes but extending existing tax policy, will provide meaningful tax savings to taxpayers across the income spectrum. Lower income taxpayers will save more than higher income taxpayers when measured as a percentage of total tax liability.

Extending the lower rates will allow millions of Americans to keep more of their money to spend or add to their savings through reinvestment in the economy rather than give it to those in Government to spend for them.

Those on the other side describe the capital gains and the dividends provisions as applying to only a few high-income taxpayers. The reality is reflected in the following chart. Take a look at capital gains. I will not go through every State, but in the State of California, 839,616 families and individual taxpayers report capital gains. If you take a look at the dividend statistic in California, 2,053,398 families and individual taxpayers report dividends.

I will not take time to go through all of these, but if you think the economy growing at 4.8 percent, as Chairman Greenspan says, is because of the tax policies of 2003, and we have the economy growing, why would you want to hit these families with a big tax increase on capital gains and dividends? Two million more families in California is only one State. Why would you want to hit them again? It seems

to me in California you would want to keep the economy growing, as we want to keep the economy growing in Iowa.

We know that 7.5 million families and individuals across the country with capital gains are not all millionaires, obviously. We know that 19 million families and individuals across the country with dividends are not millionaires. These numbers are based on 2003 IRS data.

The Joint Tax Committee estimates for 2005 over 21 million returns will report dividends savings and 6 million of the returns will be filed by senior citizens. Nearly 12 million returns will report capital gains tax savings with almost 4 million people who are senior citizens. These families and individuals are not millionaires.

Yet to listen to some on the other side, all of these people are wealthy. That false assertion is going to be repeated time and time and time again. That false assertion in itself is their justification for opposing this conference report, putting in jeopardy what Chairman Greenspan said is a reason for economic recovery, therefore putting in jeopardy economic recovery and taxing all of these people when this sunsets by taxes going up automatically, because there will not be a vote of Congress, by an increase of 33 percent. It does not make sense.

To sum up, my goal for this conference was to produce a true bipartisan bicameral compromise with both bills. A compromise should accommodate the centerpiece of each bill, meaning the House bill and the Senate bill. That includes the AMT relief in the Senate bill and the dividends and capital gains relief in the House bill, take care of common extenders and maximize tax relief by using appropriate revenue-raising measures. This bill contains the cornerstone of each body's bill. It is conditioned upon an agreement between the Ways and Means and Committee and Finance to process the extenders and other issues on later vehicles. I believe the conference agreement and collateral agreement on extenders is a fair outcome of the House and Senate.

To make everything relatively clear, I did not make up my mind to sign this conference report until we had 6 hours of negotiations with the House of Representatives last Friday. Even though we had an agreement on reconciliation, I wanted to make sure there was some understanding on what we were going to have in the follow-on bill, everything that could not be included in the conference report. As I said, it is somewhat under negotiation, but I am satisfied we have enough of an agreement that I can come back and say the things that the Senate, for the most part, is concerned about, that are very basic to our economic growth, will be included in a bill that will come before the Senate shortly.

I yield the floor.

UNANIMOUS CONSENT AGREEMENT—S. 1955

Mr. BAUCUS. Madam President, in consultation with the chairman of the committee, I ask consent that the filing deadline for the second-degree amendments to S. 1955 occur at 3 p.m. today.

The PRESIDING OFFICER (Ms. MURKOWSKI). Without objection, it is so ordered.

Mr. BAUCUS. Madam President, I begin by commending my good friend, the chairman of the Committee on Finance. He is a great American. People in Iowa are very lucky to have him representing them. I know of no finer man in the Senate.

I know Senator GRASSLEY sought to defend the Senate's position in the conference committee. He is a proud man, too. He wanted to do what is right in defending the Senate's position, but I regret the conference committee could not end up more like the Senate product because the conference before the Senate today is much different than the bill that passed the Senate. It is so different that I am raising questions as to how much of the Senate bill we have in the conference.

This past Saturday, Lillian Asplund died. Ms. Asplund was the last American survivor of the 1912 sinking of the Titanic. She was the last survivor with actual memories of the event. Ms. Asplund's life reminds us that people make choices, and those choices can have significant consequences. Just as much, the bill before the Senate today reflects choices. Those choices will have significant consequences.

Shortly after midnight on that cold morning of April 15, 1912, passengers started evacuating that doomed ship. At the beginning, women and children went first. But it was not long before that rule gave way. Soon it became clear that the privileged went into the rescue boats first.

About that time, the most extraordinary thing happened: Some of those privileged and wealthy passengers decided to give up their place in line. They decided to let others go first. Benjamin Guggenheim, the son of the colossally wealthy mining magnet, sipped brandy and smoked cigars in a deck chair while the ship went down.

Today, on this bill, we see no such valor, we see no such sacrifice. Rather, in this bill, ideological wants push their way to the front of the line, ahead of America's needs.

At the end of last year, 16,000 American businesses lost their tax incentive to create high-paying research jobs for American-based workers. But relief for them did not make it into this bill.

At the end of last year, millions of school teachers lost a small but significant tax break for classroom supplies they purchase out of pocket. But relief for them did not make it into this bill.

At the end of last year, millions of middle-income American families with kids in college lost the ability to deduct tuition costs. But relief for them did not make it into this bill.

These provisions—what some people call the popular ''tax extenders''—were given second-class status. They did not make it into the lifeboat. And to what did these popular, already-expired tax provisions have to give way? Well, the first-class passenger on this ship is a tax break for investors, where not one dollar will be used until January 1, 2009.

I think it is important to remind ourselves of that. Not one dollar of cap gains and dividend tax breaks will be utilized by anyone until January 1, 2009. That is several years from now.

But some will say this tax break for 2009 is desperately needed today—Why? they say—to provide certainty. You might as well just call this tax bill, the 2009 Tax Increase Prevention Act, because it does just that: it prevents tax increases for the most well-off in the future, in 2009. This bill chose to prevent a tax increase in 2009, rather than prevent tax increases in 2006.

For the millions of families, teachers, businesses, and workers out there who lost their tax benefits on January 1 of this year, there is no tax increase prevention in this act. There is no ''tax increase prevention act'' for the so-called second-class citizens.

I do not call them second class at all. They are Americans. They are teachers. They are people working in research and development. They are families and kids trying to pay tuition costs. There is no relief for them. All of those provisions expired at the end of last year. Here we are, well into 2006, and they are not in this bill. Middle-American provisions are not in this bill. No. Rather, what is in this bill is for 2009, a tax break for 2009 for investors.

Well, some will also say: Oh, don't worry. Other tax legislation may be, might be, should be coming soon. Yes, and the check is in the mail.

Some will say these 2009 cuts on capital gains and dividend income will benefit all Americans, and you will see a blizzard of statistics and quotes to try to substantiate that point, including the chart you recently saw from my good friend from Iowa. Actually, that is not a Joint Tax Committee chart. That is a chart based upon the Finance Committee staff with Joint Tax Committee statistics. And that chart, frankly, does not accurately portray the facts. Many commentators who have commented on that chart have pointed out the discrepancies in it.

I am not going to get into this tit for tat, back and forth as to whose statistics are better. But I will say this, it defies common sense to argue that a tax break that takes effect in 2009 for the high-income Americans somehow benefits middle-income and lower income Americans more than the most wealthy. That totally defies logic. Someone can come up with a set of statistics to try to make that point but it is patently absurd.

Some will say these 2009 tax cuts, as I say, will benefit all Americans, and you will see statistics, but that is not the fact.

I decided to go to the source. I represent Montana. The more than 900,000 residents of Montana are my employers, so I asked the Montana Department of Revenue where the benefit of these tax cuts would go. Well, of course, not everyone in Montana has this type of investment income.

So the Montana Department of Revenue told me that just 400 households in Montana would receive an average benefit of $14,000 from the capital gains tax cut in 2009. Roughly, 90 percent of the households in Montana would get almost zero benefit from the capital gains cut. Ninety percent: almost zero benefit.

With these numbers, it is very hard for me to understand why this 2009 tax break is urgent, while Montana teachers and families with kids in college who lost their tax break last December must wait for the next rescue boat, whenever it may or may not occur.

Of course, I am very pleased that protection is in the bill from the alternative minimum tax. I am pleased that conferees included the full Senate-passed version.

Some may recall, it was a struggle to get that in the Senate-passed version last November. The original version, and the version that came out of committee, did not include a full hold harmless from the alternative minimum tax. Those versions would have left 600,000 more families paying that tax. We fought to improve the Senate bill to be a true hold harmless. And we succeeded in doing so before the bill finally left the Senate. That version is retained today. This protection from the alternative minimum tax will protect almost 17 million families across our country, including about 45,000 in Montana. The Montana tax collector tells me that AMT protection will help about a quarter of all households in Montana with incomes between $45,000 and $80,000. That group might have otherwise seen an average tax increase of $1,700.

Unfortunately, there is little else in this bill to be proud of. Working families have been left behind. Congress has chosen ideological wants over America's needs.

The Senate-passed bill did the tax business the Congress needed to do this year. I am proud of that bill. In contrast, the bill before us leaves much work undone. As a result, the deficit will probably be larger because the conferees made the choices they did.

I will have more to say about the fiscal effects of this bill. In the end, those effects may be the real iceberg. The fiscal effects of this policy may be the real disaster. Madam President, I urge my colleagues to reject the choice made by this conference. I urge my colleagues to vote against leaving those families and teachers and workers behind. I urge my colleagues to reject this disastrous bill.

One other point, Madam President, is this: The conferees had a choice. Basically, we did one thing we had to do. I should not say ''we'' because I was not on the conference. I was not allowed to be a member of the conference. But while the conferees did do something that was good—that is, make sure the taxpayers do not have to pay the alternative minimum tax—they had another choice, and the choice basically is this: Do they enact a tax break that does not take effect until 2009, for investors, or do they include provisions such as the research and development tax credit, the WOTC, the work opportunity tax credit, the tuition tax deduction, and the teachers deduction, which expired last year? Do they enact those and extend those for this year so people will still know research and development is important this year?

Again, the choice is: On the one hand, enact a provision that does not take effect until 2009 for investors or, instead of doing that, because that can be postponed for a couple years—we are not yet in 2009—extend the provisions which expired last year. These are provisions that American business and industry and innovators are desperately depending on—that is, the research and experimentation tax credit—to help America be competitive in the world. Or they could have included provisions that parents paying for college tuition can count on, teachers can count on for the supplies and so forth. All of these expired last year.

So again, the choice is: a 2009 tax break or help maintain those provisions which expired last year. That is basically what all this comes down to. That is the choice that was before the conferees. And the conferees chose the former, the 2009 extension—it does not take effect for a few more years—for the most well-off, at the expense of American businesses, their companies, and universities that are so depending on the research and experimentation tax credit. And, at the expense of teachers who so clearly today depend upon that little extra help for classroom supplies, at the expense of kids and families who so need that tuition deduction.

That was the choice that was made. And the choice, as I said, was ideological wants of a few at the expense of America's needs. That is basically what is before us today. That is why I think it makes sense not to adopt this conference report.

Madam President, our country is in a battle. It is a competitive battle with the rest of the world—China, India, Eastern European countries. There are so many countries that are so excited about their future, and they are trying to increase their economic position. I take my hat off to them. They are trying very hard, and they are doing a great job. Certainly, businesses in China and India are.

We have to meet that challenge. And it is a great opportunity for us. But to meet that challenge, we have to start today thinking strategically, thinking longer term. What does that mean? That means much more attention on education, a lot more attention on education, so we have the best and the brightest in America who can design the products we can utilize here, with high-paying jobs here, and export those products overseas.

Also, there is so much we have to do. We have to stop thinking short term in this country, in this Congress, in this administration and start laying the foundation for the long term.

Now, some will say: Well, we need, in 2009, to extend, for 2 more years, the dividend and capital gains tax cut because that is good for America. I have to say, I have lots of arguments and statements by very reputable people who say that is not the case. Let me refer to a couple of them.

Let's take the Federal Reserve. Let's talk about the stock market. Federal Reserve economists recently compared key U.S. stocks, which would benefit from the 2003 tax cuts, to other investments, which would not. What did they conclude? What did Federal Reserve economists conclude:

> We fail to find much, if any, imprint of the dividend tax cut news on the value of the aggregate stock market.

That is the conclusion of Federal Reserve economists. The Congressional Research Service agrees. What do they say?

> Any stock market effects represent temporary windfalls to holders of current stocks and are simply a manifestation of the income effects of the tax cuts; these wealth effects should not be considered as an additional stimulus. . . . Recent studies finding that dividends had increased substantially have been used to argue that the tax cut induced private savings. This evidence does not appear robust. . . .

There are lots of comments—lots. And I might say: Why is the economy doing pretty well today? The proponents of this conference report would like to say: Oh, it is because of the other tax cuts. The stock market went up dramatically more before those tax cuts went into effect. And since those tax cuts went into effect, the stock market has not done so well.

I might also point out that the economy is doing well now. Why? Read this morning's paper. There was a big, long article asking: Why is the economy doing so well? And what does this morning's paper say? What are the conclusions, basically? It is because of strong, aggregate demand—where? China, India—for commodities, for oil, for gas, for coal, for uranium. That is what I think has kept basically demand strong. It is, also, frankly, a major propellant for the economy today. It is not the dividends and capital gains tax cut. That is a ruse. I am not going to go into it any more than that because I know subsequent speakers will have a blizzard of statistics to argue the opposite.

It kind of gets me to another point. When the rooster crows, does that cause the Sun to come up? Does it? I don't think so. Did the dividend and capital gains tax cuts cause the great economy we have? Not necessarily.

You have to ask yourself what is the real cause. The real cause is the underlying demand from other countries which are buying so many commodities. That is one reason why the price of oil is so high today, and that is what is causing the market to go up. That is what is causing the economy to be strong.

We have to ask ourselves: That is today; what about tomorrow? What about next year, 2 or 3 years from now? These tax breaks are also going to make the deficit and debt much worse. We want to be strong tomorrow. By tomorrow, I mean the next few months, the next, couple 3 years. We want the stock market to be high during that period. We want demand and wages to be high.

That will happen the more we focus on the basics today. The basics again are education, research, and development so that we start strategically to plan for our kids and grandkids. The conference report before us decides against that. This report says: No, forget the basics. Forget teachers, forget research and development. Even though those provisions expired last year, we won't do anything about them. Rather, we are going to pass this provision which costs so much money in this budget and doesn't take effect for 3 more years. That is not a choice most Americans would want us to make.

I notice Senators BINGAMAN and DODD have been waiting to address the Senate. I would like to inquire through the Chair whether the Republican side has a speaker who wishes to speak. If not, I yield 10 minutes to Senator BINGAMAN, to be followed by 15 minutes to Senator DODD. I ask unanimous consent for that. That is 10 minutes to Senator BINGAMAN and 15 minutes to Senator DODD.

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

The Senator from New Mexico.

Mr. BINGAMAN. Madam President, I thank my colleague, Senator BAUCUS, for his leadership and for yielding me time to make a few points. I know my colleague from Connecticut is here, ready to make some additional points. I will try to be brief.

I wanted to point out some of the reasons why I am strongly opposed to this reconciliation bill. I don't think it is responsible for us go forward with debt financing of another tax cut for the wealthiest while, as I see it, we are ignoring the need to reduce the deficit. We are ignoring many of the country's other needs. We are not following through on earlier efforts we made to create an energy plan for the country. I want to focus on that since I have been involved in some of the legislation that put that plan in place.

A few weeks ago, the majority held a press conference announcing a variety of initiatives to deal with our energy problems. One of them, of course, was to have a $100 check that would be sent to each taxpayer. The public reaction was pretty swift. It was pretty clear that the public thought this was a gimmick. They thought this was irresponsible, particularly given the size of the deficit. The majority essentially decided, then, that that was not a part of their energy plan with which they wanted to proceed.

Now they are bringing to the floor a tax bill which does virtually nothing for most of these people who previously were in line to get the $100 tax rebate. The question is probably coming back to some of these people now that if we can afford to give the kind of tax relief that is provided for in this bill to those who are better off, those who are wealthier, maybe we should go ahead and send $100 to everyone, sort of as a consolation prize, so that they, too, can participate in this tax-cutting effort. We ought to think of this in the context of what we have been doing in the last few weeks around here.

It is estimated that in my State of New Mexico, there are about 18 percent who will, in fact, receive any benefit at all from the reconciliation bill before the Senate. If we look specifically at the bottom 60 percent of working New Mexico families, their average tax cut is $15. In contrast, the top 5 percent in my State would get 64 percent of the tax cut. This is at a time when the price of gasoline is very high, the price of educating a family's children is very high, and when the price of health care is extremely high. Obviously, there is a ring of unfairness about the allocation of these tax benefits which strikes everybody.

I wanted to talk a minute about the provisions related to energy. An important part of the Energy bill we passed last year was to provide tax incentives that would move us away from dependence on foreign oil. We passed a variety of those. Let me put up a chart that lists a few. Of course, there was an R&D tax credit which has already expired. There was an electricity from alternative fuels tax credit. There was a home energy efficiency tax credit, where you would get a credit if you wanted to put a solar heating system on your house, for example. There was a credit for fuel cells for microturbines, an electric car tax credit, clean renewable energy bonds, a hybrid vehicle credit. We put a lot of those in the law. Unfortunately, because of the fiscal situation of the country, we said: They are going to expire at the end of 2007.

That date is approaching. Frankly, the way we wrote it, we said: You cannot get the tax credit we are writing into law unless you have put your project, you have built it and put it into service prior to the expiration of the tax credit. Well, the expiration of the tax credit is about 18 to 19 months away. A lot of people are beginning to say: Wait a minute. Let's hold off on any additional investment in alternative energy. We can't proceed with the wind farm, the solar power installation because these tax credits are going away.

We ought to be addressing that. Instead, we are saying: Let's add a couple years, out to 2011, to the tax provisions that assist the most wealthy. That is misplaced priorities.

It is important that the Congress try to follow through on what we did last year. We have a very short attention span in the Congress. Two weeks ago, everyone was holding press conferences about how we are going to solve our energy problems. Here we are now, using up any ability we have to extend the tax credits that were part of the solution to our energy problem down the road. We need to think about that, and I hope we will.

Let me talk about one other issue that I believe is so egregious, it needs to be focused on before the vote on this conference report. This came to my attention, quite frankly, when I was getting a cup of coffee this morning. I said good morning to one of the people who works in one of our offices here, a friend of mine. And she said: Good morning. Another beautiful day in the land of make believe.

I thought, that sounds right. And I started questioning, as I was going back to my office, exactly why we all agree that this is the land of make believe, this Congress, this Capitol Hill is the land of make believe. Then it became clear to me when I focused on this provision. Under current rules in the Senate, we can't consider this bill as a reconciliation bill under special procedures, if it, in fact, would make the deficit worse outside the budget window. That means after 2010, outside the 5-year period. It is clear to everyone who is willing to look at it that this bill does add to the deficit after 2010. But the folks who put this bill together have found a very ingenious offset which they claim will allow them to extend these tax cuts for the wealthiest without, in fact, adding to that deficit outside the budget window.

You ask: What is that ingenious offset? The ingenious offset is a provision that allows couples with incomes over $160,000 to convert their individual retirement accounts from regular conventional accounts into Roth IRAs and pay whatever tax is due in accomplishing that which would be some tax. Of course, once they have made that conversion from the IRA to the Roth IRA, then they have paid any tax that is due, and any future earnings on those funds is protected from any future obligation. That is why, when we wrote the Roth IRA into law, we made provision and said: We are only going to give this kind of a tax benefit to people whose incomes are not too high. If a couple has over $160,000 in income, they are not eligible for a Roth IRA. That was what we determined. We said: Of course, you can't convert a regular IRA into a Roth IRA if your income is too high.

In this bill we are saying that is no longer the case. In this bill we are saying: If you are Bill Gates or Warren Buffett or whoever you are, if you have

a regular IRA, you are welcome to and encouraged to convert it into a Roth IRA, pay whatever tax is due. And then, of course, from then on there is no tax due. Why would we stick this in? This is another tax break for the wealthiest. Why would we stick this in? We stick it in because it results in some additional revenue coming into the Federal treasury over the first 3 years that it is in effect. So while people are making these conversions and paying the tax they have to to make those conversions, the Treasury is earning money. And we can use that money to offset the large deficit increase that otherwise would be occurring after this budgetary window, so to speak.

Of course, after the Federal Treasury receives that revenue for 3 years, it starts losing revenue because of this very provision. As our Vice President would say: It loses revenue big time after that. So we will lose $4.5 billion in revenue over the 10-year period and substantially more in the future after that. So who benefits from this offset provision that was put into this conference report? I will tell you who benefits from it: 99.4 percent of the benefit goes to the top quintile of income.

The PRESIDING OFFICER (Mr. ENSIGN). The Senator has used the 10 minutes that was yielded to him.

Mr. BINGAMAN. I ask unanimous consent for 1 additional minute.

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

Mr. BINGAMAN. Let me conclude by saying that there are many reasons why people should vote against this reconciliation bill. It is bad fiscal policy. It is bad priorities as far as what extensions we ought to be focused on at this time, if we can afford extensions. It also has in it some of these provisions that are bad policy and egregious in the effect they have. I hope my colleagues will reject the bill when it does come to final vote.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Connecticut is recognized for 15 minutes.

Mr. DODD. Mr. President, I begin by thanking my friend and colleague from Iowa, chairman of the Finance Committee, and the Senator from Montana for the hard work they and their staffs put in on this legislation. These are not easy bills to deal with, either in this Chamber or the other. And getting through conference always poses a trying time for everyone. Regardless of what positions we take on the final product they present to us, we have a great deal of respect for the work they do. I commend my colleague from New Mexico, as well, for his fine comments this morning regarding this legislation.

It is sort of a nasty day in Washington weather-wise. I was noticing this morning a lot of our constituents from around the country are in the building to see their Nation's Capitol. We have a lot of students, a lot of people with families, and graduating classes that have come to Washington. I was trying to think how I might explain to these younger people, if asked—and I will be meeting with various student groups from my State of Connecticut later today—the $8.4 trillion in our Nation's debt.

What is $8.4 trillion? That is a big number. That is the size of our national debt as we gather here this day in May of 2006. The way I thought I could possibly explain it would be like this: Since they are in this building today, if these students would stand on the steps of the Capitol and hand out one-hundred-dollar bills, a one-hundred-dollar bill every single second, 24 hours a day, 7 days a week, for the next 2,635 years, you would equal $8.4 trillion—a one-hundred-dollar bill every second, 24 hours a day, 7 days a week, for the next 2,600 years. That is the level the debt has reached in the last 5 years under this administration and in this Congress. That is a staggering amount of money.

So when somebody says to you: What is $8.4 trillion, explain it to them in simple terms. I will hand out a one-hundred-dollar-bill every second for the next 2,600 years, every single day of the week, every minute of the day, and that is the national debt.

Now we are about to add $70 billion to that without paying for it. And the benefits don't even go to the average citizen. Quite frankly, very few of them get much at all. In fact, the middle 20 percent of income earners will get an average tax benefit of only $20. That doesn't even fill a car's gas tank today. Go to your local gas station and try to put $20 worth of gas in your car and find out how much you get. That is your tax break.

If you fall into the $35,000-to-$65,000 range of income, that is what you get out of this bill. So the benefits are very small and we're not paying for the bill, so it adds to the deficit and the national debt—which is already staggeringly high. Frankly, we are disregarding very important priorities that we ought to be considering. With all due respect—and I know the managers tried their darnedest to get a better bill, and I know both of the gentlemen—this bill should be rejected. I don't know how we go back to our constituencies and explain that the fiscal irresponsibility of this Congress and this administration should dictate that we ought to allow our national debt to grow to the extent that it is growing.

So my hope is that when the vote occurs, our colleagues, Democrats and Republicans, would say no to this; that we should go back and try again. This is not a good bill, and it will do a great disservice to our country.

What are we going to use the money for? Where is it going? We intend to use this money—this $70 billion that we are going to put on a credit card—by the way, of that $8.4 trillion, who do you think holds about a quarter of that mortgage? It is not held in America; $2 trillion of that debt is being held offshore in some countries that don't necessarily have the best interests of our country at heart. They are holding that mortgage, and we are going to give them $70 billion more, more than likely, or a good part of it, to be held offshore.

We have young men and women serving in uniform in Iraq and Afghanistan who are putting their lives on the line. Are we going to pay for that? Of course not. Are we providing for the veterans who have come home who we know need significant help in health care? No. Are we going to invest in education? How many times do you have to read that we need to do a better job in education in our country if America is going to be able to compete in the 21st century? But no. Research and development? No. How about alternative fuels so that we are less dependent on foreign sources of energy? No. Or infrastructure? There is not a person anywhere who won't warn you that our roads, highways, sewage systems, and water systems are collapsing in many places, and we are doing nothing about replacing or maintaining them. None of this bill goes for that at all.

Under this bill, mainstream Americans—the middle 20 percent of income earners—will get an average tax cut of $20. I suspect that a lot of the people we saw arriving in our Nation's Capitol, walking the halls, would fall into that category. They are going to get about a $20 break in this bill. I won't go down this complete chart. But if you make less than $10,000, of course, you get no tax break. If you make $10,000 to $20,000, you get $2. If you are in the $20,000 to $30,000 category, you get $9. If you make $30,000 to $40,000, you get $16 in a tax break in this bill. If you make $40,000 to $50,000, you get $46. If you are in the $50,000 to $75,000 range, it is $110. I will jump ahead. If you are in the two-tenths of 1 percent of the population of this country that makes more than $1 million, you get a $41,977 tax break.

I don't agree with some of my colleagues and others who talk about a sort of class warfare, pitting those in the middle against those who make a lot of the money. I represent one of the most affluent States in the country on a per capita income basis. Connecticut is always listed near the top on per capita income. I have a sizable part of my constituency that do well financially and would benefit under this bill. As I stand here today, I will tell you that the majority of those people who do well in my State think this bill is a bad idea. They are not calling and writing and e-mailing and demanding that this bill be signed into law. They understand fiscal responsibility. They think it is a mistake for us to go deeper and deeper into debt, and to deliver little or no benefit for anyone other than those with incomes of over $1 million.

There are 146,000 people in this country in the top one-tenth of one percent

of income earners, who make more than $5 million a year on average. They get an $82,000 tax break under this bill; 146,000 people get an $82,000 tax break. How many of those people do you think actually need that tax break to make the kind of investments that the supporters of the bill envision? A tiny fraction, if any, would admit that this bill has any merit when it comes to growing our economy. I do know that a small percentage of our population gets a windfall here. The average citizen gets little or nothing.

We are not making the kinds of investments in our country that we ought to be making, and we are going deeper and deeper into debt. We in this generation are going to have an awful lot of explaining to do to coming generations, as to why we left such a mess on their doorstep as we go off into retirement and they are left trying to figure out how to pay these bills.

My colleague from North Dakota, and others, when we considered the bill on the floor, offered amendments to pay for these provisions. We lost them on party-line votes, pretty much. If you want to have a $70 billion tax break, pay for it, we said, but we lost. Pay-as-you-go proposals were made on this side of the aisle. They were rejected by the other side. Of course, we come back from the conference report with the House and the bill gets even worse.

Let me you show what happened. Senator BINGAMAN of New Mexico did this eloquently. Let me explain it again because it shows you the sort of fantasy world in which people are living. We have all kinds of priorities we need to address in the tax code, some of which were part of this bill when it went over from the Senate—provisions that provided for research and development tax incentives, electricity from cleaner fuels, energy-efficient home tax credits, solar investment, electric car credits, and so forth—reflecting what we are hearing from constituents: Do something about the dependency on foreign oil and the rising price of gasoline. That is what our constituents are asking us to do for the future. But we go to a conference and come back and we dump provisions like the R&D tax credit from the bill and fail to address the pressing energy issues. This bill addresses none of those priorities. Under previous legislation, we've taken care of estate tax relief and top marginal tax relief up until 2010. And now in this bill, we have, of course, capital gains and dividend tax relief in this bill, which have 2 more years on them. They are not going out of date in the next few months, or even the next year. Why not wait and see whether you really think you need to extend them further? Instead, we dump the very provisions to which the American people think we ought to pay attention, not to mention putting non-pressing capital gains and dividends tax benefits ahead of all these other items I talked about that the American people think are important.

So the R&D tax credit is gone. A chance to address the Alternative Minimum Tax for a more meaningful length of time is gone. How about the provisions for kids in college that allow their parents a deduction for tuition expenses? That got dropped from the bill. How many Americans would like tax relief when they are looking at the rising cost of a college education? It is very important to us as a country that those of you in the middle-income category in this country can afford to send your kids to college. We provided for that in the bill, and it got dumped in order to take care of the top two-tenths of 1 percent of income earners. Those were some of the ideas that we thought were important to send over to the other body.

As I mentioned, my colleague from North Dakota offered the amendment that would have paid for these tax cuts, but it was rejected.

Mr. President, I find this terribly disappointing. I wonder if anyone is listening at all. I am not suggesting that all of the wisdom in the world resides in one corner of this Chamber or the other. But I don't know how, when the debt is mounting at the rate it is, with debt being held offshore by countries who don't necessarily have our interests at heart, we are not investing in things that we ought to be investing in to make our country better prepared for the 21st century; how we are squandering our ability to prepare for the great challenges we will face economically in the 21st century. In the midst of all of that, we turn around and take up a tax bill costing $70 billion, which is unpaid for, the overwhelming majority of which goes to those who, frankly, don't need it or want it. And we do this at the expense of everything else we should be doing in our country.

Again, we are adding to that $8.4 trillion in debt. When you want to explain it back home, just say if you give away a one-hundred-dollar bill every second of every day for 2,600 years, you will get that number. How do you explain that in 5 years we have accumulated so large a portion of that debt, yet we are adding to it today with this irresponsible piece of legislation?

I urge my colleagues to reject this conference report when we have a vote later today.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, first, I will respond to some of the things that Senator BAUCUS brought up in his opening statement. He complimented me in our working through this, and I always have a good working relationship with Senator BAUCUS. And 90 percent of the time, or maybe more, he and I are on the same side of the fence. I remind people in the Senate that on three occasions, in November and January and February, we were on the same side of the fence on this issue.

The difference between us now is related to the extension of the capital gains and dividend tax credit that was not in the Senate bill at that particular time. And since it is not in the conference report, that is one of the reasons he and I are on separate sides of the fence.

I will respond to some of the points he made on extenders because they are not in the conference report. Senator BAUCUS's criticism is right that they are not in this bill. They are, however, covered in a collateral agreement between tax-writing committees and congressional leadership. And on a document basis for my saying that we will be dealing with those, even though they are not in the conference report, I ask unanimous consent to have printed in the RECORD a joint statement on a collateral extenders agreement, that they will be in a follow-on piece of legislation that ought to be before the Senate very quickly. These are not in dispute between the House and Senate. This is a product under negotiation, but these issues are no longer under negotiation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Hon. CHUCK GRASSLEY,
Chairman,
Committee on Finance.

Today a majority of conferees signed the conference report on H.R. 4297, the Tax Increase Prevention and Reconciliation Act of 2005, and filed it with the House floor. Sen. Chuck Grassley, chairman of the Committee on Finance, and chairman of the conference committee, made the following comment on the conference report. A detailed summary of the conference agreement follows.

STATEMENT OF CHAIRMAN CHUCK GRASSLEY, SENATE COMMITTEE ON FINANCE

CONFERENCE REPORT ON H.R. 4297, THE TAX INCREASE PREVENTION AND RECONCILIATION ACT OF 2005, TUESDAY, MAY 9, 2006

The tax relief laws extended in this conference report are working to strengthen the economy and protect millions of families from footing a higher tax bill because of the Alternative Minimum Tax. Rolling back these widely-applicable tax relief measurea would hurt the economy and mean less take-home pay for hard-working taxpayers. By acting on this tax reconciliation conference report, Congress will assist small businesses, encourage the kind of investment that creates jobs and makes our economy grow, and ensure more fair tax treatment for middle-income families who would otherwise be left to pay a tax intended for wealthy individuals. Ultimately, these temporary fixes need to become permanent law if Congress is serious about promoting economic growth and tax fairness.

In addition to the tax reconciliation conference report, Chairman Thomas and I have an understanding about how other expiring tax provisions will be extended in a second tax bill, including relief for college students paying tuition, teachers buying supplies for their classrooms, and the research and development of innovative ideas that benefit our society. The items in this second tax relief bill reflect additional tax policy priorities for both Republicans and Democrats in Congress, and I look forward to congressional action on the legislation as soon as possible.

Mr. GRASSLEY. Mr. President, on Senator BAUCUS's criticism of the charts that I used, let me say that the

charts reflect the data of the Committee on Joint Taxation. I explained how the Committee on Joint Taxation is a professional group, not a Republican group or a Democrat group. They are paid by the taxpayers of this country to be experts on tax policy. I challenge many of my critics, and the sympathetic ears that these critics have in the east coast media, to also use the joint tax data because in a lot of the presentations already, and today, we are going to hear statistics that don't come from the green eyeshade people who have no political ax to grind in the Joint Tax Committee but, quite frankly, come from liberal think tanks who do have a political ax to grind.

I ask Democrats to use Joint Tax Committee data. I think my friends on the other side have an issue with the perspective of the charts. The charts I used earlier take into account the tax savings taxpayers enjoy relative to their tax burden. Democrats tend to look only at the tax benefit. They ignore the taxes people pay. That is where there is a very real difference. It is philosophical. The charts I used are accurate.

On the number of taxpayers by State, the source is the Internal Revenue Service, not a conservative or liberal think tank.

Finally, on the need to do an extension now, just ask folks in the market whether this decision to extend the capital gains and dividend tax provisions ought to be done now or in the year 2008. We hear that it is very important to have a long-term tax policy if you are going to encourage investment, and that is why we are extending this now at this particular time.

I would also like to refer to some comments that were made by the Senator from New Mexico. He spoke about the impact of one of our offsets for policy long term, speaking about the Roth IRA being the wrong kind of policy to put in this bill.

It is interesting to hear my friends on the other side criticize the Roth IRA conversion provisions in the conference report. One would be led to believe that this protaxpayer provision is somehow an evil Republican idea that the Democrats have never seen before. But I am afraid that my friends on the other side of the aisle have a short-term memory. They are giving this Finance Committee chairman and my Republican colleagues too much credit.

I wish I could take credit for what is called the Roth IRA. Maybe it could be called the Grassley IRA. But I can't. There is another Finance Committee chairman, not a Republican, who first laid out the exact IRA conversion proposal that is in the conference report we are going to vote on today.

Way back in 1991, there was a chairman of the Finance Committee, a famous Senator from Texas, by the name of Lloyd Bentsen. He introduced the identical provision as part of what they called the Tax Fairness and Savings Incentive Act of 1991. If the Roth IRA—later named the Roth IRA—was tax fairness in 1991 when the Democrats wrote it, it is tax fairness in 2006 as it comes back in a conference report.

Chairman Bentsen's bill would have allowed all taxpayers, regardless of income, to convert amounts from traditional IRAs into the new Roth-styled IRA account that he also proposed. In fact, the only difference between Democratic Chairman Bentsen's original proposal and the provision in the conference report is Chairman Bentsen's bill would have given taxpayers 4 years to pay tax on converted amounts compared to the shorter 2-year period under the provisions in this conference report.

But some may ask: Was Chairman Bentsen just a lone Democratic voice in the wilderness on this issue without support from fellow Democrats at that time in 1991? Not surprising to those of us who had the honor of serving with Senator Bentsen, it wasn't just his idea. His bill was introduced with 13 Democrats as original cosponsors, and it has a prominent list of Democratic cosponsors, many of whom are still serving with us in the Senate today. In fact, I can point to my good friend from Montana, Senator BAUCUS, as one of the original cosponsors of Chairman Bentsen's bill. Let me name some others: AKAKA, DODD, INOUYE, LIEBERMAN, MIKULSKI, and Senator PRYOR's father was also an original cosponsor. So this is not a new idea, nor is it a Republican idea. It is an idea which has had bipartisan support in the Finance Committee and the Senate for the past 15 years, ever since Chairman Bentsen first proposed it. Indeed, the Bentsen bill was just the beginning of a long bipartisan history of this provision. So why today is there not bipartisanship on this issue?

In the next Congress, after Senator Bentsen became Treasury Secretary under President Clinton, the bill was introduced. Senator Roth—who would, of course, later become Finance Committee chairman—introduced Senator Bentsen's former bill, including the proposal that would become known as the Roth IRA conversion proposal. Senator Roth introduced this bill with a bipartisan list of 57 original cosponsors, 24 of whom were Democrats.

In the next Congress, Senator Roth reintroduced his bipartisan legislation with 52 cosponsors, and 18 Democrats were cosponsors of that bill, including Minority Leader REID and Senator KERRY. It was a good proposal for the Democrats then. So why is it not a good proposal today?

Democrats say they are concerned about the budget deficit, but we all know our deficit was much larger as a percentage of GDP in the early 1990s than it is today. The real question is, Do my Democratic friends really oppose this protaxpayer provision that merely creates a level playing field when it comes to access to retirement plans or do they only have this objection because the provision is part of a progrowth tax relief bill that the Democratic leadership has decided to oppose today?

The bipartisan history of this concept didn't stop when Democratic Chairman Bentsen became Secretary of the Treasury. Roth IRAs became law in the Tax Relief Act of 1997. The Senate version of that legislation allowed all taxpayers to convert traditional IRAs to Roth IRAs, the same as the conference report before us this very day.

That bill passed the Senate—now listen, that bill passed the Senate. The exact thing we are doing today passed the Senate by an overwhelming 80-to-18 bipartisan vote.

When an income limit was placed on Roth IRA conversions during the conference negotiations in the 1997 act, the Senate came back the very next year in the IRS Restructuring and Reform Act and again showed bipartisan support for expanding the eligibility for Roth IRA conversions. Expanded Roth IRA conversion eligibility was part of the Senate bill which passed unanimously 97 to 0. So obviously Democrats voted for it then. It was also included in the final conference report which passed the Senate 96 to 2.

I hope this makes it very clear that this isn't a provision which came out of thin air. This isn't a Republican proposal. This isn't a budget gimmick. This is a provision which Democrats have long supported. This is a provision which was proposed by a Democratic chairman of this committee. This is a bipartisan provision. And most importantly, it is a good provision. Good policy makes good politics. It is a protaxpayer provision. This is a provision which means all Americans have access to the same retirement plans. This is a provision which brings in real revenue to the Federal Government. This is a provision which will increase tax compliance in an area in which there is much room for improvement. This is a provision which rewards those who work hard, pay their taxes, and do what we need to do more of: save for retirement. That is why it has such a long history of bipartisan support. It also is why it is a very good part of this conference report.

I would think people on the other side of the aisle would be ashamed of damaging the very good image Senator Bentsen had as a U.S. Senator, as a Democrat, as chairman of the Finance Committee. Why don't they honor his reputation as a Senator and vote for provisions he had that are in this conference report rather than being so partisan?

Mr. President, my friend from Montana referred to a report published by Federal Reserve staff, and I would like to make a few comments on that.

The report compares U.S. and European stock values during brief periods of time before and after the lower rates were announced in late 2002 and enacted in 2003. Since U.S. and European stock values moved together, the report concludes that the lower rates had

no effect on the aggregate market value of U.S. stocks.

The report was written by members of the Federal Reserve staff. It does not represent the views of the Federal Reserve itself. In fact, Chairman Alan Greenspan has repeatedly testified before the Congress that lower rates on dividends and capital gains represents good tax policy, and Ben Bernanke has cautioned that not extending the rates soon could negatively impact the economy.

I am not an economist, but it seems to me that the analysis of these Fed staffers is overly simplistic for at least four reasons:

First, the analysis covers a very short period of time—2 months surrounding the President's proposal in January 2003 and 4 months surrounding enactment of the reduced rates in May 2003. Looking at such a short period of time, the Fed staffers only tried to determine if the news of the tax cut had an effect on the U.S. market. Now, I am a believer in the efficient capital markets theory to some degree, but it can't be that simple. Surely, the broader, longer term benefits of these lower rates on the economy should be considered more than simply the news of their enactment.

Second, the analysis essentially assumes away all other factors during that short period of time could affect U.S. markets and European markets differently. It is hard for me to understand how this assumption could be valid. If that was true, then why would anyone consider investing in European stocks as a diversification strategy?

There is a multitude of factors that would seem to affect the U.S. and European markets differently, given how complex the U.S. and European economies are. The Wall Street Journal article that described this report noted a few things that ''might have contributed to a rise in European stocks or a drop in the U.S. market during the review periods'':

In the U.S., some companies reported weaker than expected earnings, while some European firms reported strong earnings;

There was a terrorist bombing in Saudi Arabia that ''rattled'' the U.S. market;

There were concerns about the weak dollar.

Third, the analysis assumes that the impending war in Iraq would affect U.S. and European stocks equally. Again, I am not an economist, but I find this assumption hard to believe.

Fourth, the Fed staffers' analysis does nothing to convince me that taxing something less doesn't make it worth more. It is common sense that people value assets based on how much those assets put in their pockets on an after-tax basis. So if the Government taxes certain investments less, it makes those investments worth more, relative to other investments. Of course, there are many other factors besides tax policy that affect investment value. But we should do what we can in terms of tax policy to promote economic growth.

The Wall Street article concludes with a quote from Michael Thompson, director of research at Thomson Financial, that ''attributing stock market gains to one isolated factor risks being 'intellectually dishonest' ''. It would be just as intellectually dishonest to point at this simplistic study as a reason to raise taxes on dividends and capital gains.

Mr. President, my friend from Montana criticized the charts I showed earlier that showed how lower income taxpayers, relative to their tax burden, have more at risk than higher income taxpayers. In light of Senator BAUCUS' criticism of those charts, I want to go into detail regarding how the statistics were calculated by my Finance Committee staff.

To get a clear picture of the relative benefits of this tax policy, I have taken another step in the distributional analysis.

I looked at the size of the tax benefits in relation to the total tax liabilities that these taxpayers bear.

The results of this analysis show that, among taxpayers who benefit from this tax policy, those with less than $50,000 of AGI benefit more from this tax policy, especially when the lower income tax rate drops from 5 percent to zero percent.

According to the JCT data, 6.3 million tax returns with adjusted gross income of less than $50,000 benefited from the reduced tax rates on dividends.

The aggregate total income tax liability of these taxpayers was $12.4 billion, which is an average of $1,968 per tax return.

In 2005, the lower tax rates on dividends saved these taxpayers $600 million in the aggregate at an average of $95 per return.

In 2008, if we assume the same data, the elimination of dividend taxes for lower income families will save them an additional $350 million, which is an average of $56 per return.

In total, this tax policy will save $950 million, or an average of $151 per tax return.

That produces a savings of 7.6 percent for these taxpayers.

Tax returns with more than $200,000 in adjusted gross income would save $6.5 billion in the aggregate, or an average of $2,964.

These numbers, of course, are much bigger than the savings numbers for the less than $50,000 of AGI category. But these numbers represent only 2.2 percent of this group's total tax liability.

The estimates for capital gains show that 3.6 million tax returns with under $50,000 of AGI will report a savings of $680 million from lower tax rates on capital gains, or an average of $189 each, producing a 10.2-percent tax savings.

Those with $200,000 or more in AGI will save $13.7 billion in the aggregate or $11,421 each on average. To be sure, these dollar numbers are much higher than the less than $50,000 group, but as a percentage of total tax liability, it is only 7.6 percent, lower than the savings of the less than $50,000 group.

And what about seniors?

2.4 million tax returns filed by seniors with adjusted gross income of less than $50,000 benefited from the reduced tax rates on dividends.

The aggregate total income tax liability of these taxpayers was $4.4 billion, which is an average of $1,833 per tax return.

In 2005, the lower tax rates on dividends saved these seniors $500 million in the aggregate at an average of $208 per return.

In 2008, if we assume the same data, the elimination of dividend taxes for lower income seniors will save them an additional $250 million, which is an average of $104 per return.

In total, this tax policy will save seniors $750 million or an average of $312 per tax return.

That produces a savings of 17.1 percent for these taxpayers.

Four hundred thousand tax returns for seniors with more than $200,000 in adjusted gross income would save

$2.7 billion in the aggregate, or an average of $6,775 each, representing a 5.7-percent savings.

The estimates for capital gains show that 1.5 million tax returns will be filed by seniors with under $50,000 of AGI, reporting a savings of $305 million from lower tax rates on capital gains or an average of $204, producing a 13.2-percent tax saving.

Seniors with $200,000 or more in AGI will save almost 3.8 billion in the aggregate or $12,633 on average representing a 10-percent savings.

Now, I have a couple charts that summarize the tax savings as a percentage of total income tax liability across AGI levels.

This chart illustrates the relative savings from reduced dividend taxes across AGI levels.

Opponents of this policy want to persecute these taxpayers by taking back their 2.2 percent savings.

But at the same time they will punish these taxpayers by taking away their 7.6 percent savings.

And they will punish these seniors by taking away their 17.1 percent savings.

This chart illustrates the relative savings from reduced capital gains taxes across AGI levels.

Opponents of this policy want to persecute these taxpayers by taking back their 7.6 percent savings.

But at the same time they will punish these taxpayers by taking away their 10.2 percent savings.

And they will punish these seniors by taking away their 13.2 percent savings.

As this data shows, the tax policy enacted by Congress in 2003 to lower taxes on dividends and capital gains has provided meaningful benefits to taxpayers across the income spectrum, not just the rich.

In fact, lower income taxpayers will save more than higher income taxpayers when measured as a percentage of total tax liability.

These lower rates have allowed millions of taxpayers to keep more money in their pockets to spend or add to their savings through reinvestment in the economy, rather than give it to the Federal Government to spend.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. DEMINT. Mr. President, I am so appreciative of Senator GRASSLEY coming to the floor to set the record straight. It is so difficult to sit back in our offices and watch the debate and hear our Democratic colleagues distort so many facts. I would like to straighten out a little bit of the record myself. Unfortunately, the Wall Street Journal this week, along with a lot of other publications, has also tried to set the record straight.

I hear my Democratic colleagues saying the President and the tax package has been a great benefit to the wealthy and hurt the poor. But since the tax cuts of 2001 and 2003, the tax burden has actually shifted more to the wealthy. The percentage of Federal taxes paid by those with incomes of $200,000 and above has risen 40.5 percent to 46.6 percent. In fact, today, out of 100 Americans, the wealthiest 3 are now paying close to the same amount, about half of the total taxes as the other 97 Americans.

We have shifted the tax burden more to the wealthy. The richest income group pays the largest share of tax burden than at any time in the last 30 years, with the exception of the late 1990s. The record is clear.

The record is also clear that this tax package and economic growth package is not for the rich. It is for the people who need jobs in this country. It is for the little guys, the 5 million people who have gotten jobs because of our economic growth.

Those who say this tax cut is increasing the deficit need to look at the expanded tax revenues last month alone, the second highest tax revenue in history because of this economic boom.

Those who are focusing on this tax rescission package and saying we should not be keeping the tax rate the same low rate for capital gains and dividends need to know that half of Americans now own stocks. They are savers and investors. Our goal as a nation should be to try to make every American a saver and investor. In fact, if some of the Democrats had voted with us just a few weeks ago, we could have stopped spending the Social Security retirement funds of Americans and made every American a saver and investor. The number of people owning stocks in America has risen, more than doubled since 1983 when it was about 40 million, and now it is over 90 million, and we have seen incredible growth.

My colleagues also need to know the statistics of those who do own stock. They are not just rich Americans; they are retired Americans. They are people with incomes below $50,000, about a third of them below $50,000. So the facts just need to be straightened out.

I think we also need to take our Democratic colleagues to task on things they have said about this economic package and what the real facts are.

This chart shows a Democratic contention here that the Republican budget will undermine potential GDP and hurt economic growth. You can go back to 2001 when the first package passed and see the GDP growth consistent over the years. We can also go to a quote Democrats had on this floor which said: ''The President has put us on a fiscal course that means lower employment.'' Here we see from this chart that employment continues to go up in this country.

Let's put up a couple more charts quickly. The Democrats said the Republican budget will crowd out private sector investment. But since these tax cuts took effect, private sector investment has grown at one of the fastest rates in recent years.

Another quote from the Democrats: ''The Republican budget will raise equilibrium real estate rates.'' The interest rates have continued to fall with the housing boom across the country. Ownership has grown.

The facts are, frankly, indisputable. I agree with Senator GRASSLEY. It is a shame for folks to come down and distort the reality of what is happening and what we are doing to help the American people at every level. One out of every two households in America is earning stock, and allowing them to keep more of what they are earning through those stocks only makes common sense.

Mr. President, I yield to Senator LOTT, who I think would like to continue to set the record straight.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Mr. President, I ask unanimous consent to get an agreement for the lineup of speakers over the next several minutes. It has been cleared by both managers here in the Senate.

I ask unanimous consent that the next speakers come up in this order: Since Senator DEMINT has finished, next would be 5 minutes for Senator HUTCHISON, to be followed by 15 minutes for Senator SCHUMER, to be followed by 10 minutes for myself, followed by 15 minutes for Senator WYDEN after I finish speaking, and then Senator ENZI would come next, to be followed by Senator BOXER for 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LOTT. We did not indicate a time amount for Senator ENZI. We were not able to confirm exactly how much time he would need. I think part of it would depend on how the rest of the time goes.

Mr. President, on behalf of hard-working American people, I am pleased to rise today in support of picking up this very important Tax Increase Prevention Act. I have been looking forward to this for almost a year now, and finally we have reached the magic moment. I believe we are waiting for Senator HUTCHISON to arrive. While she is on her way, let me just put in the RECORD at this point the timeline of what has transpired.

First of all, the tax reconciliation legislation passed the Senate Finance Committee on November 15, 2005. The Senate then passed the tax reconciliation bill 64 to 33, a very strong bipartisan vote. On December 8, 2005, the House passed the bill 234 to 197.

Along the way, there were many hurdles thrown up, delays, and obstruction. In fact, instead of going to conference, because of the fact that the Senate had acted first, we actually had to bring it back to the floor of the Senate and go through the process again.

On February 2 of this year, 2006, the Senate repassed the tax reconciliation bill by a vote of 66 to 31, again bipartisan, actually an increased number. Then on February 14, the Senate completed action on the debate, 10 hours of motions to instruct conferees with a mini vote-arama. But we completed our work, and conferees were appointed on February 18. Now here we are with a conference report and a bill that clearly is needed to prevent a tax increase on working Americans.

I just wanted to get the timeline in the RECORD, and then I will have some further comments, following the next two speakers, about the substance. At this time, I believe we are lined up for Senator HUTCHISON for 5 minutes.

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mrs. HUTCHISON. Mr. President, I appreciate the opportunity to speak on this very important legislation. I thank Senator GRASSLEY and Senator BAUCUS for bringing us this bill. It was hard-fought. Tax cuts always are. There are always those who will say: Oh, this only helps the rich. There are always those who will say: This is going to increase the deficit. Let's talk about what this bill in fact does.

This is a bill which will continue the tax cuts we passed in 2001 and 2003, the tax cuts that have spurred the growth in our economy, that have created jobs, the tax cuts that caused the stock market to immediately turn from being stagnant or worse to being on the brink of record highs for the history of the stock market. If we don't pass the extensions that are in the bill before us today, it would be like telling Wall Street and telling the investors: We are going to increase your taxes; we are reserving that right. That would immediately put a freeze on this economy, and it would stop the incredible prosperity we are seeing in our economy today.

We can look at what has happened to our economy since September 11, 2001, when our tourism industry was severely impacted and our entire airline

industry was shut down. Commerce was affected. We had a huge hit to our economy in 2001. Then we have had the war on terror, trying to keep terrorists who attacked our country in 2001 from being able to come back and hurt Americans again, and that has caused us to have to spend billions of dollars more. Then we were hit with Katrina, the worst hurricane in dollar damage in the history of our country, and Rita following that. We have had huge hits on our economy. Now we have gasoline prices and energy prices that are going through the roof. But our economy is strong. Our economy is strong for several reasons, one of which is that we have kept taxes low, particularly on dividends and capital gains.

So when someone says these are tax cuts for the rich, the fact is these are tax cuts for small business. These are tax cuts which have allowed them to start hiring people again and have spurred our economy to new highs. With this bill, we will prevent the egregious reach of the alternative minimum tax on our middle class by extending the higher exemption levels we approved last year. We also make an incredible investment incentive for the younger people in our country with the ability to convert Traditional IRAs to Roth IRAs.

If I were only 35 years old, I would be so excited because I would know that under the provisions of this bill I could provide for my own retirement security through the use of the Roth IRA. The Roth IRA has been limited in use with a salary cap of $100,000 for conversions. If you make more than that, you can not convert from a Traditional IRA to a Roth IRA, which allows you to put money in and then earn interest tax free until your retirement, and you can take it out tax free. That is a nest egg which could make every American self-sufficient because you can just put in the $3,000 or $4,000 every year, and once it is in there it is tax free, expanding its scope, interest rates going back into the pot, and then you can take it out without paying taxes. The traditional IRAs are not that way; you do have to pay taxes. This bill allows people who have started a Traditional IRA to convert it to a Roth IRA without income limitations. That is going to help the young people of our country because any of them, if they are working or if they are married, will be able to do this.

Tax cuts have created 5 million new jobs since they were last passed in 2003.

Mr. President, I hope we will pass this bill. It is a good bill for our country, a good bill for our economy, and it is going to put money in the pockets of the people who are earning it instead of sending it to the Federal Government.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. SCHUMER. Mr. President, I ask unanimous consent that I be ceded 15 minutes from our side's time.

The PRESIDING OFFICER. The Senator is already recognized under the previous unanimous consent agreement for 15 minutes.

Mr. SCHUMER. Mr. President, everyone here knows we are going to vote on a $70 billion reconciliation bill later today, and it is far different from the bipartisan bill that originally passed the Senate. I would like all of America to please pay attention to this bill because if anything ever showed the differences between the two parties, this is it. We want to help the middle class; they want to help the richest people in America who are doing very well already. That is the fundamental difference between the bill that left the Senate with bipartisan support and the new bill that is coming back.

My good friend from Texas said: Help the people who earn it. Far too much of this bill goes to the people who make over $1 million a year; far too much. If there were no harm to the middle class, that would be great. But too many provisions that affect the middle class are hurt, and the one that I am going to focus on is one of the best provisions we have passed under this new President, and that is making tuition tax deductible for people whose incomes go up to about $150,000. That is gone. That is not extended for 1 new year or 2 new years; it is gone. And in its place are tax benefits for the wealthy and, worst of all, the removal of $5.1 billion of tax increases on the oil companies which are making record profits. No one likes to tax anybody, but I ask America: Oil companies or middle-class students? Whom do you pick? The leadership, the Republicans, and the President chose the oil companies. Democrats choose middle-class students struggling for college.

It is not just this issue. That is a metaphor for why Americans are looking for change. That is a metaphor for what they finally understand—that the trickle-down economics, which gives the overwhelming benefit of the tax cuts to the wealthy with a few crumbs for the middle class, doesn't work anymore.

Politics is a tough and tricky business, but sometimes you get handed an issue that is so crystal-clear, you want to make sure everybody knows about it. And this tax bill so perfectly shows the Republican majority's misplaced priorities that I think the American people are going to see it the way most of my colleagues and I see it. This bill shows the true colors of the Republican Party, which is far more interested in helping the very wealthy—God bless them—than hard-working middle-class Americans.

Make no mistake about it. There is a choice. There is a choice. You can't do both. And when people on the other side of the aisle, whether they are up for reelection this year or not, vote against our proposals and vote for this tax bill, they will be taking away from the middle class one of the best benefits we have given the middle class in recent years.

Let me talk a little bit about this issue. Several months ago, the Senate passed its version of the tax bill with 66 votes, 17 Democrats, myself among them. Our bill contained AMT relief, which this bill does, but it also contained college tuition. The extender package, including a 4-year extension of college tuition deductibility, which I was proud to author, was in the Senate bill, but because, again, the White House, the House leadership, and Senate leadership said: No, no, no, big oil comes above middle class students, it is gone. To refresh everyone's memory, since our Republican conferees seem to have forgotten, the 2001 tax cut contained a provision that made college tuition deductible for the first time. The deduction, modeled on a bill I championed with Senators SNOWE, BIDEN, SMITH, BAYH, and DURBIN—bipartisan—allowed middle-class families to deduct $3,000 from their tax return and that deduction was raised to $4,000 a year in 2004.

Last year, single filers who made up to $65,000 and joint filers with income up to $130,000 qualified for the full deduction, and there was also a smaller $2,000 deduction for those with higher incomes.

For the first time, the middle class would get some relief. You know, we help the poor go to college. We help the working poor go to college with Federal grants. That is a great thing. But in every one of our States, middle-class people came to us and said: What about us? I may make $70,000 or $80,000 or $90,000 a year, but I can't afford tuition. We finally came to their aid. It is gone. It is gone because the other side wanted to extend tax cuts that are already there in the outyears for capital gains and dividends.

I am all for reducing the tax on capital gains and dividends, but it is there already. And the cavalier attitude—do something for 2009 and 2010 and take away something from the middle class this year—again, bespeaks volumes as to why the American people are turning away from the majority and the President and turning to us. I have consistently worked with my colleagues to try to expand the deduction. But as I said, this deduction is not in the report.

The conference report is also interesting for what it includes that was not in the Senate version, as I mentioned: the 2003 tax cuts on dividends and capital gains for those earning $1 million a year. We did not include those in the Senate version because the Senate believed that those tax cuts that have already expired, such as the tuition deduction, should take priority over tax cuts that are not scheduled to expire for 3 more years.

I offered a resolution with Senator MENENDEZ, a sense of the Senate, and got 73 votes. There will probably be 20 people who voted for that resolution saying support college tuition, not extend dividend and interest income deductions which go to the very wealthy, that are already on the books, and they are going to flip-flop when they vote for this bill.

Some of my other colleagues are going to speak of the distributional inequities, but I want to speak of the real choices we have with tuition, even assuming that it was a good idea to extend the capital gains and dividends tax cut. As I said, I believe that those taxes should be reduced. I do believe they create growth. But there was another alternative, because in the Senate bill was $5.1 billion which changed the accounting and created revenues from big oil. Again, that was taken out. If it had been kept in, we could have had the dividend cut, we could have had the capital gains cut, we could have had the AMT cut, and we could have saved the tuition deductibility for middle-class students.

So the choice was clear: Big oil or middle-class students. The other party couldn't help itself. They had to side with big oil. That they are going to live with, certainly, through the 2006 elections.

Do you think half of America would choose big oil over college student tax deductions? Do you think a quarter of America would choose that? Do you think 5 percent of America would choose that? Absolutely not. But as in the past, my colleagues on the other side of the aisle think they are insulated from the argument. They think by saying ''tax cuts,'' no one can show which tax cuts they have chosen over others. It is not true anymore. The tuition deductibility is a tax cut just like the other tax cuts in this bill, and it is not there anymore.

The oil provisions should have stayed in. The first related to an accounting method that the oil companies use. Along with Senator SNOWE, I added a provision that disallowed the oil companies from using LIFO, which means when the costs of your inputs are rising—in other words, the price of oil—using LIFO allows the oil companies to make their income appear lower than it is so they pay less tax; and oil costs are rising. So this would have simply restored some equity and made sure they paid a fair amount of tax. But the President and the Republican leadership hated this one because they have to protect big oil above the interests of middle-class students.

The Senate passed our provisions with 66 votes, and I suppose the conferees thought that in the dark of night they could put them back.

There was a third provision added by my colleague from Oregon, Senator WYDEN, in addition to the two that I offered—one with LIFO and one with profits they make overseas. They didn't put that one back either. President Bush actually spoke out against it a few weeks ago.

So the bottom line is simple, and there is an amazing coincidence. What was the cost of the oil tax breaks? It was $5.1 billion. What would be the cost of extending tuition deductibility for 3 years to middle-class people? It would be $5.1 billion.

America, whom do you choose? If you choose big oil, continue to vote for the other side. If you choose students, vote for us. This bill could have had the exact same provisions in it with all of the arguments made by others about needing the capital gains and dividends tax cuts, if simply the other side had the guts to tell big oil you are still going to make record profits, but we are not going to allow you this extra $5.1 billion. Instead, they are telling hard-working, middle-class families who are struggling to pay tuition: Tough luck. The oil companies come first.

This is a sad day for the middle class. It is a sad day for those of us who know that a college education is crucial for the future for America to stay No. 1. It is a sad day when this Senate turns its back on the interests of others. The Republican majority will try to spin this bill as a boon to the middle class. The facts show it is not true, and we are not going to let them get away with it anymore. Democrats are not afraid to face these issues because we know there are choices. When we convey the choices to the American people, we are confident they will decide we need new leadership in Congress and the White House. We need change. Because a party that once heralded itself as friends of the middle class has turned its back on that middle class for the special interests.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, I am delighted to be here and be able to respond to some of the comments we heard from the Senator from New York. I do agree with him—up to a point. I agree that this bill shows the stark differences between the two parties. One is for tax increases, that is the Democrats, and one is for preventing tax increases and supporting tax relief for all Americans—working Americans, middle-class Americans, and seniors who depend on dividends and capital gains to be able to support themselves in their retirement.

My colleagues on the other side often say: Oh, yes, we are for middle-class tax cuts. But, in fact, when they get a chance to vote on them, they almost always vote against them, or at least the majority of them. Yes, this is a good example of the difference in the two parties. As a matter of fact, the Senator from New York knows quite well that we are going to have a follow-on tax bill that is very close to being completed, and it has already been announced by the distinguished chairman of the Finance Committee that it will include the relief for college students paying tuition. We are going to have that. It is almost as if he thinks that because it is not in this reconciliation tax increase prevention bill, it is gone, it will not happen. I will tell you right here and now, it will happen. It will happen soon. I have the press release from Senator GRASSLEY, announcing that has already been agreed to.

I do find it interesting, too, that Senator SCHUMER, while he talks about how wonderful this tuition tax deduction is, when it was first passed in the bipartisan 2001 tax bill, he voted no. He voted no on the bill that had it in there. Now it is the most wonderful thing he has ever seen.

You know, there is a little positioning going on, on both sides. I understand that. But I think we need to look at the substance of what we are dealing with and what the impact is going to be. I do want to emphasize this point again, too. Our senior citizens are very dependent on the income they get from capital gains and also from dividends. If we allow the tax on that to go way up, back to where it was, they will feel it as much or more than anybody. So we need to be sure that we know what the true impact is going to be if we do not stop these tax increases from occurring.

With regard to the oil provisions, no final decision has been made on that. That will be considered and will be a part of the next bill, frankly. I think some of those provisions that were in the earlier bill should stay in there, personally, but we are going to work through that. But I want to go over some questions and some details of what is in the bill. I wonder, do the Democrats oppose the centerpiece of the bill, which is a $34 billion provision to ensure that the alternative minimum tax does not hit more than 15 million middle-income families this year? I thought this was something they felt passionately about. You know, we have to take action to stop the unintended consequences of the alternative minimum tax, AMT—$34 billion. This is only a $70 billion bill, and about half of it would go, clearly, to these middle-income people.

Do they oppose exempting Americans with incomes up to $62,550 from the onerous AMT? Do they oppose quadrupling small business expensing, which allows small businesses to write off up to $100,000 a year in the cost of new equipment?

There are two provisions there that, combined, take over half the bill, that clearly help middle-income taxpayers avoid the AMT and help small businesses that keep creating the jobs and moving the economy.

It prevents a tax increase for small businesses of over $7 billion from being foisted on this very important part of our economy.

What do they oppose? Do they oppose the progrowth policy of taxing capital gains and dividends at 15 percent? Or at 5 percent—get this now—5 percent for individuals in the 10- or 15-percent tax brackets? If we don't stop these tax increases, you are going to see a significant tax increase for individuals in the 10- and 15-percent tax brackets. Do they oppose that?

Contrary to the Democratic mantra, these tax cuts affect individuals at every income level. If anybody accuses my State, after being devastated by Hurricane Katrina, of being a wealthy State—we are trying to join the Union

and move up in our economic status. Yet, in my home State, over 150,000 taxpayers will see a tax increase if we don't extend the 15-percent tax rate on dividends. Nearly 120,000 taxpayers will face a tax increase if we don't extend the rate on capital gains.

That is IRS data. That is not something I put together with a pencil and a piece of paper.

The average tax increase will be nearly $200 per person per year. That is significant.

I was explaining to my own daughter this very morning about how this bill is important to her. She doesn't have a lot of capital gains. She has some dividends—not much but she is in that category which is significantly impacted by the AMT if we don't pass this bill.

I understand. I guess it is a political season and taking positions.

I don't believe Democrats oppose anything in this bill. In fact, the Senator from New York said: Well, yes, many people I guess in New York are concerned about the impact of a tax increase on capital gains and dividends. It is just that he doesn't like this one. If not this, what? If not now, when? This needs to be done. What has been the impact of these tax cuts? The economy has continued to grow astronomically in spite of all the major cataclysmic events we have been dealing with; creating jobs; the American dream at the highest it has ever been; and the number of American people who own their homes. Almost 70 percent of Americans own their homes. Yet we clearly show from the nonpartisan Congressional Budget Office that we have had a greatly higher unanticipated increase in the revenue from capital gains than we would have had otherwise.

Do we want to kill the goose that laid the golden egg?

I don't understand why the American people are still not aware that there are so many goods things happening in the economy. Unemployment is at 4.7 percent, which is caused by 5 million new jobs being created since 2003. The gross domestic product is 4.8 percent—I was astounded by that growth—in the last quarter. Overall, household wealth is at an all-time high, reaching $51.1 trillion. Income is rising, and inflation remains in check. Lastly, but perhaps most critically, Federal revenues grew by 14 percent in 2005, reaching a record $2.15 trillion.

The problem with the deficit is not insufficient revenue. It is coming in. It is coming in because Presidents and Members of Congress—Presidents such as Kennedy and Reagan—knew that if you cut taxes in the right way, you get important revenue. There are those who still want to deny that, but history and the statistics speak for themselves.

I think this is a good bill. It is a relatively narrow bill in terms of portions included in it. We only have about five major things, and a few little smaller points included in this bill. We are not finished. We are going to have the follow-on bill. I want to keep the economy growing. I want to do the right thing. This is the right thing to do.

I am delighted to be here to speak in behalf of this legislation and to explain what is in it and to question some of the allegations that are being made about what is in it or what is not in it. This is good for the American people because it will be good for the American economy.

I don't understand this class warfare stuff that is always going on. If you cut taxes for people who actually pay taxes, you automatically get less. When are we ever going to grow up and get over that?

I think it is good legislation. I am pleased to be here and support it. I urge my colleagues to vote for it. It will pass, and we will go to the follow-on bill which will have a number of other very important provisions, and perhaps it will be part of what we do with regard to guaranteeing people's security and their pensions for the future, also.

I do not know if I have any time remaining. If I don't, I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, before he leaves the floor, I wish to say to the distinguished Senator from Mississippi that I am certainly not interested in class warfare. But what I am interested in is giving all Americans a fair chance to accumulate wealth. This legislation doesn't do that, and that is why I am opposed to it.

My sense is that everybody in our country wants to do well. Everybody aspires to be well off. Everybody wants to be able to get ahead. Yet that is not possible in many respects because of our Tax Code.

The American people just finished the annual ordeal of doing their taxes. This spring, Warren Buffet, the second wealthiest person in the United States, paid a lower tax rate than his receptionist. But under this bill, that receptionist isn't going to get much of anything.

Senator LOTT made a point with respect to the next tax bill. We are going to have another bill, Senator LOTT said. But the bottom line is the oil companies get their boost in this bill today. What Senator LOTT and others have said is maybe sometime down the road we will start talking about middle-class folks.

I think we have to give everybody in this country the chance to accumulate wealth. We have to do more than hand out gusher giveaways to a fortunate few.

That is why I have introduced the Fair Flat Tax Act that gives everybody in our country the opportunity to accumulate wealth.

So we are clear on this oil issue, I want the Senate to understand some of the history of it.

On November 9, 2005, the CEOs of the major oil companies came to a joint Senate hearing of the Energy and Commerce Committees. I asked them then—it had never been asked in a public forum—whether they agreed with the President's statement that ''with $55 oil we don't need incentives for oil and gas companies to explore.'' The CEOs of ExxonMobil, Chevron, Conoco, Phillips, and BP-Shell for the first time agreed that the tax breaks which had been provided in the Energy bill weren't necessary.

Having heard that statement, I said I want to begin, on a bipartisan basis, to start working with colleagues in the Finance Committee to scale back these tax breaks that, to his credit, the President of the United States said aren't even necessary. I began to work with the distinguished Senator from Montana, Senator BAUCUS, and the Chair of our committee, Senator GRASSLEY, to try to start rolling back those tax breaks. It was a very modest step that was taken. Our committee repealed one of the tax breaks that dealt with what are called geological and geophysical drilling expenses. But we got it passed, and for the first time in 20 years, the Senate Finance Committee—I think Senator LOTT was even there that day—a tax break that the oil companies had gotten was taken away. Repealing that tax break would have saved about $1 billion. It certainly is not everything that is needed to deal with these exploding deficits but a solid step in the right direction.

You then have a conference between the Senate and the House. At a time of record profits, at a time of record prices, this bipartisan amendment to make a modest reduction in the kind of tax breaks that the President said are not needed when oil is over $55 a barrel pretty much disappeared. It was cut by more than 50 percent.

I say to my good friend from Mississippi that I can't accept a double standard where the oil companies get their tax breaks today—they get them right now—and yet, the Senate will come back and maybe sometime down the road start talking about relief for the middle class.

I want to work with the Senator from Mississippi. He and I have worked together on many occasions. That was why I felt that the bipartisan agreement I got in the original Senate bill was so important. But what I can't accept is a double standard, where you have the gusher giveaways today on the oil side and then we hear—as we heard on the floor of the Senate—we will come back with another bill at a another time and maybe at that point we can talk about tax relief for middle-class folks.

Another comment was made that I want to highlight about former President Ronald Reagan who, of course, is revered and respected by all. The last thing President Reagan did, to his credit, in the tax area is he worked with colleagues on both sides of the aisle, with former Senator from New Jersey, Bill Bradley; the former chair

of the Ways and Mean Committee in the House, Dan Rostenkowski, on overhauling the Tax Code.

One of the steps that they agreed on is we were not going to hit the cops who walk the beat with a higher tax rate than somebody who is out investing, say, in Google stock.

We had a bipartisan agreement back in 1986 that we weren't going to discriminate against wages. We weren't in this country going to say that the people who work hard and play by the rules and make their money from wages are going to get hammered.

What the Senator from Mississippi said I found very interesting with respect to Ronald Reagan because what Ronald Reagan embraced in 1986 is exactly what I am calling for in my Fair Flat Tax Act. That is an approach that says we are in it together. We are all going to be able to accumulate wealth. Everybody is going to have a chance to get ahead. Everybody who aspires for a better life for themselves and their families would have an opportunity to do it under the Fair Flat Tax Act.

They sure don't under this bill with those oil gusher giveaways right now.

We have been told that sometime in the future, we will come back to talk about middle-class folks, and we will have a discussion about their needs and what they hope for their families sometime. This is one other area where, again, I have a little bit of a difference of opinion with my friend from Mississippi. He has talked about the fact that corporate profits are up, revenue is coming in. Of course, we are glad to see all of that. But the reality today is this is the first time in decades when corporate profits are up and productivity is up—both trends we like to see—that middle-class people are seeing their wages stagnant. The middle-class folks are not enjoying the fruits of these benefits of additional revenue. Again, I want our corporations to do well. I want to see the incredible improvements in productivity. What I think every Member of the Senate ought to be talking about is that not all Americans are in a position to enjoy these developments. That is why any time when I go home and have a community meeting, almost all of the issues raised by my constituents have the second word ''bill.'' They ask about their gas bill or medical bill or mortgage bill or tax bill.

That is why I want to work with Senator LOTT on a bipartisan basis so that when we have an expansion of corporate profits, when we see an increase in productivity, the middle-class person can get ahead as well. We are not seeing that today.

In fact, the Federal Reserve said the other day that, for all practical purposes, over the last 5 years, the net worth of middle-class folks has hardly moved. What I want to do is what Ronald Reagan and Bill Bradley and others did back in 1986—make changes in the Tax Code so that everybody has the opportunity to accumulate wealth.

I wrote a bill, the Fair Flat Tax Act, which does that.

In fact, I am saying this to Senator LOTT because I would love having a chance to work with him.

I took the same brackets that Ronald Reagan did. I chose the exact same tax brackets that Ronald Reagan did for my Fair Flat Tax Act. It is an indication that if we can have a bipartisan effort, as we saw two decades ago before the 14,000 changes in the Tax Code since 1986, we could see once again Democrats and Republicans coming together to continue the trend toward expanded corporate profits and corporate productivity, but we would not be leaving the middle-class person behind.

That is what is so unfortunate about what has happened. My proposal allows us to save about $100 billion over the next 5 years. By contrast, the tax legislation before the Senate increases the deficit with more tax cuts that aren't paid for.

In terms of tax compliance, you can go to my web site, wyden.senate.com to see my simplified 1040. People at Money Magazine were able to complete this form in just 15 minutes. But this year, Americans spent more complying with the Tax Code than the government has spent on higher education. Is that what we want? Is that our vision of tax reform? I don't think so.

I think we want to build on the kind of bipartisan effort we had in 1986. We had a revered Republican President, Ronald Reagan, who has been cited on the floor today, coming together with Democrats in both the Senate and the House. We were able to do something that allowed us to grow the economy and also let middle-class folks get ahead.

Is it right that the cops who guard this wonderful institution pay a higher tax rate on their wages than Warren Buffett does as the second wealthiest person in our country? I don't want to soak anyone. I want everyone to be able to get ahead. I want everyone to be able to accumulate wealth.

What we have been told under this tax bill is that the oil companies get theirs today, but we will have some other day, some other time, some other opportunity to talk about the interests of the middle class. That is not fair to the people of this country. We have said we are all in it together. We should not have a double standard with the powerful getting theirs today and working families having to wait for another time. That is not right.

While we are, for example, putting a little patch on the alternative minimum tax in this legislation, and I am glad to see that—the crushing costs of this tax are not being addressed. My fair flat tax legislation abolishes the alternative minimum tax altogether. That is what we ought to do before we see this thing ramp up and up and up, engulfing millions of middle-class folks who end up having to pay their taxes twice.

I will wrap up with one last point. In this legislation, as we look at the tax cuts being offered in the bill to a fortunate few, we are seeing in the legislation that those who have crafted the bill are taking the very money Senator BAUCUS and I have sought in order to keep rural schools open, something Senator LOTT and a number of colleagues on the other side have been with us on a bipartisan basis. Senator BAUCUS and I asked, are we going to sell off hundreds of thousands of acres of our public lands in order to pay for the rural schools? We did not think that made any sense. So we said we are going to go to the drawing board. We are going to come up with an alternative. We did that. We said we were going to keep money from going to tax dodgers, make sure they paid what was owed, and to make sure the federal government honors our commitments to rural schools, rural schools in Oregon, in Mississippi, and all across the country.

It is possible, as Ronald Reagan and Democrats did in 1986, to make the Tax Code simpler, flatter, and fairer, and allow us to grow our economy and do right by the middle class. The legislation I have introduced, the Fair Flat Tax Act, is a starting point for the debate. We ought to understand, certainly on the Committee on Finance where I have the honor to serve with Senator LOTT, that there is a lot of give and take in a tax debate.

What I do know is the bill that the Senate will be voting on before too long does not give all Americans the opportunity to accumulate wealth. That is why I must oppose it.

I yield the floor.

Mr. LOTT. Mr. President, we had an order lined up. Senator ENZI cannot be here at this time so we have agreed to go with Senator BOXER, who is here. She is ready to proceed at this time. We have some other speakers who will be here momentarily and we will get this lined up.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, thank you very much.

Do I have a specific time associated with my remarks?

Mr. LOTT. We locked in 5 minutes.

Mrs. BOXER. Could I make it 8 minutes?

Mr. LOTT. I ask consent the Senator from California will be allowed to speak for 8 minutes.

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

Mrs. BOXER. Mr. President, when I look at the distribution chart showing who benefits from the bill before the Senate, my question is, whose side are we on, anyway? I hope the answer to that question is, the majority of the American people.

When we look at this chart, what we find is we are on the side of not even 1 percent of the American people. We are on the side of those earning over $1 million a year. That is who gets the benefits of this bill.

According to The Urban Institute-Brookings Tax Policy Center, we see that the average tax cut of those over $1 million is $41,977 a year in this bill. The benefit of this tax break is essentially more than what some middle class Americans earn all year.

Then we have an additional number from the Center for Budget and Policy Priorities. Their chart shows if you earn over $1.6 million, this Republican tax bill will get you back $82,000 each and every year. Well, what is someone who earns, say, $40,000 getting back? Forty-six dollars—not even enough in some cases to fill up a gas tank.

Whose side is this Republican Senate on? If this were a time when we did not have deficits and we did not have debt, it would be one thing. I still would oppose this bill. I would rather give the benefits to those in the middle. I would rather give the benefits to those who were struggling with the high cost of gas. I would rather give the benefits to those who are struggling to send their children to college.

By the way, in this particular bill, the college tuition tax deduction, so popular with middle-class families, was not included. The Republicans took it out in order to help the wealthiest Americans and, by the way, big oil. Big oil gets big tax breaks in this bill, $5 billion strong.

Here we have a circumstance where the millionaires and the oil companies win and middle-class America and working-class America, 99 percent plus, lose.

No wonder there is change in the air. People are saying, Enough is enough. Colleagues, we can say enough is enough today by voting down this ill-conceived, unfair bill that punishes most Americans, except for big oil and the very wealthiest few.

Yes, there is a one-year fix to the alternative minimum tax in here. For that, I am grateful. Yet, still, that good fix is far outweighed when you look at the distribution tables. You can see who gets the benefits. Twenty dollars for regular working and middle-class American families is the average tax cut; $20 a year, while people making over $1.6 million get up to $82,000 a year.

This is America. This country is great because we believe in our middle class. We know our working people are the engine of our economy and the pride of our Nation, yet we have a table that shows that the middle class is not only forgotten, they are made fools of in this bill.

Yes, there is a fix to the AMT. Good. Outside of that, we have a situation where those who have, get more; those who have a lot, get even more; and the oil companies that have been manipulating supply and hurting the American people get a tremendous amount.

That is how the tax break for big oil works.

See if you can follow me. They set the rules governing oil company profits so that if an oil company buys a lot of oil at a low price, say, $40 a barrel, and then they sell that oil at $70 a barrel, they get to pretend that they bought the oil at $70 too. You would think the difference between $40 and $70 would be their profit and what they would owe taxes on.

But under this bill, no, no, no. Their profits, and tax liabilities, are calculated on the price of oil on the day they sell the oil. So if they buy oil at $40 a barrel and sell it at $70, they do not pay any taxes on it because they are allowed to claim their costs are the same as their revenues—$70 a barrel. It is a giveaway to big oil, which is having the most unbelievable record profits, which we believe are manipulating supply, and which gives their CEOs a $400 million bonus package. This is what this Republican bill does. How they can even bring it to the Senate with a straight face is beyond me. But they have brought it to the Senate. I ask those moderate Republicans to join us and send a message that it is time to change. It is time to look at our middle-class families in California and all across this country and stand on their side—those struggling with the gas crisis, those struggling with health care, those struggling with college tuition.

This is a day when we ask the question, Whose side are we on? I hope the answer is, we are not on the side of the winners in this chart. The winners are the wealthiest among us and the oil companies.

Again, if this were a different time, if we did not have raging deficits, which we have had since this President took office, if we did not have a debt that is going so high that this Senate has to vote in the dead of night to raise the debt ceiling, if we were not in a terrible war that is killing our soldiers, with no end in sight and no plan in sight, that would be a different story, and we could say a rising tide lifts all boats, and we will give everyone a break. But those are not the times in which we live.

At the end of the day, the gimmicks that are used to pay for the tax breaks are just so many gimmicks because we know by putting the wealthiest in the Roth IRAs, there is an initial flush of money coming in, but at the end of the day the earnings in the Roth accounts are not taxable and will cost us billions of dollars in lost revenues. This bill will drive up our debt and deficits.

In closing, a recent NBC-Wall Street Journal poll asked Americans their top concerns. Do you think that Americans said, I want to give tax breaks to the oil companies? I want to give tax breaks to those earning $1.6 million a year? No, they said their top concerns were rising gas prices, Iran's nuclear ambitions, immigration, civil disorder in Iraq, the Bush administration leaking national security information, and Enron-style corruption.

What do we give them today, the American people? We give them everything they do not want, rewarding big oil and rewarding those who have not asked to be helped. They are doing fine. The people earning over $1.6 million a year are doing just fine.

We are giving the American people more deficits. We are giving them more debt. We are not helping middle-class families solve the problems of the raging costs of college tuition and the raging costs of gas prices. I hope we vote no on this bill. It is a bad bill.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Mr. President, as acting manager, let me get some agreement on time so Senators can plan accordingly. I ask unanimous consent the following Senators be able to speak in this order: Senator GREGG for 15 minutes; Senator FEINSTEIN to follow Senator GREGG for 15 minutes; Senator THOMAS is next, for 15 minutes; and Senator REED for 15 minutes.

Mrs. FEINSTEIN. Reserving the right to object, Mr. President, could I ask a question?

Mrs. BOXER. Could the Senator repeat that?

Mr. LOTT. Mr. President, I apologize for not having my microphone on earlier. We are trying to lock in the next three speakers. Senator GREGG will have the next 15 minutes, to be followed by the Senator from California for 15 minutes.

Mrs. BOXER. I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New Hampshire is recognized for 15 minutes.

Mr. GREGG. Mr. President, I appreciate the Senator from Mississippi granting me this time on this very important piece of legislation.

I want to pick up on the statement made by the junior Senator from California. What are we giving the American people? We are giving them jobs. We are giving them the opportunity to get good jobs in a thriving, growing economy as a result of good policy in the area of tax law.

We came out of an extraordinarily serious recession, the largest bubble in the history of the world, the Internet bubble—bigger than the tulip bubble, bigger than the South Seas bubble—which occurred at the beginning of 2000. It collapsed, which should have thrown us into a deep recession.

We followed that bubble with a huge disruption of our lives, the loss of human life, which was unbelievable and horrific, as a result of 9/11, but also it had a dramatic impact on our economy.

Those two factors alone should have led to a fairly significant, deep and painful recession. Why didn't they? They did not because this President and this Republican Congress put in place tax policy which allowed Americans who wanted to be entrepreneurial to go out and invest, take risk—which is the American way—and, as a result, create jobs.

The facts are incontrovertible. This chart shows it. This is the period during which we had the Internet bubble

and the 9/11 attacks. In 2003, we reduced the taxes on productivity in this country and gave people an incentive to go out and earn more, take risk, and create jobs. As a result, we are seeing a dramatic increase in economic activity and in jobs.

Mr. President, 5.3 million jobs have been created since these tax cuts were put in place—5.3 million jobs in those 32 months. Look at this green line on the chart. Those are all new jobs coming into the economy as a result of the tax cuts. There has been a massive explosion in economic activity as a result of these tax cuts.

Now, the other side of the aisle will have you believe that the only people who benefited from these tax cuts were the wealthy. Well, all these people who got jobs benefited from these tax cuts. More importantly, the American Government benefitted from these tax cuts because our revenues have climbed dramatically as a result of these tax cuts.

The reason that has happened is because assets which had been locked up for years are now being used to create better investments and more productivity. In fact, revenues from income taxes have gone up by 10 percent. They have grown by 10 percent in the last 6 months. Revenues from corporate activity have gone up by 26 percent. This is all a function of putting in place tax rates which essentially said to Americans: You go out and invest. You go out and take risk. You go out and create jobs. And we will say we will benefit your efforts by giving you an incentive to do that.

Now, the essence of this whole effort is embedded in this tax bill, and that is the setting of a reasonable tax rate on capital gains and dividends. There is a psychology which is out there, which is human nature: If you say to a person: We are going to take 70 percent of your income, they are not going to have a lot of reason to go out and make an extra dollar because the Government is going to take their money. But if you say to someone: We are going to take 30 percent of your income, then that person has a bigger incentive to go out and work.

The same is true for capital investment. If you say to somebody, if you sell that asset you have, we are going to tax you at 30 percent, that person has very little incentive to go out and sell that asset. But if you say to that person, if you sell that asset, we are going to tax you at 15 percent, then that person has a reason to go out and sell that asset, and take that money and do two things. First, they reinvest it so it is being used more productively and generates more economic activity and probably creates more jobs, but, secondly, by selling that asset, they actually end up paying taxes, taxes which they did not otherwise and would not have otherwise paid.

If you own some stock or a piece of land or a farm or any asset which is a capital asset, you do not have to sell it, you do not have to generate tax revenue to the Federal Government. That is what was happening. A lot of people were sitting on those assets. But by cutting the capital gains rate, we essentially created an atmosphere out there where people started to turn over those assets. As a result of turning over those assets, they created more productivity in our economy.

In fact, we are now at the highest level of productivity that our economy has experienced in the post-World War II period. That additional productivity has created more jobs so that more Americans are working. Mr. President, 5.3 million more Americans are working than were working back in 2003 when these tax cuts began. Equally important, the revenues to the Federal Government have jumped dramatically.

In fact, they have jumped so dramatically in capital gains that they have outstripped the estimates by $30 billion each year over the last 2 years. The CBO had originally estimated that we would have about $49 billion of capital gains income in 2005. Well, we got $75 billion. They estimated, in 2006, we would have about $54 billion. We have gotten about $81 billion. That is $60 billion of new revenue that was generated by cutting the capital gains rate to something that was reasonable and caused people to go out an convert capital assets—whether it is stocks or land or businesses—convert those assets, sell them, pay taxes, and reinvest in a way which would actually create more jobs and more economic activity in the economy.

So this concept that cutting capital gains rates somehow benefits the rich cannot be defended on the facts. What it benefits is the American Treasury, the Government's Treasury. What it benefits are the people who have gotten all these jobs, these 5 million new jobs.

Now, another chart over there that was used by the other side said: Well, the tax benefit flows to the top 10 percent of the income brackets. Well, that is because the top 10 percent of the income brackets pay most of the taxes. In fact, if you have income over $185,000, that is where 65 percent of the taxes come from. Those are the folks with the highest income, those are the folks paying the most taxes. That is the way it should be. And now they are actually paying a lot more taxes than they were before this tax cut because they are generating activity which is taxable.

Before the tax cut, when capital gains was so high, they sat on it. But now, because there is an incentive for them to go out and convert those assets, they are actually paying more in taxes than they were paying before. So the argument that the high-end taxpayer, the high-end income individual is benefiting disproportionately from this simply flies in the face of the facts. They are paying more in taxes. More revenue is coming in from those people than ever before. And a higher percentage, in fact, of Federal revenues now comes from those individuals than ever before. And they are, most importantly—and this is the point that the other side seems to miss completely because they subscribe to the 1930s ''old left'' theory of economic policy—these people create jobs, and the bottom line is, good jobs.

That is what they are creating in our economy by going out and taking assets, which were locked down, which were in a less-productive atmosphere, and moving them over to assets which are more productive and creating more opportunity for people to generate jobs.

It always amazes me that this concept completely escapes our friends on the other side of the aisle. But this also translates into investment growth. It is ironic that both of these two charts show the exact same thing. And business investment has expanded dramatically. When did it begin to expand? In 2003, when we made these tax cuts. Job creation has expanded dramatically. When did it begin to expand? In 2003, when we made these tax cuts. These are not chance events. These increases in jobs and business activity are a direct function of the fact that we have created a fairer tax climate, where people are willing to be more aggressive, take more risk, be more entrepreneurial, and, as a result, create more jobs.

And to at this point take the position we should go back to the old tax rates, which would essentially double—double—we are not talking about a little bit. We are talking about doubling. The position of the other side of the aisle is, they want to double the tax rate on capital investment, on risk takers, on entrepreneurs, the people who create the jobs in our society.

To take that position now, in the middle of this recovery, which has been historic in nature, in that we are now at historic levels of productivity—we have had 32 months of expansion. We have more people working today in America than at any time in our history. To take the position we would put this huge, damp cloth on top of this economic expansion in the name of populous tax policy, which has been proved wrong over and over again, ever since it was conceived in the 1930s, as the way to generate revenues—back in the 1930s and 1940s, the policies of the left were that you generated more revenues by raising taxes dramatically. And we had a 90-percent tax rate at one point in this country. Then, we had a 70-percent tax rate in this country.

Then, along came a gentleman who, ironically, understood this did not work but, also ironically, came from the other side of the aisle. His name was John F. Kennedy. And he, as President, cut the tax rates because he believed the high tax rates were disincentivizing the American spirit to be productive. He cut rates. And what happened? Revenues went up. And all the people from the left said: Oh, my God, this can't be happening. This

must be an aberration. It was not an aberration. It should have put a stake through the policies of the old left, but it did not.

So then along came Ronald Reagan, who said: Hey, it worked for John Kennedy. I will try it. He cut rates. And what happened? Revenues did not go down. They went up.

And then along came President Bush, and he said: John Kennedy and Ronald Reagan were right. The way you generate revenues is you create an incentive for economic activity, you create an incentive for people to go out and invest, and you create more jobs. More jobs translate into more taxpayers. As a result, you generate more revenues to the Federal Government. So he put in place his tax cuts in 2003.

The facts are incontrovertible. The numbers are coming in at a dramatic rate. We are seeing a 14-percent increase in revenues to the Federal Treasury. Last year, it was the largest single increase in our history in dollar terms; with 11 percent through the first 6 months of this year. It is probably going to be even higher before we finish the year.

The practical effect of this is these new revenues, these additional revenues have been generated by a lower tax rate, a fairer tax rate. And they are assisting us in reducing the deficit. In fact, the deficit is coming down precipitously as a result of these additional revenues. And people are getting more jobs because this economy is vibrant and strong as a result of these tax rates.

You would think after this approach to tax policy has been proven by three major initiatives by three Presidents, being from both parties, in three different decades, the other side of the aisle would look in the mirror in the morning and say: Listen, the policies of the 1930s and 1940s—which were taught to us as a result of the outgrowth of the theory that if you constantly raise taxes, you generate more revenues—those policies have been proven wrong. They have been proven wrong by President John Kennedy. They have been proven wrong by President Ronald Reagan. And they have been proven wrong by President George W. Bush.

Human nature tells you they are wrong. If you give a person a reason to go out and be productive by putting a lower tax burden on them, a fair tax burden—we are not saying no taxes, we are talking about a fair tax burden. It is obviously not a tax burden that is at zero because we actually have high-income individuals in this country actually paying more in taxes today than they did prior to the tax cuts, significantly more, and also they are bearing a larger percentage of the burden of taxes today than they did before the tax cuts. It is a fairer way to approach tax policy. As a result of that fairer way, you generate more income, more economic growth, and that leads to more jobs, which is the purpose of our efforts.

This bill is a critical piece of legislation.

The PRESIDING OFFICER (Ms. MURKOWSKI). The Senator has used 15 minutes.

Mr. GREGG. It is a critical piece of legislation that we should endorse, embrace, and recognize that by its passage, we will continue to give the American people the opportunity to be in a vibrant, growing economy where jobs will be created, not lost.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I believe I am recognized for 15 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mrs. FEINSTEIN. I thank the Chair.

Madam President, I don't think any single bill or issue more delineates the difference between the Democratic and Republican Parties today than this bill and the issues it contains.

I would like to respond to the Senator from New Hampshire. He talked about how good this was for job creation. Under the Clinton administration, 23 million new jobs were created. So far, 2.6 million jobs have been created under President Bush. Take a look at the difference between the two in jobs and also in debt. These are the early years of Clinton, up to 1997. Look at the blue. That is all surplus: $69 billion, $126 billion, $236 billion, $128 billion. These are the years under George Bush, the deficit: $158 billion, $378 billion, $412 billion, $318 billion, and $350 billion. So far, the tax cuts have cost $1.9 trillion.

I believe this conference report reflects misplaced priorities. It exacerbates an already serious deficit. It certainly exacerbates the national debt. And most importantly, it is certainly not equitable.

At a time when most American families are struggling to meet the rising cost of living, we should be taking constructive steps to provide targeted tax relief to those who need it most. We are not doing that. You would think this package of tax cuts might take steps to alleviate some of the financial strain. Instead, the bill offers no benefit to middle-class and low-income households. These provisions have been removed in favor of billions of dollars of additional tax cuts for the wealthiest Americans. Unfortunately, this conference report does not resemble the bill that left the Senate earlier.

Today, Americans deal with record gas prices. It is $3.40 a gallon in some areas in California. The conference committee chose not to require more from big oil companies, even as corporate profits hit a record $1.35 trillion last year, now accounting for the largest share of national income in 40 years. The conferees decided not to do anything to affect the oil companies, the special incentives and tax breaks they get. Instead, middle-class families were left to bear the brunt of these decisions.

Rather than providing millions of Americans with the necessary extended relief, the lion's share of this bill—$50 billion over the next 10 years—is devoted to extending reduced rates for capital gains and dividend tax breaks. I have never had anyone in the business community come up to me and say: You have to lower capital gains. What they have said to me is that it doesn't make much difference, certainly not dividend tax breaks. Unlike the AMT fix, these rates were not scheduled to expire this year or even the next. Why are we doing it now? We are doing it now only to make the future bleaker. More than 75 percent of the capital gains and dividend tax breaks have served Americans earning more than $200,000.

The Senator from New Hampshire says how great these are for the average person. No, they aren't. They are good for the very wealthy, for the individual who makes more than $200,000 a year. That is 75 percent of the benefit. The average millionaire will receive a $42,000 tax cut from capital gains and dividends alone in 2005. Meanwhile, the average taxpayer, earning less than $75,000—that is three quarters of the taxpayers—receives only $13. So three quarters of the tax-paying population of America receives only $13, while the individual earning over $200,000 has a huge tax break. This is unfair. It is irresponsible. It is not without consequences.

The Federal budget deficit will be at least $300 billion this year. The national debt is soaring. We have fewer resources available for critical domestic priorities.

Under President Clinton, we had 4 years of budget surplus. When he left office, we had a projected 10-year surplus of $5.6 trillion. What is interesting to me is, the two parties have switched. The Republicans are not the deficit hawks; the Democrats have become the deficit hawks. The Republicans have become the big spenders, and this bill clearly identifies that.

The economic policies of the last 5 years have produced a catastrophic turnaround. Record budget surpluses have given way to record deficits projected at $1.6 trillion over the next decade. The full impact of this administration's fiscal policies remains clouded. This President has broken with his predecessors by submitting only 5-year budgets. Why? Think about it, especially after we were presented with the traditional 10-year numbers during the President's first year in office. I will tell you why I think he is doing it, and that is to hide the fact that these tax cuts explode in the out years. They create enormous problems for the future. The result is a wall of debt.

Over the next 10 years, the debt is projected to reach $12 trillion. In this year alone, our national debt is slated to increase by $654 billion. More startling is the fact that the national debt is currently at 66 percent of our gross domestic product. I heard someone make a speech the other day and say it was 2 percent of GDP, ''don't worry

about it.'' So we went and got the CBO figures. It is 66 percent of GDP; worry about it.

The total debt equates to roughly $30,000 owned by every man, woman, and child in America. This is really troubling to anyone who runs a household or runs a business. You would have your house repossessed if you ran your books this way. You would lose your business if you ran your books this way.

When all costs are included, the tax breaks for the wealthiest Americans will cost almost $2 trillion over the next decade. When you combine the cost of the tax cuts with spending on the war in Iraq—currently totaling $370 billion—the inevitable result is the programs that matter most are squeezed.

Let me explain that. This chart takes 2 years, 2005 and 2015. It looks at everything the Federal Government spends. It is deceptive to look just at the budget. The budget does not reflect what we spend in entirety. The fact is, entitlements—Social Security, Medicare, Medicaid, veterans' benefits—are 53.5 percent of what the Federal Government spent in 2005. Interest on the debt alone was $184 billion. That is 7.4 percent. So 60.4 percent of everything the Federal Government spent in 2005 was not budgeted and cannot be controlled. What is left? Forty percent of total spending. There is 20.1 percent for defense—not likely to be cut much in view of the circumstances of the war on terror—and non-defense discretionary, which is everything else, at 18.9 percent of what the Federal Government spent in 2005. That is a fact.

So because the only thing you can cut is discretionary defense and other discretionary spending, these tax policies mean the only thing you can do is cut every program that matters to the American people. Fewer cops on the street, down 15,000. Every nutrition and supplemental aid to seniors is cut. Less for highways, interior, and agriculture. That is what you have to cut. That is it. And that is what these tax cuts, when they explode exponentially at the end of the 10-year period, will do. They will create an enormous problem for the future.

If you add interest on the debt and go to the year 2015, 70 percent of everything the Federal Government spends will not be controllable—it will increase 10 percent from 2005 to 70 percent in 2015. Defense discretionary will be reduced to 15 percent and non-defense discretionary to 13.7 percent. That is the projected inevitable trend of what we are doing here today.

Let me talk about some of the cuts: Food stamps for poor people, $272 million; COPS Program, $407 billion or 15,000 fewer officers nationwide; job training, $55 million. Education, the President's signature program, No Child Left Behind, will be underfunded this year by more than $12 billion, and $39 billion since it was enacted. That is the impact forced by passing a bill like this. No wonder people look at No Child Left Behind and say: ''Yes, we like the standards, yes, we want to strive for excellence, but you have to provide the money that was assured when the bill was signed.'' The fact is, it is $39 billion underfunded since that bill was signed.

So we are shortchanging our Nation, and it isn't worth the tax cut for millionaires. I have never had a millionaire—and I would defy any Member of this body to identify one—come before me and say: ''You know, I really need a tax cut. I really need that additional $140,000 a year these tax cuts provide for me.'' I challenge anyone to bring a name forward of someone who said that because I don't believe they need it at all.

I have supported tax cuts in the proper context. Let me tell what you that context is. It is a balanced budget and a projected surplus. That is the time to cut taxes for people, when you can say: ''We have balanced the budget and we are in surplus.'' That was true when the first tax cut went through. The budget was in surplus. The projected surplus was $5.6 trillion over 10 years. That is when the first tax cut was made. This is the difference between the two parties. The Republicans cut taxes even when the red ink is great.

Cut out the revenues, force the squeezing of Government. That means you have to cut transportation, and agriculture, and cops, and aid to seniors and virtually every other program, because you cannot cut entitlements. You cannot cut interest on the debt. We are in a war and unlikely to cut defense. So you have to cut everything else.

That is where we are going and it is only going to get worse in the future. The fact of the matter is that we don't have to make these tax cuts permanent at this time. There is only one reason they are in this bill. I don't believe it is for jobs. Clinton balanced the budget and produced 23 million jobs. This administration produced 2.6 million jobs. That is a pittance in comparison, and it is tax cut after tax cut. And when we finish here, we will be faced with an estate tax cut that will take hundreds of billions of dollars out of this revenue stream. So if there are any cops left, you can be sure they will be gone. If there are any food stamps left, they will have to be cut.

Those are the choices this forces. It is wrong, it is immoral and, I think, long term, it is a disaster for this Nation.

Bottom line: I urge my colleagues to vote no on this conference bill.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Madam President, we had speakers lined up under the unanimous consent agreement, but they have not been able to reach the floor yet. If Senator THOMAS shows up or Senator REED of Rhode Island, I will yield. I understand that perhaps Senator AKAKA is on the way.

While we are waiting, I found the remarks of the Senator from California very interesting, as they always are. I found her chart particularly interesting. When you talk about the situation of the Federal budget and the deficits, I think the chart showed where the problem is. I appreciate being able to refer to it.

The problem is that entitlement spending will go from 53 percent to 63 percent of the entire Federal budget over the next 10 years. Entitlements are going to eat the entire Federal budget, yes. We are getting squeezed in the nondefense discretionary area, but it is because of the entitlements. We all say that these are untouchable. Are they? We need reform in these programs—in Medicaid, Medicare, Social Security—so we can control the spiraling costs they are putting on the Federal budget.

There are those who say let's just raise taxes and we will have more money for all of these programs. No. I think that is going the wrong way. Certainly, we don't want to raise taxes on middle-class Americans. This bill would give relief, through the alternative minimum tax changes, of $38 billion to people in that middle-income area. Don't we want to help them?

Small business expensing. We want to help small businesses. We heard the Senator from New Hampshire talk about the growth in jobs creation. So we want to encourage that. That is why this bill would provide some additional tax relief, or at least prevent tax increases on small business men and women. That is why we want the alternative minimum tax to be dealt with because so many people are going to be hit with AMT, when nobody wanted that or anticipated that.

If we don't pass this bill, then middle-income America is going to be hit with this very unfair alternative minimum tax. We can deal with entitlements, but we have not been able to get the political courage to do so. Then, of course, the idea I have heard two or three times today is that President Clinton had a balanced budget during the latter part of his administration. Well, I was there. I remember what happened on the balanced budget. I remember the very difficult negotiations. I remember that we did have reform which he eventually signed. He didn't want to. We had welfare reform and he signed it. We had tax cuts to encourage growth in the economy, coupled with a reduction in Federal budget spending. He signed it. The Congress had a lot to do with that. I think he deserves credit. He was on the seat and he signed the bills. But I remember it was the Congress that drove that debate, and I am very proud of that period because I was in the leadership at that time and for 4 years, we had balanced budgets and a surplus, proving that it can be done. But you have to have both. You have to control spending, reform entitlements, and you have to cut taxes in a way that will create jobs.

I still have a novel idea. I think that people who should get tax cuts are the people who pay taxes, and to have some percentage that reflects that makes a big difference. Some people say, well, we won't give but $100 to somebody who makes $30,000 or $40,000 a year. It is not nearly as important to somebody who makes $200,000 who gets a $1,000 tax cut. But the fact is that you get tax cuts proportionate to what you pay. The people at the lower levels will get a tax cut; it won't be as big dollarwise as somebody who makes more because percentagewise, of what they do in terms of creating jobs, there is no comparison. It is part of the old class warfare that we always go through here.

If you tax the people who are producing jobs and paying the bulk of the taxes, they will change their behavior and they will quit creating jobs and paying taxes, and we will have less revenue. We are trying to encourage continued growth in the economy.

With that, I see Senator REED from Rhode Island has arrived. I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Madam President, I rise in opposition to this tax reconciliation conference report. At a time when we are all already shouldering a large budget deficit and fighting a war, this is an irresponsible fiscal policy. At a time when economic growth is mainly showing up in the bottom lines of companies, ordinary Americans are struggling with stagnating real wages and incomes. This is not the approach to take. Yet, we are debating a tax cut whose benefits go overwhelmingly to those who are so well off that they don't have to worry, as ordinary people do, about what they will have to give up to pay for the next tank of gas or to heat their homes.

Supporters of the tax cut in this reconciliation package, including the President, argue that those tax cuts have produced a robust economic recovery and extending them is necessary to keep the economy growing. Some of them even claim that the tax revenues bring in enough revenue to pay for themselves. These arguments are self-contradictory, where they are not downright wrong.

At the time the tax cuts in this package were originally passed, the economy was mired in an economic slump and they were sold as a means to jumpstart the economy. If the administration is right that the economy is now growing strongly, extending them is unnecessary. If those of us who believe there are still problems with this economic recovery are right, we would be throwing good money after bad to extend tax cuts that have been ineffective.

Responsible economists, at the time of these original tax cuts, pointed out that these particular tax cuts were very poorly designed to produce the job-creating stimulus the economy needed in the short run, and that they would be harmful in the long run by adding to the budget deficit. They were right.

Economic growth, job creation, and investment have been weak by the standards of past recoveries. At this point in the recovery from the 1990–1991 recession, the economy had created 4.8 million more jobs than have been created in this recovery.

Make no mistake, this tax cut will be paid for by borrowing and adding to the long-run structural budget deficit, and it will depress the growth in the American standard of living.

If the tax cuts pay for themselves, where are the revenues? Federal tax revenues as a share of the economy declined in each of the first 4 years of this administration, reaching a 45-year low in 2004. As the economy recovered, it was natural for revenues to rise. But despite that growth, Federal revenues were still below their historical average level last year.

Some have pointed to the higher than expected capital gains realization as evidence that the tax cuts pay for themselves. Yet, in a recent letter to Finance Committee Chairman GRASSLEY, the CBO concluded: ''After examining the historical record, including that for 2004, we cannot conclude that the unexplained increase (in capital gains realizations) is attributable to the change in the capital gains tax rates. Volatility in gains can stem from other factors, such as changes in asset values, investor decisions, or broader economic trends.''

Past history suggests that the timing of capital gains realization does respond to tax rates. We saw this in 1986 when realizations doubled from the previous year as investors took advantage of lower tax rates. Today, many investors are choosing to realize gains now while tax rates are low. This increases revenues today, but this is just tax revenue borrowed from the future. In recent testimony before the Joint Economic Committee, Federal Reserve Chairman Bernanke noted:

> There are a lot of factors affecting both the increase in the stock market and realizations. And one of the issues here is the question as to whether or not some realizations are taking place today which otherwise might have taken place in the future. And so, in that sense, the increase in tax revenue is reflecting a one-time gain, as opposed to a permanent gain.

It is clear that over the long term tax cuts do not pay for themselves. Former Federal Reserve Chairman Greenspan said in testimony before the House Budget Committee:

> It is very rare and few economists believe that you can cut taxes and you will get the same amount of revenue. . . . When you cut taxes, you gain some revenue back. We don't know exactly what this is, but it's not small, but it's also not 70 percent or anything like that.

Former Chairman of the Council of Economic Advisers, Gregory Mankiw, wrote in his macroeconomic textbook that there is ''no credible evidence'' that tax cuts pay for themselves, and that an economist who makes such a claim is a ''snake oil salesman who is trying to sell a miracle cure.''

I believe he was an adviser to the Republican President. The reconciliation bill is full of one-time gimmicks that take money from the future and leave major issues unaddressed. The one-year AMT fix costs $33 billion, but we will be back here next year to pass another fix that could cost an additional $40 billion for another 1-year solution. The AMT is a trillion dollar problem that the administration refuses to permanently correct.

The IRA provision is another gimmick that raises revenues now at the cost of greater revenue losses in the future. Why provide another tax-favored saving opportunity to the well off who are already able to save on their own? With all the gimmicks and front loading of future revenues, we should rename this bill ''the future tax increase for working Americans reconciliation act,'' because that is what we will need to happen to pay for these tax cuts for the wealthy.

Reconciliation was designed to enforce fiscal responsibility. It was designed to force us to make tough choices that emphasize our national priorities. Instead, what we now have is an unprecedented bifurcation of the reconciliation process that is full of gimmicks to pay for unwise tax cuts for those who need it the least, and poor decisions that ignore our needs to invest more in hard-working families.

The bill before us today has made an utter mockery out of the budget process and has turned it on its head. Once again, the legislation before us is about choices and missed opportunities. We have real crises and issues that we must confront as a nation, and we are again missing the opportunity of addressing them by squandering millions of dollars on cuts that are unnecessary. It is critical that we deal with energy, and it should be at the top of our agenda.

The fiscal strains caused by record high gas prices hurt workers and the economy. The average household will spend 75 percent more in gasoline costs this year than in 2001 and yet this tax reconciliation bill continues to give more tax breaks to large oil companies that have reported record profits in the past year, at the expense of Americans everywhere.

In March of this year, Lee Raymond, CEO of Exxon, testified before the Judiciary Committee that they didn't need the recent tax cuts provided in the Energy Policy Act of the 2005. When the most profitable companies in the world tell you they don't need tax cuts and you have more than a dozen tax cuts that have expired for millions of teachers, working families, and students, I believe the right decision is to help those who are in need and not these huge companies.

Last November, the Senate passed a tax reconciliation bill which scaled

back some of the tax incentives for the major oil and gas companies. Many in the industry noted that these provisions would have little, if any, impact on supply and demand. In essence, the bill took back some revenue from unnecessary tax cuts for the most profitable companies. However, these reasonable proposals were eliminated from the conference report before us today.

Why was that done? Because, of all the provisions in this bill, President Bush threatened to veto this entire bill if it included the LIFO revenue raiser, which is a provision that would have eliminated for one year a favorable method of accounting for the big oil companies. When it comes to making the most profitable companies pay their fair share, the administration threatens to veto the legislation.

These specific oil and gas provisions which were included in the Senate-passed tax reconciliation would have raised $5 billion. This money could have been invested in fully funding energy efficiency and renewable energy programs in the Energy Policy Act. The money could have also been better invested in programs such as LIHEAP and the Weatherization Assistance Program to help reduce the energy burden of working families who are disproportionately impacted by these rising prices. These are the first steps in reducing our demand for fossil fuels and are currently our Nation's best means of addressing a secure energy future.

Ultimately, this bill will be a drain on national savings, and our children and grandchildren will pay the price. These tax cuts have not contributed to raising national savings. The personal savings rate which these tax cuts were presumably designed to stimulate has been going down and is now negative. On average, people are spending more than their current income. To be sure, soaring corporate profits and retained earnings have boosted the business part of private savings, but this is offset by budget deficits which these tax cuts will only increase.

We no longer have the fiscal discipline we had in the 1990s which allowed for a monetary policy that encouraged investment and long-term growth. The President's large and persistent budget deficits have led to an ever-widening trade deficit that forces us to borrow vast amounts from abroad and puts us at risk of a major financial collapse if foreign lenders suddenly stop accepting our IOUs.

Even assuming we can avoid an international financial crisis, continued budget and trade deficits will be a drag on the growth of our standard of living and leave us ill-prepared to deal with the effects of the retirement of the baby boom generation. Strong investment, financed by our own national savings, not foreign borrowing, is the foundation for strong and sustained economic growth and rising living standards.

We desperately need to bring our fiscal house in order, and today's bill only takes us further away from meeting that goal.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. VITTER). The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, it is very unfortunate that when it comes to issues of taxes that we see hand-wringing and we read editorials about who is receiving the benefits of a reduction in taxes or, in this case, who is going to have to face an increase in taxes because that is what this is all about, preventing an automatic increase in taxes if we don't do anything.

With the AMT, the alternative minimum tax, it is going to hit millions of families next year if we don't do something. We are going to have an increase in capital gains and dividends in a couple years if we don't take action today on this bill.

We should think of this as a question of who is going to see an increase in taxes. That is why the title of this bill is so on point. The title of the bill is the ''Tax Increase Prevention and Reconciliation Act,'' and the key part of those many words is ''tax increase prevention.'' That is the key part of the title. That is what this bill is all about. This is not about cutting taxes further. How many times have we heard the words ''cutting taxes'' used on the floor of this body?

What we are doing in this bill is making sure that people don't get an automatic tax increase because of sunset, and because Congress doesn't have guts enough to vote for a tax increase, they can stop legislation like this and have a tax increase and never have to be on record in favor of the tax increase. But we are not cutting taxes. We are keeping the same tax policy that we had in the 2003 tax bill, in the case of dividends, and we are keeping the same tax policy in the case of the alternative minimum tax that we had in the tax bill since Senator BAUCUS and I negotiated that tax bill in 2001—in other words, to hold harmless 22 million more people who are not going to be paying that tax on 2006 income who didn't have to pay it on 2005 income.

I would like to discuss some of the points on this matter that I hope will help keep the feet of people on the other side of the aisle, and maybe a couple on our side of the aisle, on the ground.

Let's start with the basic fact that thanks to the tax cuts we have enacted during the Bush administration, we have now removed millions of people from the Federal income tax rolls. Millions of hard-working families now do not have to pay any Federal income tax and, as my colleagues know, many of these families can get benefits from what is called the earned-income tax credit which serves the purpose of offsetting some payroll taxes low-income people pay.

Let me make it very clear. If you are bad-mouthing the tax policies of 2001 and 2003 in this administration, are you saying that it was wrong to take millions of low-income people who previously had to pay some income tax off the rolls? They probably couldn't afford to pay a little amount of income tax, and they are no longer paying income tax. It just shocks me that I would hear people bad-mouthing that tax policy that was adopted in 2001 which, quite frankly, is a continuation of some tax policy that was adopted in other tax bills in previous years.

That is a fact of life. Thanks to our tax cuts, millions of low-income families and individuals no longer pay Federal income tax. Yet people love to pull their hair about the fact that we are not giving tax cuts to these same low-income people. It is a fact of life that we all looked at. This kind of talk stops me right in my tracks. It reminds me of city folk who start to farm, plant soybeans, and wonder why they are not going to get a corn crop.

It is this way: If you don't pay Federal income tax—and remember, we just took lots of people, millions of people, off the Federal income tax rolls who don't pay Federal income tax—if you don't pay it, it is pretty hard to cut your income taxes. If you don't plant corn, you are not going to get a corn crop.

Again, this bill is focused on preventing tax increases, not cutting taxes. So anybody on the other side of the aisle who says we are cutting taxes for this group or that group doesn't know what they are talking about because what we are doing is continuing existing tax policy. If they want to go back and argue that tax policy adopted in 2001 and 2003 is wrong, that we cut taxes way back then, that is an intellectually honest argument. But don't say we are cutting taxes in this tax bill because we are not cutting taxes anymore. We are keeping the tax policy where it has been.

I find it particularly interesting that we hear from the other side of the aisle that we should have done just the alternative minimum tax in this bill and not done provisions for capital gains and dividends. Often, these folks arguing this way are the same folks who are wearing their hair shirt ragged on this issue of who is going to get tax benefits.

Interestingly, the Tax Policy Center, which is so often cited by newspapers and Members, shows that if we had just done capital gains and dividends and not done the alternative minimum tax, that would have provided more tax relief for low-income families and individuals. Let me make sure my colleagues understand that point. By including capital gains and dividends, this bill provides more tax benefits to low-income families and individuals than if we had just done the alternative minimum tax.

So I suggest to those who think they should only do the alternative minimum tax, they should hang up their hair shirt. We all know the reality is that capital gains and dividends are encouraging investors, new businesses,

and as a result we get 5.2 million new jobs. We get 4.8 percent economic growth in the last quarter—18 quarters in a row of growth. I don't say that; Chairman Greenspan says that the tax cuts are responsible for turning the economy around and having this growth.

Let me further say that Chairman Greenspan has always had a great deal of credibility, and he still does. If he says it is better, then I say it. But if we can both say it, we are both right.

You create new jobs, new businesses. It is absolutely wrong to state that low-income families are not seeing benefits. They are seeing the benefits of these tax policies previously enacted by these 5.3 million new jobs created, and they will see these benefits in the future with more new jobs being created.

This has helped Americans at all levels. It is reported that the percentage of Americans earning more than $50,000 a year rose from 40.8 percent of the population to 44.2 percent of the population in just 2 years. While inflation is a factor—it is a very low inflation rate—that still reflects real gain.

To reduce all of this to a spreadsheet of who benefits directly from taxes is an easy game, and it is a good tool of demagoguery. The truth is that all Americans will benefit from a strong, growing, robust economy that will continue when we pass this bill because these policies are working today, and if we continue these tax policies, they are going to continue to grow the economy, producing new jobs and, more importantly, better jobs.

I would like to focus on this issue of who is paying the taxes in this country because that argument vexes me when I hear it demagoged. I ask unanimous consent to have printed in the RECORD an editorial from the Wall Street Journal last week that says: ''How to Soak the Rich (the George Bush Way).''

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOW TO SOAK THE RICH (THE GEORGE BUSH WAY)

(By Stephen Moore)

With the House and Senate preparing to vote on extending George W. Bush's investment tax cuts, it's no surprise the cries against ''tax giveaways to the rich'' grow increasingly shrill. Just yesterday Senate Minority Leader Harry Reid charged that the Bush tax plan ''offers next to nothing to average Americans while giving away the store to multi-millionaires'' and then fumed that it will ''do much more for ExxonMobil board members than it will do for ExxonMobil customers.''

Oh really. New IRS data released last month tell a very different story: In the aftermath of the Bush investment tax cuts, the federal income tax burden has substantially shifted onto the backs of the wealthy. Between 2002 and 2004, tax payments by those with adjusted gross incomes (AGI) of more than $200,000 a year, which is roughly 3% of taxpayers, increased by 19.4%—more than double the 9.3% increase for all other taxpayers.

Betwen 2001 and 2004 (the most recent data), the percentage of federal income taxes paid by those with $200,000 incomes and above has risen to 46.6% from 40.5%. In other words, out of every 100 Americans, the wealthiest three are now paying close to the same amount in taxes as the other 97 combined. The richest income group pays a larger share of the tax burden than at anytime in the last 30 years with the exception of the late 1990s—right before the artificially inflated high tech bubble burst.

Millionaires paid more, too. The tax share paid by Americans with an income above $1 million a year rose to 17.8% in 2003 from 16.9% in 2002, the year before the capital gains and dividend tax cuts.

The most astounding result from the IRS data is the deluge of revenues from the very taxes that were cuts in 2003: capital gains and dividends. As shown in the nearby chart, capital gains receipts from 2002–04 have climbed by 79% after the reduction in the tax rate from 20% to 15%. Dividend tax receipts are up 35% from 2002 to 2004, even though the taxable rate fell from 39.6% to 15%. This is as clear evidence of a Laffer Curve effect as one will find: Lower rates produced increased revenues.

What explains this surge in tax revenue, especially at the high end of the income scale? The main factor at play here is the robust economic expansion, which has led to real income gains for most tax filers. Higher incomes mean higher tax payments. Between 2001 and 2004, the percentage of Americans with an income of more than $200,000 rose from 12.0% to 14.2%. The percentage of Americans earning more than $50,000 a year rose from 40.8% to 44.2%—and that's just in two years. While these statistics are not inflation-adjusted by the IRS, price rises were relatively modest during these years, so adjusting wouldn't alter much.

We can already hear the left objecting that the rich are paying more taxes simply because they have hoarded all the income gains, while the middle class and poor wallow in economic quicksand. But, again, the IRS data tell a more upbeat story of widespread financial gains for American families. The slice of the total income pie captured by the richest 1%, 5% and 10% of Americans is lower today than in the last years of the Clinton administration.

So how can the media contort these statistics to conclude that the Bush tax cuts only benefited the affluent? The New York Times claims that the richest 0.1% got 5,000 times the tax benefit than those with less than $50,000 of income. That figure can only be true if one assumes that there were no economic benefits from the tax cuts whatsoever; and that lower taxes on income, capital gains and dividends resulted in no changes in the real economy—not the value of stocks, not business spending, not employment, not capital flows into the U.S., not corporate dividend payments, not venture capital funding—nothing. The underlying assumption of this static analysis is that tax cuts don't work and that incentives don't matter.

Of course, in the real world, financial incentives through tax policy changes matter a great deal in altering economic behavior. And we now have the evidence to confirm that the latest round of tax cuts worked—five million new jobs, a 25% increase in business spending, 4% real economic growth for three years and a $4 trillion gain in net wealth. So now the very class-warfare groups who, three years ago, swore that the tax cuts would tank the economy rather than revive it, pretend that this robust expansion would have happened without the investment tax cuts. Many Democrats on Capitol Hill recite this fairy tale over and over.

One final footnote to this story: Just last week, the Department of the Treasury released its tax receipt data for March 2006. Tax collections for the past 12 months have exploded by 14.4%. We are now on course for a two-year increase in tax revenues of at least $500 billion, the largest two-year increase in tax revenue collections after adjusting for inflation ever recorded. So why are the leftists complaining so much? George Bush's tax rate cuts have been among the most successful policies to soak the rich in American history.

Mr. GRASSLEY. Mr. President, I will highlight a few points from this editorial that is based on Internal Revenue Service data. After the tax cuts passed by Congress and signed by President Bush, the Federal income tax burden substantially shifts as a greater burden to the wealthy. Well, that must be a shock to people on the other side of the aisle. It says that after the tax cuts passed by Congress and signed by President Bush, the Federal income tax burden substantially shifted as a greater burden to the wealthy. It cites these statistics: Between 2001 and 2004, the percentage of Federal income taxes paid by those with incomes of over $200,000 a year and above has risen from 40.5 percent to 46.5 percent. The tax share paid by millionaires has risen, with Americans with incomes over $1 million going from 16.9 percent to 17.8 percent in 1 year, from 2002 to 2003.

And what have we gotten from the tax cuts in capital gains and dividends? Not only has it sparked the economy, as Chairman Greenspan gives it credit for doing, but in response to the cuts in capital gains and dividends, we haven't seen revenues from capital gains and dividends go down as part of our overall revenues. But the Wall Street Journal editorial states that capital gains receipts have increased 79 percent after the cut in capital gains and dividend tax receipts have gone up 35 percent.

We are seeing all this with the bottom line being that tax revenues have been increasing at an incredible rate. The Secretary of the Treasury noted in a press conference with me that we have seen double-digit increases in tax receipts in the last 2 years—hundreds of billions of dollars of taxes coming in. And I think I remember the figures that the Secretary of the Treasury gave. But first of all, before I give those figures, let me say there may be some people listening who think if you increase tax rates, you increase revenue coming into the Federal Treasury. Then there are people who believe that if you cut tax rates, you are going to cut revenue coming into the Federal Treasury. We are in an era where we are cutting tax rates, 2001 through 2003, and the surprise is—and this is probably a shock to some people—we had $274 billion more coming into the Federal Treasury in 2005 than in 2004. And with the continuation of that policy, right now, we have $137 billion more coming into the Federal Treasury than we anticipated in a 6-month estimate at this point in this fiscal year.

So it is working. That is why the title of this article that I am submitting is: ''How to Soak the Rich (the George Bush Way).''

Mr. President, there are studies that go around that say you can get marginal tax rates too high; that people that have some means are going to decide they are only going to pay so much money into the Federal Treasury. Then you know what they do? Instead of choosing productive activity to make money and pay more taxes, they decide: I am not going to pay any more. They choose leisure and do nothing, or do less. But when you reduce marginal tax rates, there is something about the wealthy: They are greedy. They are going to take advantage of the opportunity, and they are going to invest, make more money, pay more taxes and, in the process, create more jobs. That is what is happening in this economy today.

My hope is that my colleagues will see past the editorials and the rhetoric that make fun of what we are trying to do because they are too stupid to read the studies which show that you can lower taxes and have more revenue come in and recognize the reality that the wealthy are paying the greater tax, which happens when you reduce taxes, you increase revenue, because they are done choosing leisure and then they have incentives for productivity. Also, I hope my colleagues realize that low-income families have seen their Federal income taxes reduced as well, as best evidenced by those who are no longer on the rolls, or additionally what Senator BAUCUS and I got in the 2001 tax bill: The 10-percent rate. And people over here are bad-mouthing the 2001 tax cut. Do you want to do away with the 10-percent rate? Do you want to let that sunset in 2010 because you don't have guts enough to vote for a tax increase? Do you want it to go into place automatically and have a 50-percent increase in the tax rate of low-income people? It doesn't sound to me like you are very populace when you say things such as that.

The tax cuts have benefited all Americans by giving us a strong and growing economy, creating new jobs, 18 quarters of economic growth, 5.2 million jobs. We need to keep this economy going, and the way to help that along is not to increase taxes on middle-income people by voting against this bill that prevents 22 million middle-income people from being hit with the alternative minimum tax and to not increase taxes on those who invest in new or growing businesses that create new jobs. This bill is about preventing a major tax increase. A tax increase will hurt the economy. Don't take my word for it, take Chairman Greenspan's word for it.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. Mr. President, the chairman of the Finance Committee is a very good friend, and I know him as a good friend and a very passionate person who takes his work very seriously and is a hard worker in this body. I want him and the body to know that I do appreciate his good work. In this body we know that many of the bills offered are not perfect. We know there are many bills that are of concern to Members of this body and for those they represent.

Mr. President, once again, we are faced with a tax package that represents misplaced priorities, and that is not in line with the views of a majority of Americans, including taxpayers in my State of Hawaii. My constituents are calling for fairness in tax treatment, and they are not getting it in this tax package.

The $70 billion tax reconciliation conference report before us puts tax cuts for the richest in this country above tax relief for the middle class. It leaves out real solutions for real pocketbook issues for middle America, like the gas price crunch that has many families in a bind. It is outright fiscally irresponsible in an era when annual federal deficits exceed $300 billion, and uses budget gimmicks and timing shifts to mask its true costs. There are other choices that my colleagues and I would have made, and did make when we passed the Senate version of this bill, such as extending the Research and Development and Work Opportunity Tax Credit, but, once again, we were simply shut out of meaningful input into the conference committee process.

My constituents will not appreciate the inequities in this conference report. The measure provides an estimated annual tax cut of $42,000 for those making more than $1 million. For the top one-tenth of one percent of households in this country whose incomes exceed $1.6 million, tax cuts will average more than $82,000. Roth IRA changes would benefit those taxpayers who make $100,000 or more, meaning that more than 99 percent of the benefit would go to the top 20 percent income group. In contrast, Mr. President, the average tax reduction for middle-income families would be $20. Only five percent of benefits would go to those earning annual incomes of $75,000 or less.

What does this mean for those who are left out of this package? Not a single taxpayer can deduct state or local sales taxes from their 2006 federal taxes. School teachers who purchase classroom supplies out of their own funds—and I remember doing this when I was a teacher, and my teachers doing this often when I was a principal—will pay higher taxes this year. Families paying college tuition will be unable to deduct that tuition from their taxes this year. Employers will not receive a tax credit for people hired from welfare to work, so fewer will be hired. The research and development tax credit will not be available this year to businesses working hard on innovations to allow America to remain competitive in global markets. And, as the Ranking Member for the Homeland Security and Governmental Affairs subcommittee with jurisdiction over D.C., I must protest the non-inclusion of certain tax incentives for the District of Columbia.

Large oil corporations are taken care of in this package, while people in Hawaii and many others across the country continue to see their household budgets squeezed by high gas prices. This week, according to the AAA Daily Fuel Gauge, the average price for the nation is $2.88 a gallon for regular unleaded. The average price in my state of Hawaii where most supplies are imported is a whopping $3.40 per gallon for regular unleaded, and this number is steeper on the neighbor islands. I really feel for my constituents who have long commutes, such as those going from Wahiawa or Nanakuli to downtown Honolulu, Kona to Hilo on the Big Island, or Lahaina to Kihei on Maui, whose household budgets leave little room for excess costs. Hawaii's average price a year ago was almost a dollar lower per gallon, at $2.51 for regular unleaded. You can see what this has done to household expenses in my state and across the country. This tax package presented an opportunity to send a message to big oil. Instead, it fails to adequately curtail existing tax benefits for big oil—benefits that business leaders in the industry say they do not need—and includes pared back provisions such as a measure that eliminates exploration expensing. In the meantime, protections for those buying hybrid vehicles were weakened. The conference report does not respond to the current crisis at the gas pumps in a meaningful way.

For all of these reasons, Mr. President, I oppose this tax reconciliation conference report. We are once again burning the candle at both ends—shrinking revenues while absorbing tremendous ongoing costs for our military operations, efforts to combat terrorism, and relief for hurricane victims. This package comes at the wrong time and fails to deliver on promises of fairness to the American people.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. CARPER. I believe under a unanimous consent agreement the Senator from North Dakota is to be recognized next, and as soon as he is prepared to take control of the floor, I will be happy to yield to him. But until then, if I could have a moment or two, I would appreciate it.

The PRESIDING OFFICER. There is no unanimous consent agreement currently in operation, so the Senator has been recognized.

Mr. CARPER. I appreciate the Senator from North Carolina giving me a minute or two.

Mr. President, earlier this year I had an opportunity to vote on a tax bill. The tax legislation I voted for, not once but twice, provided for renewing—extending the investment tax credit. We needed to do that. It expired. It called for extending for a 2-year period of time the fix to the alternative minimum tax. We needed to do that. It has expired. It called for renewing and extending the college tuition deduction.

We need to do that. It has expired. We paid for doing all of those things in ways that would not make the budget deficit grow larger.

Today, as we take up this legislation and consider its passage, it includes nothing about relief for those people who are now paying the alternative minimum tax who should not be; there is nothing to extend the research and development tax credit, and we should be; and, frankly, it doesn't do anything about restoring the college tuition deduction, and we ought to be doing that as well.

What we do is go down the road a couple of years and say that the 15 percent tax on capital gains and on dividend income, we are going to extend it for 2 years beyond December 31, 2008. Yet we are not addressing the stuff that needs to be addressed, the tax provisions that need to be addressed right now.

What makes today's proposal all the more galling is, in order to pay for this tax bill we use a gimmick. I thought I had seen everything. I have never seen anything quite as cynical as this, where we actually pay for a tax cut with a tax cut. Some of us have heard the old saying, ''no pain, no gain.'' Around here, in this Congress, and, frankly, with this administration, instead of our slogan being ''no pain, no gain,'' it really ought to be ''short-term gain and long-term pain'' because what we are doing is stealing revenues beyond the year 2015 in order to pay for a tax cut that will largely help people who honestly don't need a huge tax cut.

I don't know that this makes a whole lot of sense. It doesn't pass what I call the commonsense test back in Delaware. ''Short-term gain, long-term pain'' is not as catchy, I suppose, as ''no pain, no gain,'' but I tell you that is what the watchword of the day is around here. It is wrong. We ought not to do it. I will be voting against this tax bill as a result.

I thank the Senator from North Dakota for sharing this time. I yield.

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

Mr. CONRAD. Mr. President, I want to thank my very able colleague from Delaware, Senator CARPER. I always enjoy listening to him and his perspective on these issues. I think he is somebody who is rock solid on this issue of fiscal responsibility. I am hopeful at some point very soon we will get serious about restoring fiscal discipline to this country. We are headed for the cliff, and we are headed at a very rapid rate. So I again thank my colleague from Delaware, Senator CARPER.

I have said publicly before, and I believe it, that I have never seen this city, this institution, the White House, more disconnected from reality than we are at the current time. Let me just put in perspective where I see that we are and where we are headed.

This chart shows the fiscal failures of this administration. He inherited a surplus of $128 billion in 2001, and by his second year in office he had us in the ditch, right back in the deficit ditch that we dug out of: $158 billion of red ink in 2002.

Then the deficits really exploded to almost $400 billion in 2003, over $400 billion in 2004. We saw somewhat of an improvement in 2005 to about $320 billion. Now it is going back the other way. We now estimate the deficit will be in the range of $325 billion this year.

Far more serious is what is happening to the growth of the debt because the deficit, while it is projected to go up $325 billion this year, here is the projection on the debt. The debt is now estimated to be increasing by over $600 billion this year.

Put that in perspective. At the end of the first year of this Presidency we had a gross debt of the country of $5.8 trillion. In 1 year under the President's plan—this year we are going to add another $600 billion to the debt. That is an absolutely unsustainable course.

Now the President comes to us and says what we need to do is make all the tax cuts permanent. Let's dig the hole deeper. Here is what the President's proposal would do. In the first 5 years—see, this is a little like hitting the iceberg. You know, most of the iceberg is underwater. Most of the President's tax cut is hidden from view because it is outside the 5-year budget window. The President only shows 5 years. Why? Maybe it is because he doesn't want to show where all this is headed. But here is the revenue loss as you go forward. The cost of these tax cuts absolutely explode.

This is at a time when the debt is exploding. Remember what the President told us when we adopted this fiscal course? He told the country he was going to have maximum paydown of the debt. Do you remember that? He was going to pay off all the debt that was available to be paid off. Now we can go back and check the record and see what actually happened, and here is what actually happened. This is what has happened to the national debt under this President's watch. There is no pay down of debt. The debt is exploding.

As I indicated, it was $5.8 trillion after his first year in office. We don't hold him responsible for the first year because we were operating under another fiscal plan. But look at what has happened since. The debt has skyrocketed. At the end of this year it will be $8.6 trillion. This President has already added $3 trillion to the national debt.

Under the budget plan that is over in the House of Representatives and here, it is going to go up another $3 trillion. They will have more than doubled the debt of this country.

Perhaps most stunning is how much of this debt is being financed by foreigners. This chart shows it took all these Presidents, 42 Presidents, 224 years, to run up $1 trillion of debt held by foreigners. This President has more than doubled that amount in just 5 years. This President has trumped all these Presidents combined, in terms of running up foreign debt, U.S. debt held by foreigners. That is truly a stunning achievement.

This morning in the Budget Committee we were interviewing Mr. Portman, who has been nominated to head the Office of Management and Budget. One of my colleagues said: The performance of this administration on fiscal affairs has been extraordinary. And I agree. It has been—extraordinarily bad. No other President has come close to this record of running up debt, debt on top of debt. He will have doubled the debt of this country, and he has already more than doubled U.S. debt held by foreign countries.

Our Republican colleagues say: Don't worry. If you cut taxes you get more money. The only problem with that is we are now able to examine the record. We are now able to go back and look at what happened since they started down this policy road, and here it is. The numbers do not lie.

In the year 2000, we had over $2 trillion of revenue. The President came into office and said he had an idea, he was going to cut, and cut massively, taxes, and we would get more revenue. Let's look. Did we get more revenue? In 2001, the revenue went down to under $2 trillion. The next year it went down some more. It went down to $1.85 trillion. How about the next year, did it go up then? No. It went down some more. In 2003, we went down to $1.78 trillion.

In 2004—how about this, now, 4 years later, was the revenue up to where it had been in 2000? No, not even close.

What is this talk, you cut taxes and you raise more revenue? The only problem with that is it hasn't worked. It didn't work. We didn't get back to the 2000 level of revenue until 2005.

It is even more clear for revenue as a share of gross domestic product, which is what economists say we should use so that we are taking out the effects of inflation and growth. What do we see? The President came into office in 2000, revenue was 20.9 percent of GDP. Look what happened. This is what happened on the revenue side of the equation. It absolutely collapsed, most of this because of the tax cuts. So in 2004 we were down to 16.3 percent of GDP, revenue of the Federal Government. That was the lowest it has been since 1959.

Now we have had an uptick, but we are still way below where we were. We are also well below where they said we would be back in 2001. If you go back to 2001 and see what their estimates were of what revenue would be in 2006, this is what they said. In January of 2001, they said: When we get to 2006, we will have $2.7 trillion of revenue.

Here is what we see—not $2.7 trillion but far short of that, $2.3 trillion. Maybe we are going to have something a little bit better than that, maybe even 10 percent better, but still way short of what they projected.

Now our Republican colleagues come out with this plan. It's breathtaking that, when already we can't pay our bills, we are adding dramatically to the debt. Their answer? Spend more money. We just approved more than $100 billion of additional spending that was off-budget—and cut the revenue some more, cut the revenue $70 billion, and that is just step 1. They are going to come out here with some more tax bills and cut it even more. So their answer is dig the hole deeper. They are saying: America, you are going to get a big tax cut. It is your money.

Let's examine that statement: It is your money. I agree with that. All of this is the people's money. That is exactly right. But, you know, to give this tax cut—because we are running deficits, there is no money to give back. This money is all being borrowed. It is being borrowed largely from the Japanese and the Chinese. So let's think about what we are doing. We can't pay our bills so the President says let's have a big tax cut, reduce our revenue even more, and we have to borrow it.

Increasingly, we borrow the money from the Chinese and the Japanese. So we are going to borrow the money from the Chinese and the Japanese to give people a tax cut and here, who is going to get it? Those who earn from $10,000 to $20,000 are going to get an average tax savings of how much? Two dollars. That will certainly be helpful to them. Those earning $20,000 to $30,000 are going to get $9. Those earning from $30,000 to $40,000 are going to get $16. Those earning between $40,000 and $50,000 are going to get $46. Those earning from $50,000 to $75,000 are going to get $110.

Let's go to the other end, those earning more than $1 million. They are going to get $42,000. And where are they going to get it from? They are going to get it from borrowing from the Chinese and the Japanese—and the British and the Caribbean banking centers and the South Koreans and every other country in the world that we can borrow money from. Does this make any sense?

Let's see. We can't pay our bills now, so what is the answer? The administration says: Spend a bunch more money. They wanted $92 billion off-budget additional spending, and by the way, cut the revenue some more so that the hole gets deeper.

Where are you going to get the money? We don't have the money. So we are going to have to borrow the money. Who are we going to borrow the money from? From the Chinese and the Japanese so we can give those earning more than $1 million a year a $42,000 tax cut, so we can give those earning $10,000 to $20,000 a year $2. That way they can say everybody is getting something. As amusing as it might be, it is also serious and it is leading us down a path that is, in my judgment, a complete disaster.

The tax bill that is before us also leaves out things that we typically extend year to year that would normally be included in this legislation. But our friends on the other side said, No, it is much more important to give these big breaks to those who are at the very highest part of the income level in our country. We are going to leave out the R&D tax cut, which might actually help strengthen our country for the future. We are going to leave out tuition deduction, which will help families afford tuition so we can better educate them. That is left out. The sales tax deduction is left out for States that have sales tax and people deduct what they pay in sales tax. The work opportunity and welfare-to-work credit is left out. The savers credit—and we have negative individual savings in our country—they leave out that credit. That is an interesting idea. Leasehold and restaurant improvements is left out. Teacher classroom expenses is left out. The new market tax credit is left out. Our friends last year labeled this whole plan the deficit reduction plan.

Let us look at what they have done. They reduce spending $39 billion over 5 years. They did not actually reduce spending. Spending, of course, is going up dramatically; it is not going down. They reduced the rate of growth theoretically over 5 years by $39 billion. But then they turned right around and in this bill cut the taxes $70 billion.

When you put the two together, there is no deficit reduction. The deficit increases. Instead of labeling it the ''deficit reduction bill,'' they should have called it the ''deficit increase bill.''

They are not done yet because we all know they are going to come with a second tax package outside of reconciliation and add another $30 billion or $40 billion of revenue reduction.

On top of it all, they have used the series of budget gimmicks to make room for these additional tax cuts. They count short-term savings from the revenue-losing Roth IRA provision. That gains about $6 billion in the near term but loses $36 billion over a longer period. They concocted this as a way to make the numbers work at least for a moment.

They sunset small business expensing provision, they have a 5-year delay on the implementation of withholding on Government contracts, and they have a timing shift for corporate estimated payments—gimmicks on top of gimmicks to make something look like something it is not. That is an old Washington tradition.

Perhaps the most egregious is the Roth gimmick, counting short-term savings for something that is a long-term loser.

There is a quote from the Washington Post:

> One measure would allow upper-income savers with a traditional Individual Retirement Account to pay taxes on the account's investment gains and then roll over some of the balance into a Roth IRA, where the money can be withdrawn tax free upon retirement. The provision would raise about $6.4 billion over 10 years, seemingly keeping the size of the tax-cutting package down. But over the next 5 years, it would cost the Government $36 billion, according to the Urban Institute Tax Policy Center. This is the kind of shell game that gets us deeper into trouble.

If you look at it, just visually, what they are doing with business expensing, 2006, 2007, 2008, and 2009, it is $100,000. What do they do? They drop it dramatically by 75 percent to make it look as though somehow this whole package fits within the $70 billion. It is, frankly, a giant fraud.

Here is what our Comptroller General said about the current fiscal path. He says:

> Continuing on this unsustainable fiscal path will gradually erode, if not suddenly, damage our economy, our standard of living, and ultimately, our national security.

That is what is at stake here. Ultimately, that is what is at stake here—the economic security of our Nation, the national security of our country. And our friends are playing fast and loose with the long-term security of America—doubling the national debt over a very short period of time, doubling the amount of money that we will owe foreign investors, utterly unsustainable. None of it adds up.

What are the consequences? Here are the consequences. Here is what the Federal Reserve has been doing to interest rates. Interest rates—up, up, up, up, up, and up—16 rate increases. Why? Because they are desperately afraid of the inflation that comes when you borrow massive amounts of money and you spend more than you take in. They are very worried about a country that is going add $600 billion to the national debt this year and run a trade deficit of another $700 billion—unprecedented in our Nation's history.

Our friends on the other side say the economy is doing well. Is it doing well? Here is what has happened to real median household income. It has declined 4 straight years. Real median income is down, down. That is not success. When we compare this economic recovery with the previous nine economic recoveries since World War II, here is what we find. This dotted red line is what has happened in the nine previous recoveries on business investment. The black line is the recovery. What you see is we are 45 percent lower than the average of the nine previous recoveries since World War II. That is not economic strength. That is an economic plan that is not working.

It is not just true in business investment; it is also true in job creation. Again, the dotted red line shows what has happened in the average of nine recessions since World War II. The black line is the recovery. You can see that we are 6.5 million private sector jobs short of the average recovery since World War II.

Something is wrong. I submit that one of the things wrong with this massive debt is we are loading on this economy the biggest increase in debt in the history of our country—and it just keeps on coming.

Our colleagues on the other side have abandoned fiscal responsibility completely. They have decided to put it on

the charge card, send a bill to our kids and our grandkids, and they have done it at the worst possible time. They have done it before the baby boomers retire.

This is the sweet spot in the budget cycle. These are the good times. What is going to happen when the baby boomers start to retire? The baby boomers are not a projection; they are a reality. They are going retire, and they are going to be eligible for Social Security and Medicare, and we can't pay our bills now. What is going to happen when they begin to retire?

Let me tell you that the logic of what our colleagues on the other side of the aisle are doing is to force this country into a situation in which they have to shred Social Security and Medicare in order to keep this country from bankruptcy. That is the logic of where they are taking our country. It is a disastrous fiscal direction.

I hope very much that our colleagues will say no to this, say no and get us back on the course of fiscal responsibility.

I ask unanimous consent that a description of a provision, which is extraneous pursuant to the Byrd rule, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROVISIONS OF CONFERENCE REPORT TO ACCOMPANY H.R. 4297, TAX RECONCILIATION ACT OF 2005 WHICH ARE EXTRANEOUS PURSUANT TO THE BYRD RULE

[Senate Budget Committee Democratic Staff]

Provision	Violation(s) of Sec. 313(b)(1)(A–F)	Description of Provision
Sec. 512	Sec. 313(b)(1)(E) of the Congressional Budget Act of 1974: Net revenue decrease in every year beyond FY 2010 exceeds savings from other provisions in each of those years.	Roth IRA conversion provisions.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, the Washington Post printed on its front page yesterday a chart that was intended to show that the tax benefits in this tax bill go disproportionately to the super rich. The information was based on a study by the Tax Policy Center, along with the Center on Budget and Policy Priorities that has made no secret of its opposition to the tax relief included in this conference agreement. So there is a biased view.

I have had an opportunity to dig into the details of how that particular study was conducted. But if it is like similar analyses, the reported dollar savings statistics don't tell the whole story, and for three reasons:

First, it includes all households, even those that do not file tax returns or don't owe any tax liability, and even those that have a negative tax liability because they receive refundable credits.

In analyzing the distribution of the tax cut, it makes more sense to look at who actually receives the benefits as opposed to what they do. In other words, why include people who don't pay any taxes in the first place?

Second, the statistics in that study did not take into account the fact that the tax rates on dividends and capital gains for those in the bottom two income tax brackets drop to zero percent in 2008. That is that rate we are extending.

Third, and most importantly, the statistics are not shown in the context of the total income tax burden that these taxpayers bear. It is common sense that income tax cuts can only go to people who pay income tax.

Let me repeat that because I think the other side wants to ignore that:

Income tax cuts can only go to people who pay income taxes.

The value of the tax cut should be measured then not only in absolute dollar terms but also in relationship to the total income tax liability.

This conference agreement before us has two centerpieces, the alternative minimum tax hold harmless, which passed the Senate with 66 votes. The extension of lower tax rates on dividends and capital gains is the second provision.

If we applied the logic of including all tax returns in the various income groups and compare the AMT and dividend and capital gains tax savings to the total income liability borne by those groups in the aggregate, we can see that all of these groups receive meaningful benefits.

That is what the chart before us says. This chart was prepared by my Finance Committee staff, but it is based upon analysis of data provided by the Joint Committee on Taxation, not some liberal think tank that has its own ax to grind. The Joint Committee on Taxation is not Republican or Democratic—they are professional tax people who just study taxes up and down, and their economic impact.

As the statistics from the Joint Committee on Taxation show, all of these income groups receive meaningful benefits from this conference agreement.

In fact, the biggest beneficiaries are those in the $100,000 to $200,000 and $200,000 to the $500,000 AGI categories. The $100,000 to $200,000 and the $200,000 to $500,000 category.

The reason that shows up on the chart that way is not because of the reduced rates on dividends and capital gains that the other side is complaining about; it is because of the alternative minimum tax, the hold-harmless provisions that I fought to get completely the way the Senate had included them in this conference report.

Of course, it is strongly supported by the same folks who strongly oppose this conference agreement because of the extension of lower rates on dividends and capital gains, which I point out benefits low-income taxpayers more than the AMT relief—as we can see on the chart, $50,000 and under and the $50,000 to $100,000 category.

The core of this conference agreement is the alternative minimum tax hold harmless, which is the Senate position I fought hard for in conference. The other main provision is the extension of the lower rates on dividends and capital gains in combination with two provisions providing meaningful income tax savings to Americans across the income spectrum, not just the rich. These savings will prevent over 15 million Americans from being hit by the stealth AMT tax and allow those taxpayers and millions more to keep more money in their pockets to spend in the economy, adding to savings rather than sending money here for Members of Congress to spend.

Let me remind people of something brought home to me when I held a town meeting in Iowa. I never have anyone come in and say they are undertaxed, but I sure have plenty of people come in and say that Congress is wasting a lot of money. So every time we have a tax bill, people are complaining because we are not taxing more to reduce the deficit, and higher tax rates do not bring in more revenue. The people crying about that are the very same ones who are voting all the time to increase expenditures whenever they get an opportunity.

I also address one of the important measures in this bill, the tax gap. Last January, 2005, the Joint Committee on Taxation provided a report on possible options to improve tax compliance. This report suggested that one of the key ways to deal with the tax gap is to impose withholding on certain payments made by government entities. The joint committee report stated:

> The lack of a withholding mechanism on nonwage payments leads to substantial underpayment of tax each year and has long been identified as contributing to the tax gap.

And a further quote:

> Payments made by the Federal government and State and local governments represent a significant amount of those annual payments that are not subject to withholding. Imposing withholding on nonwage payments made by the Federal government and State and local governments would improve taxpayer compliance, reduce the tax gap, and promote fairness.

The problems of government contractors not paying tax has been a subject of very good oversight of the Committee on Governmental Affairs, particularly led by Senators COLEMAN and LEVIN, as well as the Government Accountability Office. The findings of the Government Accountability Office report in June of 2005 show that over 33,000 contractors owed over $3 billion

in unpaid Federal taxes as of September 30, 2004. Clearly, there is a serious problem. Fortunately, there is broad bipartisan support for a solution proposed by Joint Tax of a 3-percent withholding on government payments.

I think it important that my colleagues recall that this basic, same reform was included in an amendment offered by the ranking member of the Budget Committee on November 17, 2005. That was vote No. 330. This amendment, which included this provision, was supported by all but two of the Members of the other side of the aisle.

I am pleased that there is wide recognition of the need for this reform and that this is not a partisan question. However, I do anticipate that some Senators will want to make an argument that we should have implemented this reform much earlier.

Several points on that issue. This is a real break from previous practice and will require changes in business as usual by Federal, State, and local governments. It is for these reasons that the Joint Tax Committee recommended at a minimum there should be a 6- to 18-month delay before implementation.

It was unfortunate that the amendment from the ranking member of the Committee on the Budget did not allow for this time period for governments to prepare for this new requirement. In fact, rather than giving the time allowed as recommended by the Joint Committee on Taxation, the provision was actually retrospective. However, I understand firsthand the difficulties of trying to deal with revenue issues in a specific year, so the author of the amendment has my sympathy.

We chose to go beyond the period recommended by the Joint Tax Committee and give governments and contractors additional time to prepare for this new withholding requirement. Allowing for additional time was a point that brought greater comfort to conferees in considering this new legislation. Additional time would give Congress an opportunity to hear from parties. It may be possible that after the dialog, we will be able to move up the effective year to begin this important provision dealing with the tax gap.

Let me be clear. This is a measure which has bipartisan support. That is very positive. We need to work on a bipartisan basis to deal with the tax gap. This is a good first step. The only question, then, is possibly one of timing. I have erred on allowing government and the contractors to fully prepare for this new requirement and for the Treasury to issue regulations that will give guidance allowing for a smooth start.

I also take a moment to respond to something that was said this morning by my friend from Oregon, Senator WYDEN, a member of the Senate Committee on Finance. He is up on tax legislation most of the time. His earlier comments about his provision to eliminate energy bill tax incentives for major oil companies needs an explanation that I don't think he is aware of.

In November of 2005, he offered an amendment in the Committee on Finance to eliminate the tax break known as G&G for geological and geophysical costs that major oil companies received in the Energy bill. His provision is in this conference report. I went to the conference with his provision, and I came out of conference with his provision intact.

In addition, we actually improved the original Senate amendment and increased the amount of tax revenue that is going to be raised over the 5-year period. The provision of my friend from Oregon resulted in a $101 million Federal tax benefits savings for the 5-year budget window this bill covers. Through conference negotiations, we managed to find a way to actually increase the revenue raised over 5 years from that $101 million up to $160 million, and we still respected the concerns in the original Senate bill.

Another point I make is that the original proposal filed by my friend from Oregon actually lost $88 million in Government taxes the first year. In other words, the way the original amendment worked, it actually gave major oil companies an $88 million tax benefit, and under the reconciliation rules, that would not work. We had to change the formula so that the provision raised tax revenue of $160 million over all 5 years of the budget resolution.

I want the record to reflect that I upheld my part of that bargain. This conference report holds up its part of the bargain on that provision. The major oil companies only received one tax benefit in the Energy Policy Act of 2005. This conference report removes the tax benefit the major oil companies received from the G&G tax incentive.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I like my colleague from Iowa. We work together on a lot of things. But I know he will give me room to disagree today.

I disagree very strongly about the philosophy, the approach, and the legislative initiative that is in the Senate. I was thinking about legislating. We do not have legislative reviews, like movies do. In movie reviews, you can get a sense of what is going to happen, and maybe someone will have made a judgment about it.

I have a review from ''Groundhog Day.'' I don't know if anyone here has seen ''Groundhog Day,'' but it is about a weatherman who goes to cover Groundhog Day to determine how much additional winter will exist, and then he goes back to his hotel room. Every morning, the alarm rings at 6 o'clock and the same day starts over again. He simply cannot get out of it. That was the movie ''Groundhog Day.'' The review for it said that Phil Conners is an egocentric weatherman who annually covers a Groundhog Day celebration in a small Pennsylvania town. Phil finds himself reliving Groundhog Day over and over, which makes him realize he has to change his ways.

So this is like Groundhog Day in the Senate. We are reliving over and over and over the ability of the majority party to cure whatever ails America with another big tax cut that goes largely to upper-income Americans.

We have a big deficit that is out of control. We are deep in debt, choking on debt. What is the solution? Cut the revenue. What kind of solution? How do you cut the revenue? Cut the revenue for the top folks. The big guys. The big shots. Because the little folks do not pay taxes, we are told. Oh really?

Well, there are lots of taxes people pay. There are payroll taxes. That is a proportional tax. The person at the lowest end of the economic ladder pays the same percentage in payroll taxes as the person at the very top. Yet we are told, somehow, that these people at the bottom do not pay taxes. Therefore, when we construct an income tax rebate or an income tax cut, sure, most of it has to go to the upper income folks.

Here is a description of where most of the tax cuts have gone in this bill. This is from the Tax Policy Center. It says that if you are somewhere between zero and $20,000 in income, you are going to get a $3 tax cut—not $2, not $4, but $3. So just get ready, that is one gallon of gasoline you will get. But if you have over $1 million in income, you in this conference report which is brought to the Senate today, boy, you ought to get ready to celebrate. You will get a $42,766 tax cut on average. Someone says here is a check for $42,000. All we know is that you have a lot of money, you are at the top of the scale, but you will get $42,000 and the person over here is going to get $3.

Let me read something that comes from a fellow whom I like. He is one of the wealthiest people in our country. His name is Warren Buffett. Warren Buffett wrote a piece for the Washington Post a few years ago. Here is the op-ed piece by the second richest man in the world. Here is what he says about the tax cuts in the Congress. He talks about himself and the receptionist in his office. He wrote this op-ed piece when the majority party was proposing that there be a zero tax rate on investment income, dividends, and the like.

He said:

Now, the Senate says dividends should be tax free to recipients.

I admit this bill does not make them tax free. It takes dividends to the low tax rate of 15 percent and keeps them there.

Now the Senate says dividends should be tax free to recipients. Suppose this measure goes through and the directors of my company therefore decide to pay $1 billion in

dividends next year. Since I own 31 percent of my company, I would receive $131 million in additional income. I wouldn't owe another penny in Federal tax. My tax rate would plunge to 3 percent—

He is talking about his income——

while my receptionist would still be paying 30 percent.

So here are comments from the world's second richest man who is taking a look at the strategy for tax cutting by the majority party, saying—and he said it in another venue—if this is class war, my side is winning, and I don't need these tax cuts.

But that is exactly what is happening because there is a belief here that somehow our economy works when you put something in at the top and it filters down. We have heard of this ''trickle down'' for a long time. But that is what is at root here, the ''trickle-down'' economics. I had a guy once tell me: I have heard of this trickle down for 10 years now, and I ain't even damp yet. But that is because he did not earn a lot of money and he was not getting big tax cuts.

Well, let me describe what is not in this legislation. At a time when we have very significant budget deficits—everybody here should understand the country is off track. We are seriously off track. We are going to load up and burden our kids and grandkids with all this debt at a time when we just passed a $109 billion emergency supplemental bill that was not paid for, to fund military operations in Iraq and Afghanistan, to pay for Hurricane Katrina relief, and so on.

Just following that, we bring to the floor of the Senate another massive tax cut. Groundhog Day: Do it again and again and again. It will cure every ill, we are told.

What doesn't this legislation have? Let me give you an example of what it does not have. It does not have any provisions that should have been in the bill that would attempt to get the taxes owed by U.S. multinational companies that park their earnings offshore or use tax-haven countries to avoid paying their taxes on income they earned in this country.

Let me give you an example of that. I have used this many times on the floor of the Senate. This is compliments of David Evans, an enterprising reporter for Bloomberg. This is a picture of a five-story building on Church Street in the Cayman Islands. This is home to 12,748 companies.

Let me say that again because it is important. This little white building called the Ugland House in the Cayman Islands—a tax haven country—is home to 12,748 companies.

Now, do they live there? No. No. That is just their mailing address set up by a lawyer. For what purpose? So they can run income through it to avoid paying taxes. It is a sham. In the nature of an old spaghetti western, you would think the sheriff would get on his horse and ride right into the canyon after these folks. It is unbelievable what is going on. Now we believe the proposal that would shut this down would raise about $15 billion over 10 years. It is not in here.

I will give you another example. In addition to the Ugland House, where companies run the income—incidentally, in many cases, these are the same companies that moved their jobs to China, sell their product in America, and run the income through the Cayman Islands so they do not have to pay taxes; and the same companies that next week will be here saying: Yes, I moved my jobs over to China. And I also want to, through the back door, bring cheap labor in through a different source. That is another story for another debate next week, perhaps.

But in addition to the Ugland House and 12,000 companies perpetrating a myth that this is home for tax purposes, we see U.S. companies moving their jobs overseas and the Joint Committee on Taxation says we are losing $1.2 billion a year subsidizing and providing tax breaks to these very companies that are closing their American manufacturing plants and moving their jobs to China or Indonesia or Sri Lanka or Bangladesh or elsewhere.

People will say: I don't believe that. That can't possibly be happening. Yes, it is happening. We actually have this pernicious tax break in tax law that says to a company: This is a global world, a global economy. Shut your American plant, fire your American workers, move your jobs to China, sell your product back into the United States, and we will give you a big, fat tax break.

Should that tax loophole be closed and maybe raise a little money? I have tried four times on the floor of the Senate to close it. Four times I have lost that vote. It is nearly unbelievable.

In the broader case of fiscal policy, there is no philosophy that I can understand—economic philosophy or political philosophy—that would justify at this moment deciding what America needs most is to reduce its revenues, especially by benefiting the highest income earners at a time when we are choking on debt.

I have said before, and I say it with some amount of jest, I guess, that there was a time when the majority party here in this Congress—the party that controls the White House, controls the House and the Senate—could be relied upon for a couple of things. Conservatives were conservative.

In my little town of 300 people, I knew what a conservative was. I could see them. I could see it operate day to day. I could see the way they behaved in our town. You could count on them for something, always. I always kidded, they wore gray suits like bankers, they wore wire-rimmed glass, and they looked as though they had just eaten a lemon—very serious. The one thing you could count on was, they would stand up for fiscal policy that says: We demand balance. Balance your budgets. Save for the future. Conservative values. That is what they always gave to our country, always gave to our communities, State legislatures: the philosophy of staying on track, balancing your budget, decent fiscal policy.

It is gone. It is absolutely gone. Proposed increases in the Federal debt of gigantic proportions, tax cuts coming to the floor when we are choking on debt, bills coming to the floor saying: Let's spend $109 billion more. And, by the way, don't worry, we don't have to pay for it. Just declare it an emergency. Where on Earth is the conservatism that used to be involved in fiscal policy construct? It does not exist.

Some of us understand, I think, that this is off track, and we have a responsibility to put it on track. Ronald Reagan used to ask the question: If not us, who? If not now, when? If not us, who is going to do this? We are elected to do this. It is our responsibility to look truth in the eye and decide: This is unsustainable. We can't continue on this track. If we don't do it now, when will we do it? Next month? Next year? I don't think so.

This is the kind of Groundhog Day of fiscal policy; every time we come to the floor and turn to another chapter in this book, the next chapter says: It does not matter what is wrong with us, what we need is to cut taxes, and we need to cut them for the top folks. If you earn $1 million or more a year, you get a $42,000 refund check. If you earn $10,000 or $20,000 a year, you get $2 or $3.

I am saying that is not what I think is going to cure what ails America. We need a strong fiscal policy that recognizes our responsibilities, one that is fair, and one that stares truth in the eye and says: This cannot continue. This current fiscal policy is off track. We have a responsibility—yes, we do; Republicans and Democrats, conservatives and liberals, this President and this Congress—now. It is us, and it is now. That is the answer.

We have this responsibility, and I hope we act sooner rather than later. For that reason, I will not vote for this legislation. This legislation is, in my judgment, poorly constructed, provides all the benefits in the wrong direction. But, secondly, and even more importantly, it seems to me the worst step you could make at this point is to send a signal to the folks who are watching this country's economy, saying: Yes, we are way off base. We are about $1.4 trillion, just in the last 12 months, off track—about $650 billion in additional borrowing on the fiscal policy side, and a $700 billion deficit on the trade side, added together is almost $1.4 trillion in the red—and the signal we are going to send to people is: We are not serious about that. What we want to do is cut revenues.

I am telling you, people watching this—the bond markets, the investors—worldwide will say: This is not a Congress that is serious about addressing this country's problems.

America deserves better than that, in my judgment. That is why I cannot vote for this legislation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

HEALTH INSURANCE MARKETPLACE MODERNIZATION AND AFFORDABILITY ACT

Mr. BYRD. Mr. President, today the Senate debates S. 1955, the Health Insurance Marketplace Modernization and Affordability Act. Now, health care is a very complicated subject. The issue of health care involves life-or-death decisions for millions upon millions of Americans who lack even the basic access to affordable health care.

The reality is that health care costs are skyrocketing, and the number of individuals with access to medical insurance is diminishing. That is unacceptable. The harsh reality is that 45 million Americans have no health care coverage, including 275,000 West Virginians.

That is 275,000 West Virginians who cannot take even the most basic steps to ensure that their health and their lives are not in jeopardy. That is 275,000 West Virginians who may be unaware that an illness or a disease is preparing to spread unabated throughout their bodies.

Today, technology enables doctors to discover and treat diseases faster than ever before, and, in many cases, cure these diseases before their effects are irreversible. It is unacceptable—unacceptable—that more and more Americans cannot take advantage of new technological tools to discover problems early. It is past time to do something for these citizens.

The current health care crisis hits small businesses especially hard. Small businesses often pay the highest rates for health care benefits because they lack the power to negotiate with big insurance companies. One innovative solution is for small businesses to be able to join together—join together—to ensure that their employees have access to affordable health care.

That is why Senator OLYMPIA SNOWE and I have introduced the Small Business Health Fairness Act of 2005. The purpose of this bill is to enable small businesses in West Virginia and around the country, like corner grocery stores, like the little store my wife and I had once upon a time, restaurants, and hardware stores, to offer health care coverage for their workers.

Hard-working Americans employed by these businesses deserve affordable health care. A waitress working the night shift to provide for her child is every bit as deserving of health care benefits as the CEO of the largest corporation. A clerk in a family store should not be priced out of basic health care coverage simply because he works for a small business. There are 275,000 stories like this in West Virginia, and the Federal Government should be taking actions to help these people.

While I agree in part with the goals of the bill before us, there are important differences between the bill offered by Senator SNOWE and myself and the Enzi bill. The Snowe-Byrd bill, unlike the bill proposed by the very distinguished Senator from Wyoming, Mr. ENZI, does not preempt State law by erasing all preventative health tests and treatments. These mandates are the core medical services which are already part of many existing health plans.

The amendment I am cosponsoring, with the very able Senator from Maine, proposes to simply put some of the safeguards back that were eliminated by the Enzi bill. Our amendment provides small business workers with guaranteed access to the most important health care screening and services. It is imperative to include procedures guaranteed to catch diseases before the damage can be done. Our amendment guarantees patient access to procedures such as mammography screenings and screenings for prostate and cervical cancers. It is necessary in my State of West Virginia to make sure that diabetics have access to the supplies they need to regulate their blood sugar levels and to allow for maternity stays to assure the well-being of both mother and child after childbirth. Basic requirements such as these are essential keys to the health of all Americans, including those who work for small businesses. That is why Senator OLYMPIA SNOWE and I want to offer this amendment. Why prohibit such lifesaving tests? These are basic questions I am asking. Why offer half a loaf to small business employees?

I never ceased to be amazed by the medical advancements that have occurred during my lifetime. It is absolutely amazing, unbelievable, these advances that have occurred—penicillin, modern X-ray machines, laser surgery, CAT scans, PET scans. Each day, every day doctors and researchers make critical discoveries and develop new technologies that help people to enjoy longer and healthier lives. And still, too many of our people are unable to take advantage of such advancements. They cannot afford to do so because they lack insurance. We have a moral obligation to find ways to help families gain access to lifesaving medical care. Millions without health care insurance go through life hoping, praying that they will not get sick or will not face a catastrophic medical complication. Living a life free from worries about health care coverage should not be a privilege. It ought to be a guarantee in this country.

While Senator SNOWE's and my amendment could vastly improve vital coverage currently left out of the Enzi proposal, unfortunately, it looks as though the Senate will not have the opportunity to even vote on the amendment. Our bipartisan amendment, offered to better the bill before us, will never be allowed—ever—a vote in this Chamber. This is not the way the Senate should conduct its business. Purposefully blocking and disregarding amendments on an issue as vital as affordable health care does a disservice—I say again, a disservice—to our people and to this institution. The Snowe-Byrd amendment would make an important improvement to the bill before us.

Why employ a legislative maneuver that blocks attempts to improve health care options for small businesses and for their employees? Why? Why? Instead of blocking important amendments, the Senate ought to get to work on improving health care for the 45 million Americans, including 275,000 West Virginians, without health insurance. The lack of affordable health care in this country has reached crisis proportions. Why is that? Why is the Senate cutting off debate?

We should be working together in this Senate to find ways to help our people afford health care insurance. We should be discussing the May 15 enrollment deadline in the new Medicare Part D Program. Why can we not have a vote on extending this deadline? Why, I ask, and I ask and I ask again, why, after hearing from millions of the Nation's senior citizens and their worries about the deadline, are we not even talking about their concerns? My office has received hundreds of calls from concerned senior citizens. This is a pressing issue that requires our attention. Yet due to the actions of the leadership, the Senate is being held hostage. To what? To a deadline. Our senior citizens, whose sweat and blood helped to make our Nation great, are now being told that time is up for them. They must choose a health plan immediately or face financial penalties.

Because of the complexity of the new Medicare Part D Program, it is only right that our senior citizens be given time to understand their options and make informed decisions when selecting drug coverage. But instead, our elderly citizens are being told to hurry up or face penalties. That is just not good enough for the greatest country on Earth. Where is the compassion that our country is so known for? What is so almighty sacred about Monday, May 15?

It is unbelievable that important improvements to the Enzi bill will probably never receive a vote. It is a disservice to the small business employees and owners who deserve relief from the health care crunch. It is absolutely ridiculous that the Senate will not be permitted to consider pressing health issues for our senior citizens, the people who have worked so hard for so many years to build this great country.

I urge Senators to reject this process by which we are being gagged and denied a vote on these critical health care issues.

I yield the floor. I thank all Senators.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. THOMAS. Mr. President, I have been watching the interesting debate for some time. Of course, it is interesting and there is a great deal involved. Fortunately, we are having a debate. However, it seems to me that much of it has been very complicated. Some have had charts and details. It occurs to me that basically it is a broader issue than that, one that frankly divides the two sides of the aisle. We have had deficits that are larger than they ought to be. They were brought about by events such as September 11 and Katrina and those kinds of things. Just like in your family and your business, you have to go back and do something about it. However, this is one of those decisions that defines the direction we want to take in this country.

Choices are before us all the time. From time to time, we have hard decisions to make that are quite broad. I think those of us on this side of the aisle are interested in trying to have a strong economy, one that provides jobs and growth in the economy, and we are doing that. That is a good thing. I think at the same time we are looking for a Government that is smaller and less expensive and that spends less. To do that, of course, we want to have less taxes so the money can be invested in the economy and jobs can be created. That is precisely what we are seeking to do.

The other point of view—I understand it, but I don't agree with it—is that we need to basically spend more and, therefore, you need more taxes. You would have more Government involved in more and more things. You get down to a broad decision, and that is where we are. I know every detail is a little different; on this issue it is here and that issue it is there, but you have to kind of put them together in the overall picture and see where we are going.

I guess I have tried to kind of avoid some of the details but to look at what I think the broad directions are in the votes we are having today. Do you want less Government, with more emphasis on the private sector, more emphasis on job development, more emphasis on less taxes, and more involvement with the growth of the economy or do you want more Government, with more spending and more taxes? That is the issue. I think it is fairly simple.

I know there are a lot of details and arguments and I know people have different ideas about it. But the fact is that the other side of the aisle has been for more taxes and spending. We have tried to reduce taxes on this side and, hopefully, we will be able to reduce the size of Government and do something about the deficits, not by more taxes but by less spending. That is our decision. I think it is fairly simple. I certainly encourage our effort. This is not to reduce taxes; it is continuing reductions that we have had in place that have supplemented and strengthened the economy. It is pretty clear.

The deficit talk that we have heard and seen on the charts—that has gone on for several years. Yes, we need to do something about that and reduce spending. I am for that. I am encouraged that we can hold down taxes rather than letting them go back up again, so that we have more jobs, a better economy, and we can operate in that fashion. I hope that we are able to continue this reduction.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BAUCUS. Mr. President, a few days ago, at Lincoln Center in New York City, illusionist David Blaine completed a week in a water-filled bubble. He then got himself chained up, got rid of his air hose, and tried to escape from the chains, while setting a world record for holding one's breath underwater. His goal was to hold his breath for 9 minutes.

His feat was impressive. But he failed. After 7 minutes, he had to be let out of the remaining chains. He had to be rescued.

This bill also contains an illusion. This bill's illusion is paying for tax cuts with further tax cuts. Like Mr. Blaine's illusion, this bill's illusion also fails.

I give Mr. Blaine a lot of credit. He does his illusions in full view of the public—an open water bubble in the middle of New York City.

The tax bill does its illusions in the dark—outside the budget window.

Some of those viewing Mr. Blaine in New York City thought he had a lot of chutzpah to try his feat. The sponsors of this tax bill also have a lot of chutzpah if they think they can balance one set of tax cuts with another set of tax cuts—and call that fiscal responsibility.

Mr. Blaine called his stunt ''Drowned Alive.'' That also a fitting name for what this bill would do to the American taxpayer.

I am talking about section 512 of this bill. That section would remove the income limits on conversions from traditional IRAs to Roth IRAs, effective in 2010. Under this provision, all who convert their IRA accounts in 2010 get a tax break—2-year averaging of the taxable amount of the conversion, with payments to be made in 2011 and 2012.

Why does the bill contort these changes into 2010 through 2012? There is an easy explanation. The conferees wanted to raise money in 2011 through 2013. They needed money on those years to help cover the cost of extending capital gains and dividends cuts. And they needed to cover those costs to avoid a point of order under the Byrd Rule. So a 2010 effective date and the funneling of transfers into 2010 serve a clear purpose.

The sleight of hand is that a provision that loses money—billions of dollars a year—in years beyond the budget window are made to pass muster as a revenue offset provision. The illusion is to call this provision a revenue raiser.

How does this provision raise revenue? It encourages taxpayers who earn more than $100,000 a year to transfer traditional IRA balances into a Roth account. These taxpayers would pay taxes in the short run on traditional IRA balances and get tax-free investment income later.

Take for example a taxpayer with an IRA holder who makes $120,000 and is covered by an employer-sponsored retirement plan. Say that this taxpayer contributes to a traditional IRA. Under current law, the contributions would not be deductible. At retirement, the taxpayer would pay ordinary income taxes on the invstment earnings—what tax advisers call ''the inside buildup.'' But the original contributions would be returned tax-free. They would be what tax advisers call ''basis'' in the account.

In 2010, say that the taxpayer takes advantage of the new law we create today and converted the traditional IRA to a Roth IRA. In 2011 and 2012, the taxpayer would pay taxes on 50 percent of the investment earnings that were in the account. At retirement, the taxpayer could withdraw any additional buildup in the account tax free.

So the provision would raise revenue by taxing the conversion in 2011 and 2012. Then the provision would lose revenue when withdrawals were made from the account in the future.

The provision would thus borrow from our children. The conferees felt a need for revenue in 2011 and 2012 to pay for a 2-year extension of the capital gains and dividends cuts. So this bill would take the revenues from the future and claim them now.

The philosophy of this bill is: Let's just spend it now. Let our children figure out how to replace the revenue that would have been collected 10 or 20 or 30 years from now.

How much revenue would this provision take from our children? The Joint Tax Committee's revenue estimates show losses of more than $1 billion in 2014, 1.2 billion in 2015. To get a good idea of the longer-term losses, we asked the Joint Tax Committee to provide us with an estimate for the same provision, but effective in 2006 instead of 2010, so we could confirm that there will be revenue losses further down the road.

Under the joint tax rules, you have to ask them for it beginning this year because they can provide the estimates.

If you ask them beginning in later years, under their rules, they will not do the math. We asked them to do the math and we asked if it went into effect this year.

Mr. President, I ask unanimous consent that the Joint Tax Committee's response appear at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON TAXATION,
LONGWORTH HOUSE OFFICE BUILDING,

Washington, DC, May 9, 2006.

MEMORANDUM

To: Pat Heck, Judy Miller, and Ryan Abraham
From: Thomas A. Barthold
Subject: Revenue Estimate

This memorandum is in response to your request dated May 3, 2006, for a revenue estimate of your proposal to eliminate the income limitation on conversions from a traditional IRA to a Roth IRA. Under your proposal, any amount otherwise required to be includible in income as a result of a conversion that occurs in 2006 may be included in income in equal installments in 2007 and 2008. Your proposal would be effective for taxable years beginning after December 31, 2005.

We estimate that your proposal would have the following effect on Federal fiscal year budget receipts:

FISCAL YEARS
[Billions of dollars]

Item	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006–10	2006–15
Eliminate the income limitation on Roth IRA conversions; taxpayers can elect to have amounts converted in 2006 included in income in equal installments in 2007 and 2008	−0.1	1.8	3.4	1.0	−1.1	−1.5	−1.7	−1.9	−2.1	−2.3	5.0	−4.5

Mr. BAUCUS. The Joint Tax Committee estimated that the pattern of increasing revenue losses continues, growing about $200 million a year. So by 2020, the loss would be over $2 billion a year. That extrapolates to $3 billion a year by 2030. In other words, this bill would take $2 to $3 billion from our children, every year, to pay for a 2–year extension of capital gains and dividends rate tax cuts, which we know would not go into effect until January 1, 2009.

That troubles me, and it should trouble all my colleagues.

The conferees made bad choices in putting this conference report together. American workers need an extension of the Saver's Credit that expires after 2006, but get an extension of a capital gains and dividends cut that does not expire until 2009. And the bill purports to pay for those tax cuts for with a Roth IRA conversion provision that starts losing revenue by 2014 and has losses that balloon outside the budget window.

There are so many reasons to vote against this report. The use of a tax cut to allegedly pay for another tax cut is just one symptom of a seemingly irresistible urge to put wants before needs. I encourage my Colleagues to join me in voting for setting the right priorities. I urge them to vote against this conference report.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I spoke this morning about the bipartisanship and the origination of the idea behind the Roth IRA conversions, and how Senator Bentsen was the inventor of that idea, and how it had such broad bipartisan support. I supported it. It also had bipartisan support when Senator Roth introduced the bill. It had passed the Senate so many times by big, bipartisan margins.

We hear people on the other side of the aisle badmouthing an idea of one of the most esteemed Members of their party in the history of the Senate, Senator Bentsen of Texas, who was chairman of this committee in 1991, 1992, and was going to be chairman in 1993 and 1994, but he became Secretary of the Treasury. Now all of a sudden it becomes partisan that we are including that idea in this legislation. I don't understand it.

I have this response to what was said. I heard my friend on the other side try to argue that the provisions in the conference report that will allow taxpayers to make Roth IRA conversions is a budget gimmick. Was it a gimmick when Senator Bentsen introduced it? It is not a gimmick. Nothing could be further from the truth.

The Roth IRA conversion provision generates real Federal revenue. In fact, the nonpartisan Joint Committee on Taxation estimates that the provision will generate $6.4 billion in Federal revenues over the next 10 years. This is a provision with longstanding bipartisan support in the Senate.

The Democrats have also tried to argue that the Roth IRA conversion provision will actually make the Federal deficit worse in the long term. That, too, is not true. Roth IRA conversions merely change the timing of when individuals must pay tax on their retirement savings, accelerating tax payments in the case of those who convert. It does not result in a net change in Federal revenues over any long-term period.

In addition, critics choose to ignore a reverse effect of the various retirement savings incentives. Because congressional budget estimates are done on a 10-year basis, these estimates ignore distant revenue gains as well as losses. Because tax incentives for retirement savings basically and typically are front-loaded, the 10-year budget estimates generally reflect only large losses of Federal revenue. These estimates ignore the fact that the Federal Government will recoup the tax on that money and the associated investment gains when it is distributed later in retirement.

From a budgetary standpoint, the Roth IRA conversion provision only balances out a small part of this effect. If anything, this provision has the potential to actually increase receipts over a long period of time because it will lead to higher tax compliance as folks voluntarily pay their tax up front.

This provision brings in real money into the Treasury, it is good, and, most importantly, it is bipartisan—or I guess it used to be bipartisan. Today it is very partisan, and that is something I don't understand. How could you as Democrats be for something over the 1990s and not be for it now? Is it because maybe the Republicans are in the majority? It just doesn't make sense.

I yield the floor.

The PRESIDING OFFICER (Mr. COLEMAN). The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I wish to call attention to a saying that is kicked around here quite often: When you are in a hole, quit digging.

We are approaching $10 trillion in debt, and the majority—and I respond to my friend and colleague for whom I have great respect, the Senator from Iowa, the chairman of the Finance Committee—is not dealing in a typically bipartisan fashion when conferences are held without the minority being invited to participate.

There is, in case no one noticed, a Republican majority Senate, a Republican majority House, and the White House is occupied by a Republican President. It is fair to say that what we see happening reflects directly the will of the majority.

As we look at approaching $10 trillion in debt—and we just approved it; it is going up to $9 trillion—the majority wants to continue the lifespan of the Bush tax cuts to add another $70 billion to our debt. I find it incredible.

None of us have an exclusivity of knowledge—none of us. One can argue about whether an additional tax cut has value in increasing revenues, about where that money is spent when it gets into the hands of those who get the largest part of it.

There is another side to this that I think deserves examination, and that is we have done the tax cut thing, and where are we? We are deeper in debt. There is a song that goes: The harder I work, what do I get? I get deeper in debt.

When I see that we just increased the debt limit and we are about to push up against it pretty closely, we now want to add another $70 billion to our debt, I think it is a subject for fair debate, whether it is good for business or isn't.

I come from the business world, and I ran a very successful company. The company I started with two other friends now employs 40,000.

We have ideas that have been thought out, and I think this is a fair place to express them.

I know the other side of the aisle likes to say these are tax cuts to help everyday people, but I want to do a reality check. Those who earn over $1 million a year get 22 percent of the tax breaks in this bill. That is a very small percentage of the wage earners in this country.

Millionaires get an average tax cut of almost $42 thousand—41,977, to be precise—while those earning from $40,000 to $50,000—I want to point this out, millionaires get an average tax cut of about $42,000, while those earning from $40,000 to $50,000 a year get an average tax cut of $46.

I got some gas the other day and one tankful cost over $60. When you get an average tax cut of $46, my advice to those who get it is: Don't spend it all in one place; $46, distribute it around; maybe buy a little boat or something so you have some fun with it.

The last time we complained about unfair tax cuts such as this, one of our Republican colleagues actually accused us of ''persecuting millionaires.'' Alas, what a pity, that we should be so biased in our statements.

If Republicans were more concerned about helping the middle class in this country, we would all be better off—all of us. The best idea we have seen from the majority recently was to give everyone $100 to help with soaring gasoline costs. Maybe that ought to be accompanied by a statement that says if you go to Las Vegas or buy a lottery ticket, perhaps you can really hit it big. Mr. President, $100, how do you use that? We now know how little $100 is, and the offer is offensive, so offensive that it was quickly withdrawn when people said: This doesn't make any sense. What do we do for people? Giving them a $100 gift certificate, if I can call it that.

Gas prices are out of control, wages are stagnant, more and more working people are losing their health insurance, and the Republican side of the aisle is admonishing us about persecuting millionaires.

I know some people who made money in their lifetime. I know if you want to buy a particular airplane, a G–5, that you have to wait 2 to 3 years to get it delivered. It costs $30 million. If you want to add some amenities, it can get up to $40 million. But there are so many people wanting to buy them, you have to wait years to get delivery. Yachts that are over 150 feet, that is a 2-year wait.

It looks like there is plenty of use for that $42,000 tax break.

President Bush and the Republican majority in Congress have lost all sense of fiscal discipline. When the President took office in 2001, he inherited a rosy fiscal picture, a better one almost than any President in history. We had a $236 billion budget surplus. We thought we would pay off the entire national debt by the end of President Bush's first term. But now we are on a track to double our national debt by 2011.

President Bush holds the Nation's credit card. We are the bank, and he keeps asking us to raise his credit limit, also commonly called the debt ceiling. In 2002, Republicans raised the debt ceiling by $450 billion, and in 2003, they raised the debt ceiling again by a record $984 billion. And despite the earlier admonition, in 2004, they dug the hole deeper by adding another $800 billion to the debt ceiling. When will this stop?

Then just 2 months ago, they squeezed through another $781 billion increase in the debt ceiling. So now we will owe the Chinese and other countries this money as we beg them to buy our bonds.

These numbers are so large that it is hard to relate to them. I think that is exactly what President Bush and Republican colleagues are counting on.

By adding nearly $4 trillion to our debt, we add a bill to every American of over $13,000 that has to be paid off in the future. Your kids, my kids, everyone's kids will have to pay it back with interest. It is time to get serious about fixing our Nation's financial condition. We can't continue to run record-setting budget deficits year after year, and we can't keep increasing our debt like it doesn't have to be paid off by future families and wage earners.

President Bush and the majority in Congress are doing long-term harm to our economy, to our standing in the world just by throwing more money at people who don't need it or, in many cases, don't even want it.

We have to stop conducting ourselves like the proverbial drunken sailor, like the guy in Las Vegas who is about to bet the family farm on the turn of a wheel. We should not be passing our endless debt on to our children and as the legacy for our grandchildren. I hope we will see votes against this irresponsible tax bill. I hope people on the other side of the aisle—and we can agree that maybe we ought to take a deep breath, step back, and not just casually increase the debt limit while we fight to give the millionaires an average $42,000 tax break. It is really something when we think about it.

Tax cuts for millionaires. We could send 1.9 million children to preschool. This tax cut that is designated to go to the millionaires could be used to give health care to 8.7 million uninsured children. Is that a better thing to do, I ask you, than to give those who make over $1 million a year another $46,000? I would rather give the health care to 8.7 million uninsured children. I can tell you one thing: There are no children of those who stand here who are without health care—not one. But there are hundreds of thousands of children—millions, I should say—who are uninsured; 8.3 million uninsured children.

Tax cuts for millionaires could send 2.8 million young people to college. Tax breaks for big oil, as we have given to them, could keep college tuition tax deductible for 6.4 million students and their families. We give tax cuts for millionaire investors instead of tax credits to help poor people save.

I hope we will stop passing along endless debt to our children and our grandchildren. Our legacy would best be shown as an indication that we want this country to be stronger domestically. We want our country to be stronger when it comes to military engagements, and we are failing that—failing that. If you read the papers—contrary to what I heard from our Secretary of Defense the other day about how everything is OK and we have enough people to do what we want to do—recruiting is way down and under pressure. So I think it would be a good idea if we got together at this point and said: OK, let's agree that our legacy to our children is going to be eliminating or reducing the debt that we are placing on their shoulders. And instead saying: If you want to go to college, you don't have to end your college career with a debt of $50,000 or $60,000 or, in some cases, much more. If we want to leave a real legacy, something of value to our children, then we have to say we want an Earth that is free of contaminants in the air that our kids breathe. We want to stop global warming. Some on the other side say it is a hoax, global warming. Ice floes are coming off of Antarctica. I was there and visited Antarctica and the South Pole. You can find there chunks of ice floating that are bigger than some States. Kilimanjaro is about to see the last of the snow that has been there since time immemorial. Glacier Park is soon to be without glaciers. What does it take? Those are the items of legacy that we ought to be talking about.

We want the air to be better so that when children are growing up, they are free from asthma attacks on their respiratory system. If we want to give our kids something to be grateful for, let's clean up the waters that surround us and make sure that we are not going to be overflooding lands across this globe, with global warming creating melting seas.

I hope we will be able to muster the courage to say: Don't increase this national debt any more than we already have done, and don't give tax breaks to millionaires who don't need or want the money—$42,000 in tax breaks if you have a $1 million income. That is a pretty sizable bite. I don't think it is fair to say that Democrats are too stupid to see the advantage of these tax breaks.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The majority whip is recognized.

Mr. MCCONNELL. Mr. President, in spite of unprecedented shocks to our

economy, terrorist attacks, corporate accounting scandals, rising energy prices, and natural disasters, our economy is incredibly strong. It is not an accident that our economy is so strong; it is a byproduct of policies proposed by President Bush and the Republican Congress that encourage Americans to work hard, keep more of their own money, and invest in the economy.

Let's look at the facts. One of the most important components of this Tax Increase Prevention Act that Congress initially passed in May of 2003 was the tax relief on capital gains and dividends. Since enactment of that important tax-reduction measure back in 2003, we have seen absolutely remarkable economic growth and job creation. More Americans are working than ever before, the economy has created over 5.2 million jobs since August of 2003, and we have witnessed 32 straight months of job growth.

Take a look at this chart. It is no accident. The red lines going down represent job growth as late as early 2003, and then we acted with the tax relief package in 2003. There was a very dramatic turnaround in job growth beginning in August 2003, and it continues through today—5.2 million new jobs since we got the tax burden down on the American people. Americans are willing to invest more now because they will be able to keep more of those earnings.

Unemployment remains very low, at 4.7 percent. Of course, we will not rest until every American who wants a job has one. But the fact is that the current low, low rate of 4.7 percent is lower than the average unemployment rate of the 1960s, the 1970s, or the 1980s. It is even lower than the average rate in the 1990s, which our Democratic colleagues would have you believe is the golden period of economic progress.

From the time since the tax cuts to the beginning of this year, which is the latest period for which we have numbers available, America has created more jobs than the European Union-15 and Japan combined.

Let me repeat that. From the time since the tax cuts to the beginning of this year, the American economy has created more jobs than the European Union-15 and Japan combined.

Economic growth remains strong. The economy grew at a rate of 4.8 percent in the first quarter of 2006.

Businesses are investing in our economy because of the 2003 tax cuts. This chart shows that business investment has increased for 10 consecutive quarters, averaging 9 percent growth over that period.

Americans are willing to invest more because they will be able to keep more of these earnings. The stock market is up more than 3,100 points since May of 2003. It has gone from 8,454 on May 1 of 2003 to 11,639 on May 10 of this year, nearly a 37-percent increase in the stock market since we originally acted in 2003 to get the tax burden down on the American people. It is not only good news to Wall Street, but really good news to the folks with pensions and savings on Main Street.

Americans have more money in their pockets. Their real after-tax income is up 8.2 percent since President Bush took office. Over the past year, it is up 2.2 percent.

Consumer confidence is at a 4-year high—a 4-year high.

We cut the tax rate on capital gains, and tax revenues from capital gains have increased from $58 billion in 2002 to $78 billion in 2005. Tax collections are up 14 percent over the past 12 months, even though we have reduced taxes. By the way, revenue is up for State governments as well as a result of this booming economy.

We must never forget that Government does not create growth; entrepreneurs, risk-takers, and hard-working Americans create growth.

However, Government, through its tax, spending, and regulatory policies, obviously can establish an environment that strangles growth or allows it to flourish.

This body, by lowering taxes in 2003, is making growth flourish. These policies have been a resounding success—a resounding success—and the Senate clearly needs to extend them to project this booming economy into the future.

We ought to reject efforts from the other side of the aisle to reverse this course and increase taxes by $70 billion on the American people. Clearly, that is a bad idea.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I am happy to be here in strong support of a bill that I guess I was somewhat responsible for in giving its title to: the Tax Increase Prevention Act. We first called this a jobs or growth package or something such as that, but that is not what it is. Taxes are going to go up if we don't extend these provisions to allow people to keep more of their own money, to not have the alternative minimum tax kick in that is going to affect over 350,000 taxpayers in the Commonwealth of Pennsylvania. They will have to start paying the alternative minimum tax. As an AMT payer myself, I can tell you: You don't want to pay this tax. This isn't fair for increasingly average-income people who, if we don't fix it today, will now be thrown into this alternative minimum tax situation which will cost them thousands of dollars in their tax bill. We stop that from happening. The problem doesn't go away, though. We need to continue to work on this to make sure we don't have this problem into the future.

The second thing we do is capital gains and dividends. Capital gains and dividends is a vital part of the growth that we have seen in our economy. Since we passed them, we have seen 5.3 million new jobs. We just heard the Senator from New Jersey talk about how the benefits of capital gains and dividends all go to these high-income individuals. What he forgot to mention was the 5.3 million people who have jobs today in large measure because of the tax policy that we put in place in 2001 and 2003. So while they may get a small financial benefit—although every financial benefit, depending on your income level, is a benefit—the fact of the matter is, in many of these cases, over 5 million cases, they have a job, and they have a job paying at 20 percent above the average compensation of most jobs in America. So these are good jobs. These are jobs that are family-sustaining jobs, and these are jobs I am sure these 5.3 million people—net new jobs that we have—are very happy to have.

I will tell you what. I bet if we polled all of those folks who received those jobs in the last few years, they would be happy to have someone who created that job, who had a tax incentive to grow their business so that they could, in fact, invest to make that job possible for them. They are very happy to have someone who had a tax break because of a capital gains rate reduction or a dividend rate reduction or the AMT not being in place or the marginal rates being lower or having an expense of capital equipment as a small business. Those folks would be very happy to get these jobs, from 2003 to today, I am sure, to allow that tax break to be in place so they could have the job in the first place.

That is what we are talking about. We are talking about growing the economy by investing in small businesses, by investing in people who are creating economic activity, who are creating jobs, who are building wealth, who are creating a better economy for all of us. When we passed this legislation in 2003, the unemployment rate was 6.1 percent. It is now 4.7 percent. In Pennsylvania, it is below that. We have had a great run, as Senator MCCONNELL talked about. The stock market is at all-time highs. That doesn't just mean wealth for people who own stocks and trade. We are talking about pension funds; pension funds which were on the brink and are still having problems. But can you imagine what we would be debating in the pension reform bill that we are trying to pass if we had the market at 20 or 30 percent below where it is today. A lot more pension funds would be in trouble. A lot more folks would not have the savings they have to be able to enjoy their retirement.

A lot of good things have happened because of the tax policy we have put in place.

Let's talk about the deficit. The Senator from New Jersey—I love to hear people get up on the other side of the aisle and gnash their teeth and woe, how terrible it is about these huge deficits—I mean huge deficits—when we are talking about letting people keep their money. But when it comes to

spending their money, we never hear a word about deficits on the other side of the aisle. Never. We went through the process of a budget, and amendment after amendment, billions after billions after billions, hundreds of billions of dollars of amendments were offered on the other side of the aisle to spend more money, to increase the deficit by spending more money and not one word about how bad the deficit is. No. If Washington spends it, if the bureaucracy spends it, if we are growing the size of government, we are OK with bigger deficits. We only have a problem with deficits if we let you keep your money. Then there is a problem. This is the kind of misguided economic policy which the American public thankfully has rejected time and time again.

I am very proud to be here today to say I am on the side of the taxpayer. I am on the side of the people who are the middle-income folks today and who are not going to see their taxes go up this year because of the alternative minimum tax. They are going to see capital gains and dividends policy extended for a couple more years so we can continue to see growth in our financial markets, more responsibility in the corporate board room, the kind of benefit to the average taxpayer where 28.1 percent of Pennsylvania tax returns claimed income from dividends. Over half of that money came from returns—over half of those returns have an average adjusted gross income of under $50,000.

We are looking at, not high-income people claiming dividend income but a lot of my seniors—and I don't have a lot of high-income seniors as a percentage compared to some of the other States where folks retire in the South. We have a lot of moderate- and low-income seniors, and that dividend income is a big deal. Not having to pay those taxes—it may only be $40 or $50 to the Senator from New Jersey, who doesn't have to worry about $40 or $50, but there are a lot of folks who worry about $40 or $50.

I hear complaints all the time from the other side of the aisle: When it comes to prescription drugs we can't have a $2 copay or a $3 copay. It has to be a $1 copay or something like that. Or we can't increase it by a dollar or two. Then they throw off $50 in a tax break as if it means nothing. Again, the idea if it is Government, it is OK; if it is letting people keep their money, it is not OK. It is OK in the minds of most people to have the people who earn the money, who made the investment, be able to keep the investment, get the fruits of their labor or wise investment, and be able to keep as much of it as possible. That is what this bill does.

I am proud of the fact we have been able to make this happen. We have not concluded the exercise. We have more work to do on the tax side. I have been a staunch advocate of making sure that we do something this year to help our charities. Over the past 25 years we have seen charitable giving go down from 2.5 percent of GDP to under 1 percent. That is not to say we are not a generous country, but the bottom line is we are not giving as much as we have in the past. I think part of that is the tax structure that we have. We need to create more incentives for folks to give to those who are helping millions of people across this country in need. The charitable giving package I continue to fight for in the followup tax bill that is coming along, we need to get that done. It is something vitally important.

There are several other issues we are working on in that second bill that, in the interest of time, I will not go into. But I will tell you there is more work to be done. This is a good start. This is a solid start on a package of legislation that is going to stop taxes from going up. This is not a tax reduction, this is a tax increase prevention, and that is the least we should do at a time when we want to keep this economy growing.

I yield the floor.

Mr. HATCH. Mr. President, I rise today to applaud the conferees for successfully concluding the negotiations and giving us a tax reconciliation bill that I believe fixes glaring problems that would otherwise punish millions of American families. The provisions in the conference report before us today will also help to perpetuate the strong growth our economy has experienced over the last 3 years that has created millions of jobs for Americans. I want to exhort my colleagues to give their support to the conferees' efforts and vote for the passage of this conference report.

One major problem the conference report addresses is the fact that the alternative minimum tax is due to hit tens of millions of American households this year had it not been temporarily fixed. The ''fix'' provided in the bill before us is by necessity only a 1 year ''Band-Aid,'' so our tax writers will have to address this issue once again next year. Without this provision over 18 million households would unexpectedly find themselves bereft of deductions and facing a higher tax bill.

The alternative minimum tax is Exhibit A for the law of unintended consequences in the tax world. Originally created as a response to news reports that a few millionaires were using available deductions to not pay any taxes at all, this provision, which is essentially a parallel tax system to our ''normal'' tax system, is on pace to snare tens of millions of households in just a few years unless repealed or reformed permanently. It is only the projection of major revenues from this tax that keeps us from discarding it completely.

The alternative minimum tax is an especially pernicious tax for Utahns, as it unduly burdens large families by disallowing the exemptions for dependent children. A family of six earning $90,000 a year pays enough taxes as it is without us taking away their exemptions.

While the fix of the alternative minimum tax is welcome, I believe the most important provision in the reconciliation bill is the extension of the lower tax rate on dividends and capital gains to 2010. This provision has proven to be a boon for economic growth since it was added to the code in 2003.

The revenue cost of this lower rate has been very slight we collected more tax revenue from dividends and capital gains last year than we did in 2002, the year before we reduced the tax rate. In fact, total Federal revenue growth has been simply tremendous the past 2 years as the economy has taken off. Revenue grew more than 14.5 percent last year and is growing at more than 11 percent this fiscal year, well above the predictions made by CBO.

The benefits of the lower tax rates on dividends and capital gains has been higher economic growth. The way it works is simple: a lower tax on investment income means that investors get a higher return from their investments, thus spurring them to save more. Greater savings means that firms find there is more money available for them to use to increase production and improve the productivity of their workers, both of which ultimately lead to an increase in economic growth.

Moreover, the money invested is used more effectively with a lower tax on capital gains. Capital is not locked up in long-term investments held in order to avoid paying the tax. As a result, capital flows to the most productive investments, and economic growth is maximized. A vibrant, dynamic economy benefits from flexibility, both in the labor market and the capital market. Our 4.7 percent unemployment rate and 2 million jobs created in the past year, on top of a total of 5.2 million new jobs created since August of 2003, testify to the strength of our labor market. The $52 trillion of net wealth in this country, which increased by 8 percent last year, is a manifestation of the strength of our capital market. The Dow Jones Industrial Average is also nearing its all-time high, in no small part due to the tax policies of this country.

The benefits of economic growth are in ample abundance in Utah, where the current unemployment rate is just 3.4 percent, while wages increased last year by nearly 4 percent.

I am also pleased to see the extension of the small business expensing provision, which has been very important to business investment in this country. Another important provision included in the conference report is the 2-year extension of the active financing exemption under subpart F, which allows many of our U.S.-based multinational firms to remain competitive with their foreign counterparts.

We need to remember that taxes are only a means to an end. Ultimately, a primary goal of the government needs to be to ensure the continued prosperity of its citizens, and our Tax Code

should be constructed with that purpose in mind. Our Tax Code is by no means perfect; and I could litter this discussion with references to the hundreds of exceptions, exemptions, credits, ill-advised deductions, dubious penalties, and needless complexities that should not be in there. But fixing the myriad imperfections of the tax code is a task for a later Congress and was not the assignment of the conference committee. What they did accomplish was figure out a way for us to keep a provision that has been a boon to our economy for another 2 years. I fervently hope that by the time this provision is next due to expire, or even before then, that my colleagues can see how important it is to have a Tax Code that encourages saving and investment. A lower tax rate on dividends and capital gains is a modest step towards that goal, and one that has cost us little or no revenue in return.

At a time of growing prosperity, it is important to continue with the policies that have contributed to that prosperity, and that is exactly what this bill has done. I urge my colleagues to support its passage.

The PRESIDING OFFICER. Who yields time? The Senator from South Dakota.

Mr. THUNE. Mr. President, in probably a few minutes we are going to be voting on whether to extend the tax relief that was passed by this Congress in 2001 and 2003, and thereby give the markets in this economy some certainty about what the rules are going to be. Frankly, that is something that investors need to know. They need to know for tax consequence purposes whether Congress is going to be changing the law, whether Congress is going to be raising taxes.

I think there is probably no better issue that illustrates the differences in philosophy between the two political parties in the Senate than does this one because it is the question of who spends the money. Do the American people spend the money? Do the taxpayers in the country get to spend their own money? Or do they send it to Washington, DC, so the politicians can spend it?

You have heard a lot of debate from both sides on this issue. If you look at the statistics, it is pretty clear that beginning in 2003—of course, there were tax cuts in 2001 and then subsequent tax cuts in 2003—the economy has behaved in a remarkable way. That proves, once again, that the lessons of history have a tendency to repeat themselves.

If you go back clear to the 1920s under President Harding when you cut taxes, when you cut marginal tax rates, you get not less revenue but you get more government revenue. It happened in the 1920s under President Harding, it happened in the 1960s under President Kennedy, it happened in the 1980s under President Reagan, and it is happening today.

If you look at the U.S. economy today, again in the first quarter of this year, there is 4.8 percent growth, the fastest rate in 2.5 years. The economy has been growing for 17 straight quarters. The average growth rate last year was 3.5 percent. There were 211,000 jobs created in March, 2.1 million jobs in the last 12 months, and more than 5.2 million jobs since August of 2003.

The unemployment rate has fallen to 4.7 percent, lower than the average of the last three decades, and led by strong home values and a steadily rising stock market; household wealth is at an all-time high, reaching $52.1 trillion in the fourth quarter of 2005; home ownership remains very close to its all-time high, more than 69 percent reached in early 2005.

As I said earlier, the ironic thing about this is the assumption that is made by many on the other side. You go back to 2003. The Democratic leader said:

> The tax cuts didn't work to stimulate the economy during the Reagan years and they are not working now.

That was the suggestion made in 2003 by our colleagues on the other side. Yet, again, the facts have borne out a very different story. That story is an incredible response to the tax relief, a growing economy, record numbers of jobs, and ironically—people might think this is counterintuitive—when you cut marginal tax rates, when you cut capital gains rates, you get not less Government revenue, you get more.

That is exactly what we have seen here. The Government revenues between 2004 and 2005 increased $274 billion, a 14-percent increase in Government revenues between 2004 and 2005. Between 2005 and 2006, the first 8 months that we are measuring for this year, Government revenues are up 11 percent, another $137 billion over the baseline of what was projected previously.

So when you add that up, the fact that we are creating jobs, growing the economy, raising more revenue for the Government not less, we have again unemployment at an all-time low. And how do our colleagues on the other side want to reward that? With a big, fat tax increase because essentially if we don't extend these tax cuts. What we will in effect be doing is raising taxes; marginal tax rates will go back up, capital gains tax rates will go back up, dividend tax rates will go back up, and you will see higher taxes which have the opposite effect of what we want to see happen. We have stimulated the economy. It is growing, it is expanding, and rather than continue on that path by extending these tax cuts and allowing the economy to continue to expand and grow and create jobs, the Democrats, rather, would allow the tax cuts to expire thereby raising tax rates and mess with what is a very good thing in the economy right now.

That is the opposite of what we ought to be doing. We ought to be extending these tax cuts. We ought to be giving people in this country an opportunity to take their realizations, to pay taxes, continue to invest, and continue to grow the economy and create jobs. There are provisions that have expired or will soon expire, including the expensing for business equipment purchases for small businesses, relief from the alternative minimum tax—which is catching more and more middle-income taxpayers in this country—and, of course, lowering tax rates on dividends and capital gains.

Ironically, contrary to the arguments that have been made by the other side, if you look at who benefits from the tax relief—I am just going to use one example, dividend tax relief—those making under $50,000 a year see their taxes cut 7.6 percent. Seniors in this country see their taxes cut by 17.1 percent. Those making over $200,000, the so-called rich in this country, as has been argued by the other side, realize a 2.2-percent tax cut.

Where do the dividends tax relief benefits go? To people making under $50,000, to seniors across this country. We have a lot in both of those categories in my State of South Dakota, people who are making under $50,000, and a high proportion of seniors in my State who will benefit from this tax relief.

It seems to me, at least, that when we have this vote in a few minutes, if we want to do right by the American people—and, again, we want to assert what is a fundamental principle that at least I think most of us on this side of the aisle adhere to, and that is the American public is better and the American economy is better, frankly, if individuals across this country, taxpayers in this country, are making their own decisions about how to spend their own money for their families, for themselves, for their communities, rather than sending that money to Washington, DC, and having the Government and politicians in Washington decide how to spend it.

That I think probably points out as well as anything else in this debate that we are having today the difference in philosophy between those of us on this side of the aisle who want to extend the tax relief that was enacted in 2001 and 2003 and those who want to allow that tax relief to expire, thereby creating a huge, massive tax increase on the American people at a time when the economy is growing, creating jobs, expanding at a record level.

I hope today when the vote comes that we will have a strong vote in favor of growing this economy and creating additional jobs for Americans and allowing people in this country to keep more of what they earn and spend it on their own priorities, rather than sending it to Washington, DC, and allowing the politicians to spend it.

I yield the remainder of my time.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Idaho.

Mr. CRAIG. Mr. President, I am pleased to see the tax reconciliation conference report before the Senate today. I commend the conferees' hard

work and perseverance in reaching a compromise on this bill. I know it was no easy task.

Americans have been asking for tax relief, and now is the time that we give it to them. Lower taxes on capital gains and dividends—and higher alternative minimum tax exemption amounts—will assist America's small businesses, encourage the kind of investment that creates jobs and makes our economy grow, and ensure fairer tax treatment for middle-income families who would otherwise be left footing the bill for a tax intended for the wealthy.

These policies have a proven record of success. Since Republican progrowth tax policies were enacted in 2003, the economy has grown at an unprecedented rate, over 5.3 million jobs have been created, tax revenues are surging, and household wealth is at an all time high. We must extend, not end, this trend and the conference report we have before us, in part, does that.

When the original tax reconciliation bill came before the Senate, I voted against it. I did so because it contained a windfall profits tax provision which would have imposed an additional $4.923 billion tax on the energy industry alone. I voted ''no'' because the bill that was supposed to provide tax relief actually raised taxes. I was pleased to see and commend the conferees for stripping the windfall profits tax provision out of the bill.

I am going to vote for this bill. The majority of it contains the kind of tax relief essential to creating jobs and growing our economy. But I stand before you today to register my opposition to the addition of an expanded withholding provision—a near $7 billion tax increase in a bill that claims in its title to prevent tax increases: The Tax Increase Prevention and Reconciliation Act of 2005. That title is misleading.

The provision requires withholding on payments to any person—including small businesses—providing goods and services to the Federal, State, and local governments. The rate of withholding is 3 percent on all payments, meaning that if contract payments were made quarter-annually, 12 percent of the total contract value—some undoubtedly in the hundreds of millions—would be withheld from the contractor, kept by the Government interest-free for up to 15 months.

Proponents of this provision say it simply closes the ''tax gap'' and assists in collecting Federal taxes that are already owed. To say that the expansion of withholding requirements is anything other than a significant shift in U.S. tax policy is misleading.

Withholding has not always been around. Federal income tax withholding came into being during World War II, as the need for increased tax collections arose. When Federal income tax withholding became mandatory in 1943, tax collections jumped from $7.3 billion in 1939 to a whopping $43 billion in 1945. That's an increase of $35.7 billion in 4 years.

In congressional hearings on the issue, Congressmen spoke candidly of the revenues that needed to be ''fried out of the taxpayers.'' There was no doubt in the minds of lawmakers that the result of withholding would be an increase in the tax burden on the public. However, it was wartime and the proposal was sold as a patriotic one. What is our reason now?

Some say it is to improve compliance by ''closing a tax loophole'' that allows some taxpayers to avoid their tax obligations. There is no such ''loophole''—the IRS has simply failed to do its job of collecting and aims to shift this responsibility elsewhere.

Information reporting requirements are already in place to assist the IRS in its collection duties. Government entities are specifically required to make an information return, reporting payments to corporations as well as individuals.

Moreover, every head of every Federal executive agency that enters into contracts must file an information return reporting the contractor's name, address, date of contract action, amount to be paid to the contractor, and other information.

Expanding withholding would now not only have the Federal Government spend taxpayers' dollars, but it would make taxpayers bear the burden and costs of collecting them too.

And the cost of this provision is high—nearly $7 billion over 10 years. This offset is not without strings, and it is not free. As portions of individuals and small businesses' income are withheld for as long as 15 months, cash flows will drop and opportunities to invest will go down. These expenses will result in a higher cost of business.

Withholding is the ultimate hidden tax. When taxpayers no longer see the money that is withheld from their paychecks, the cost of government becomes obscured. And with Government spending what it is right now, transparency is what we need.

This is not the last time you will be hearing about this from me or the taxpayers. This provision will not simply go by unnoticed. In fact, the same type of withholding was tried on dividends and interest in 1982. Public opposition was so profound that it was repealed less than 1 year later. Although I will vote today to extend essential tax relief, I will work to do the same before this tax increase takes effect in 2011. I will work to give more meaning to the phrase in the bill's title: ''Tax Increase Prevention.''

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DAYTON. Mr. President, this bill should be a billboard for the corruption of the public interest in Washington. It is a disgrace, it is an abomination, and it should be rejected by the Senate.

Last year, when this body passed a version of this legislation, I voted for it, principally because it included my amendment requiring corporate executives to pay their fair share of taxes when they use their company planes for their personal use. That is a matter of simple tax fairness. When all other Americans take vacations, they pay for their air travel on commercial airlines with their after-tax income. Yet when some of this country's wealthiest people, corporate executives, take vacations on their company planes, they fly for free and they pay almost no taxes on the actual value of that special employment benefit. My amendment would have raised $44 million in Federal revenues during the next 10 years, all of it coming from some of the very richest Americans, all of it coming from the end of their tax avoidance scheme.

What happened to my amendment, which was adopted by the full Senate on a unanimous voice vote? It was stripped from this conference report by the House-Senate conference committee which is controlled by the Republican majority in both bodies. It was done behind closed doors with no explanation and, thus, once again the greedy, a few rich and powerful Americans, have prevailed over the best interests of everyone else.

No wonder so many working Americans have lost their faith and trust in this Congress and in this President. Under their control, the rich get richer and everyone else gets poorer. And the national interest is betrayed behind the closed doors of a conference committee.

Stripping out my amendment is unfortunately only the beginning of the terrible abuses in this conference report. According to the nonpartisan Tax Policy Center, someone in this country who earns between $20,000 and $30,000 a year will receive an average of $9 in tax cuts from this bill. Someone earning $40,000 to $50,000 a year will get an average $46 tax reduction. But the very wealthiest Americans with incomes over $1 million a year will get an average tax cut of almost $42,000 every year.

Let us reverse those numbers since some of my colleagues are trying to portray our failure to pass this as a tax increase. Conversely, if that were to be the case, someone who makes between $20,000 and $30,000 a year would receive by their words an average of $9 a year tax increase. Someone earning between $40,000 and $50,000 a year would get on average a $46 tax increase. But the very wealthiest Americans, those with incomes of over $1 million a year, would get an average tax increase of about $42,000 every year. That is what progressive taxes are about.

Over half of this $70 billion which they want to reduce in Federal revenues, almost $40 billion of that will go to the richest 4 percent of American taxpayers. By doing so, the rest of this country will go deeper and deeper into public debt. Last year's combined Federal budget deficit was $318 billion. All Federal revenue, including the surplus

in the Social Security trust fund thus amounted to only 87 percent of all Federal expenditures.

If you set aside the Social Security surplus, put it in a lockbox that so many people, including myself and the President, campaigned on in the year 2000, that surplus which this administration is squandering every year entirely on current consumption, then last year's so-called on-budget deficit for the Federal Government was $483 billion. That meant all Federal revenue set aside totaled only three-fourths of Federal expenditures.

That occurred during an expanding economy. It will continue this year, according to the President's own projections, during an expanding economy.

According again to the President's own budget forecast, this revenue shortfall of one-fourth of total expenditures will continue over each of the next 5 years. This even assumes the continuation of a relatively good economy.

By contrast, in the fiscal year 2000, which is the last fiscal year of the Clinton administration, non-Social Security revenues totaled 106 percent of on-budget expenditures.

In other words, we were in a budget surplus—there was a budget surplus projected every year for the next 10 years—and now those revenues total only three-fourths of expenditures, which means that, starting in 2001, President Bush and his supporters in Congress have destroyed the fiscal integrity of the Federal Government by recklessly cutting taxes, which primarily benefits the rich and powerful, while increasing Federal spending in every cycle one of those years, which caused the bipartisan or nonpartisan Concord Coalition, headed by the former Secretary of Commerce under President Richard Nixon, to call this administration the ''most reckless'' administration in the history of this country in its fiscal policy.

This tax bill will further feed that greed of the richest and most powerful Americans and it will weaken our country. Any sensible American understands that if their income is $30,000 a year and they are spending $40,000 a year, that is an unsustainable imbalance. Borrowing the difference only postpones the day of reckoning and makes that future reckoning more painful and difficult.

Any farmer or small business person knows if their annual income is $150,000 and their annual expenditures are $200,000, they too will go deeper into debt every year and eventually face bankruptcy. That basic law of economics also applies to governments and nations. It may take longer to exhaust the wealth of a country with our resources, but that will eventually happen unless we change our course.

This tax bill provides more tax favors to those who need them the least while increasing our future deficits and putting additional financial burdens on our children and grandchildren who will ultimately face those days of reckoning for this fiscal hedonism.

What is most disgusting about this spectacle is that the people in Washington who are responsible for it, the people in the Bush administration and in the majority of this Congress, know what they are doing. They know—or at least they should know—the future damage they are inflicting on this country. They just know that they can get away with it. They know when those days of reckoning arrive, when this great and strong nation has exhausted its ability to borrow from the rest of the world, when it has been reduced to being the largest debtor nation in the history of the world, it will be other people's nightmare—certainly another President's. And they can hope to avoid that future blame by now avoiding being responsible.

They have had plenty of help. These tax handouts don't happen by accident. They are heavily lobbied for by the people who benefit from them. They are the same people who benefitted most from the 2001 tax cuts and the 2002 tax cuts and the 2003 tax cuts. But more is never enough. Greed cannot be satisfied by feeding it more. That greed will eventually destroy this country, if it continues.

There used to be an ethic in this Nation that when you made more money, you paid more taxes. Now the obsession of individuals and of corporations is to make more money but pay less taxes, or pay no taxes, or even get tax rebates. The annual report of a major corporation recently noted proudly that it had paid no U.S. taxes in three of its previous five years although it had been profitable during all five of those years. The chief executive officer of that corporation then is now the Secretary of the U.S. Treasury. He is advocating lower taxes, and even eliminating taxes on unearned income, corporate dividends, and capital gains. He was quoted as saying:

> It was as if a light switch has been thrown on. Rarely has a piece of public policy been so effective, with the effects so evident and immediate.

Reduce the rate on unearned income, dividends, and capital gains.

There is a noted economist, not a partisan on the other side, but the chief economist of Lehman Brothers Investment Bank, who said in contrast you might credit the cuts with providing a little bit of a jump-start, but they believe the main reason the economy has done so well has more to do with the corporate sector starting to spend some of their record profits.

Former Secretary of the Treasury Robert Rubin, under President Clinton, who presided over this period of economic expansion in the 1990s when they balanced the Federal budget, said:

> We had very good markets in the 90's, before all of these tax cuts went into effect.

My colleagues on the other side are claiming that those tax giveaways back in 2003 are responsible for the modest economic expansion that benefitted some Americans while leaving many other Americans worse off than they were before. Most of the tax cuts that they are touting were actually passed and took effect in 2001, and they certainly were not bragging about continuing recession in 2001, 2002, and most of 2003.

Since then, our country's economy has improved, thank goodness, and they want us to believe that this cycle is as sure as the sun is setting and would not have occurred without their tax cuts for the rich and for the superrich. And they claim the economic growth in this country will not continue if we don't extend those tax cuts, which are not even scheduled to expire until the end of 2008, through 2009 and 2010.

In fact, their priority is such that they will set aside such measures as tax credits for research and development, which this country does need, a real and far more effective fix to the alternative minimum tax, which is part of the Senate bill which I voted in favor of. Those have to be set aside, postponed, delayed, or take no effect at all so they can extend the lower rate on dividends and capital gains the years 2009 and 2010.

Talk about the wrong priorities. Talk about destroying ethics in this country, that people who make more money, who are more privileged, more fortunate than anybody else on this planet, virtually in the history of the world, should not have to pay their fair share of taxes to keep this country strong and provide sufficient revenues to the Federal Government, to balance our budget, to be responsible, to pay our own way, which we are certainly capable of doing, and leave this country in a sound financial state to those in this country now and to those who will follow in 10 or 15 years.

I hope the people who are alive then and facing those consequences will look back and review the transcripts of this debate today. I hope they will ask themselves, Why is it that people today in responsible positions cut taxes for the very wealthiest, most privileged, and politically powerful people in this country and added $70 billion to the debt we inherited, that we have to pay in addition to the hundreds of billions of dollars more they are adding every year to that deficit and to the national debt? They are going to say it was wrong; they are going to say it was misguided; and they are going to wonder how it could be that responsible people could have failed to foresee the consequence of this selfishness and cater to the greed of those out there who want these cuts and won't be sated until they get more and more and more.

If they are working hard, as most Americans do today, they are going to ask themselves, Why is it that I struggle to pay my fair share of taxes, most of which are withheld and never in my pocket to begin with? Why am I paying higher tax rates from my earned income, from the sweat of my brow hour

after hour, than the very wealthiest people in the country? People in many cases don't even earn that much. Who are the beneficiaries—as I have been, and as others of my family have been in my previous generations of success—who are not even willing to pay a tax rate similar to those who earn their income by their daily toil? It is fundamentally wrong. It is fundamentally wrong, what is happening in this country. It is making the rich richer, making average Americans poorer and more tax averse. The cumulative result is that revenues are three-fourths of expenditures, unsustainable, and a fiscally dangerous proposition from which we will suffer the consequences, the pain, for years to come.

Mr. KENNEDY. Mr. President, budget reconciliation is a process adopted by Congress nearly three decades ago to facilitate the passage of legislation to reduce the deficit and to help bring the Federal budget into balance. But in recent years, under the Republican majority, that process has been repeatedly abused to enact more and more tax cuts for the wealthy that make the budget deficit even larger.

Now, they are trying to do it again, in spite of the urgent problems facing the Nation, from the ongoing war in Iraq to the devastating hurricane damage along the gulf coast that has not yet been repaired. President Bush's policies have already added $3 trillion to the national debt in the last 5 years. Yet he is still proposing more of the same, more tax cuts benefiting the wealthiest among us.

The audacity of the Bush administration and their congressional allies truly knows no limit. First, the Republican majority cuts spending on Medicaid and other important Government programs for people in need by nearly $40 billion. They claim we have to do it to reduce the deficit. Then they bring this outrageous tax bill to the floor, a bill that will cut taxes by far more than the savings in spending from the programs cuts. The net result will be a substantial increase in the budget deficit—exactly the opposite of what the reconciliation process is supposed to accomplish. Billions of dollars will go from programs that assist low-income families and senior citizens into the pockets of the already wealthy. It takes from those with the least and gives to those with the most. It is a breathtaking Republican scam on the Nation that can only further discredit this Congress in the eyes of the people.

From day one, the Republican plan has been to use this reconciliation process to push through a cut in the tax rate on capital gains and dividend income. These are tax cuts that overwhelmingly benefit the richest Americans, with approximately half the tax benefits going to millionaires. Leading Republicans have repeatedly made it clear that their top priority was extending capital gains and dividend tax breaks, and that is exactly what they did in this conference report. No matter the cost and no matter what needs go unmet, the GOP is intent on delivering these tax breaks to their wealthy supporters.

What is the real cost of these capital gains and dividend tax cuts? The Republicans claim the cost of these provisions is $20 billion; the real cost of extending the lower rates for another 2 years is $50 billion. This tax break is particularly unfair because over 75 percent of capital gains and dividend income goes to taxpayers with incomes over $200,000 a year. Over half of all capital gains and dividends—54 percent—go to taxpayers with incomes over $1 million a year. The average millionaire will save over $42,000 a year from these tax breaks on capital gains and dividend income. By contrast, the average family earning $50,000 a year will save $46 in taxes.

As a result of this shameful Republican let-them-eat-cake proposal, millions of working families will pay a substantially higher tax rate on their wages than wealthy taxpayers pay on their investment income. What could be more unfair? Republicans are penalizing hard work, not rewarding it. They are giving a preference to unearned income over earned income.

The Republicans cynically claim that capital gains and dividend income deserve special treatment because they will stimulate investment. The facts do not substantiate that claim. The stock market grew much more rapidly in the 1990s than since the rates on capital gains and dividend income were cut in 2003. The overall health of the economy has much more to do with financial stability than special tax breaks for the rich. More tax cuts that America cannot afford will hurt the economy, not help it.

As if the capital gains and dividend tax breaks were not enough, the conferees created another new tax break for the wealthy that was not contained in either the Senate or the House bill. After 2010, the bill will allow high-income taxpayers to have retirement accounts where unlimited amounts of interest, dividends, and capital gains income that they receive would be totally tax free. This will have an enormous long-term cost, taking billions of dollars each year out of the Treasury.

The Republican conferees also made sure that multinational corporations got their piece of the pie. More than $5 billion in tax breaks were added to the bill for companies doing business overseas, a further incentive for these corporations to invest abroad rather than in the United States. They also took care of the oil industry. The Senate bill would have eliminated several special tax loopholes that big oil uses to avoid paying taxes on its substantial profits, including questionable accounting gimmicks that will cost the Government over $4 billion in lost tax revenue. However, those loophole-closing provisions were removed in conference. The Republicans made sure that the oil companies will get to keep their tax loopholes.

There are some very important tax provisions that we should be addressing in this bill, but the Republicans threw them overboard:

The alternative minimum tax was never intended to apply to middle-class families, and they deserve tax relief. However, this bill's AMT relief is provided only through 2006, while capital gains and dividend tax breaks are extended through 2010. What about AMT relief for 2007? Shouldn't that be a higher priority than capital gains and dividend tax breaks for 2010?

The research and development tax credit is critical to our international competitiveness and should be retained. However, the R&D credit was taken out of this bill to make more room for their tax breaks for the rich.

The deduction for college tuition is vital to millions of middle-class families struggling to afford a college education for their children. But it obviously was not very important to the Republican conferees. They took it out of this bill.

They also removed the savers credit, designed to help low- and moderate-income families build a nest egg for their future. Those families will just have to make do with less.

The priorities of this Republican Congress are truly scandalous.

The financial mismanagement of the Bush administration has weakened our economy and placed our children's financial wellbeing in peril. The national debt has risen to an all-time high of nearly $9 trillion. Under President Bush, our country has borrowed more from foreign governments and foreign financial institutions than in the prior 200 years combined. We are losing control of our Nation's future, and all the Republicans offer is more of the same. More and more tax breaks further enriching the already wealthy, while working families are left to struggle on their own in an increasingly harsh economy.

If we are honest about reducing the deficit and strengthening the economy, we need to stop lavishing tax breaks on the rich and start investing in the health and well-being of all families. These families are being squeezed unmercifully between stagnant wages and ever-increasing costs for the basic necessities of life. The cost of health insurance is up 56 percent in the last 5 years. Gasoline is up 75 percent. College tuition is up 46 percent. Housing is up 57 percent. The list goes on and on, up and up—and paychecks are buying less each year. The dollars that go to pay for more tax breaks for the rich are dollars that could be used to help these families. Instead, this Republican budget plan turns a blind eye to their problems.

The economic trends are very disturbing for any who are willing to look at them objectively. The gap between rich and poor has been widening in recent years. Thirty-seven million Americans now live in poverty, up 19 percent during the Bush administration. One in

five American children lives in poverty. Thirteen million children go to bed hungry each night. Wages remain stagnant while inflation drags more and more families below the poverty line. Long-term unemployment is at historic highs.

The Republican majority has abandoned our Nation's working families. They cut the programs that these families depend on, while granting the wealthy even more tax breaks. The American people deserve better; and in November they will insist on a new Congress that truly shares their values and cares about their needs.

Mr. OBAMA. Mr. President, I rise today to speak in opposition to the tax reconciliation conference report.

The Federal Government is the rare institution that can spend money it just doesn't have. We spend and we spend and when we don't take in enough to cover the bill, we just borrow from China and Japan and keep on spending.

Families would go bankrupt if they managed their budgets this way. Businesses would shut down. Most mayors and Governors would be thrown in jail. And yet Washington operates as if we can continue to get away with more of the same.

The reality is, we can't. To do so simply passes the burden to our children and grandchildren, while keeping us in debt to our major economic competitors.

By standard accounting rules, our Federal deficit last year rose to $760 billion, a figure that now makes our national debt more than $8.4 trillion.

Think of it this way: last year, the Federal Government spent more than it took in by about $2,500 for every single man, woman, and child in America. And that is on top of each household's $75,000 share of our national debt. That is a credit card bill and a second mortgage that most Americans didn't even know they had.

What is worse is that even these figures don't tell the full picture. The rising demands on Medicare and Social Security over the next 35 years will swallow up the Federal budget unless we adjust either the amount that is paid into the two trust funds or the amount that is paid out.

Sadly, there may be too much partisan rancor right now to address these long-term challenges. But, at the very least, what we can do right now is to stop making things worse. This bill doesn't do that. This bill makes things worse—much worse.

The $70 billion pricetag is just the start. Because we know that that number is just a gimmick to push this through—and we know that more tax cuts are coming in another bill that will push the real cost closer to $150 billion in new deficits.

But the most offensive part of this bill isn't even the pricetag. The most offensive part is where this tax relief is going. Because this money's not going to the working Americans who are already having trouble paying their medical bills and tuition bills and their mortgage payments and their taxes. Those middle-class Americans will get an average of $20 from this tax bill. Twenty dollars.

On the other hand, if you make more than a million dollars, well, this is the bill for you—because you will get an average of $42,000 in tax cuts—$42,000 in tax cuts for millionaires.

This bill is out of touch with the country's priorities. It makes the wrong choice for Americans over and over again. It makes America more vulnerable financially at a time when we need to be stronger. It enshrines tax breaks for oil companies yet leaves out the deduction of college tuition. It creates a huge tax break for wealthy savings yet leaves out the saver's credit to help moderate-income households save for retirement. It privileges the high incomes of wealthy investors yet leaves out tax credits that help employers hire people off welfare. It rushes to address the demands of big corporations out in 2009 yet fails to shield middle-class families from the outdated alternative minimum tax even through 2007.

Given our country's precarious budgetary situation, now is not the time for a $70 billion tax cut that will only push us deeper into debt. Before we embark on an expensive package of tax cuts or new spending initiatives—no matter how meritorious—we should insist upon sensible pay-as-you-go rules so that tax cuts and new spending are paid for today rather than passed along to our children and grandchildren.

You know, this place never ceases to amaze me. It amazes me that at this time in our country's history—a time when so many Americans are struggling to get by; a time when so many have lost faith in the idea of a government that looks out for their interests and upholds their values; a time when we continue to mortgage our future to bankers in China; at a time when all this is going on—we are debating a $70 billion tax bill that will give the wealthiest one-tenth of 1 percent of all Americans a tax cut that is more than 4 thousand times larger than most middle-class Americans will get.

If you are wondering why our approval ratings are in the tank, take another look at this bill. This is a bill that is neither responsible, nor fair, nor honest. It is not worthy of the people who sent us here, and it certainly doesn't help them. And so I urge my colleagues to vote against the conference report on tax reconciliation.

Mr. FEINGOLD Mr. President, this country needs meaningful health care reform. I believe that health care is a fundamental right, and I believe that this right should not be compromised, nor should the quality of the insurance offered to Americans be compromised. Far too many of our constituents lack health coverage, and we should be acting to address that problem today. In fact, we should have addressed that problem long ago.

Unfortunately, it has become clear that in this current political environment Congress will not discuss ways to provide health care coverage to all Americans. In fact, we find ourselves debating legislation today that will set back our efforts to provide adequate coverage to Americans.

The Health Insurance Marketplace Modernization Act would allow the preemption of State insurance mandates that were put into place to protect people from plans that would otherwise drop coverage of medically necessary services. Insurance regulation is an issue that has traditionally been under the jurisdiction of the States. As a former State legislator, I appreciate the hard work that is done on the State level to tailor these laws to State residents, and I think that it is shameful to undo all of this hard work and subvert States' rights in this area.

States rights are not my only concern about this legislation. This preemption could have a very dangerous impact on individuals and families. It could result in health insurance policyholders no longer having access to numerous services including mammograms, mental health care, and newborn baby care. And these are not simply my concerns—I have heard from thousands of chiropractors, podiatrists, optometrists, and mental health providers in the State of Wisconsin, all of them concerned about losing provider mandates in the State. The people of Wisconsin believe that they should have access to comprehensive health insurance, but this legislation would reverse the progress that Wisconsin has made in ensuring adequate health coverage for its citizens. Wisconsin is not the only State—many States would lose mandates under this legislation. This bill would essentially provide underinsurance for Americans, and this isn't what Americans want or deserve.

In addition, this bill would cause fragmentation in the health insurance market, which would make it even more difficult for sick individuals to obtain health insurance. Without adequate regulation, insurance plans offered under this new scheme would be able to attract healthy low-risk individuals, leaving higher concentrations of sick individuals in traditional health plans that operate within State laws. This could drive up the costs in these traditional health care plans, potentially making insurance unaffordable for their policyholders.

Supporters of this bill are right about one thing, small businesses are facing enormous challenges in offering health insurance to employees. Health care costs have skyrocketed along with health insurance premiums, and it is difficult for small businesses to stay competitive without being able to afford insurance for employees. I have been hearing about this problem firsthand for years from small businessowners who attend my listening sessions and tell me that they want

to provide insurance for their employees, but they are getting squeezed financially. They are looking for help from the Federal Government, and I regret that they are instead being offered a badly flawed bill.

Small businesses owners and their employees should have access to high-quality health insurance, and I introduced legislation with Senator COLLINS that would help provide this for small businesses. Our legislation would avoid the problems of S. 1955 while still allowing associations and small businesses to pool their members so as to negotiate lower insurance premiums. This bill, the Promoting Health Care Purchasing Cooperative Act, would establish grant programs to help both large and small businesses form group purchasing cooperatives within the framework of existing State regulation. This legislation provides an alternative to the legislation we are debating that would not preempt State mandates and that works within the existing framework in the States. But this legislation certainly isn't the magic bullet that can address the entirety of the problems within the health care system.

We need to find a comprehensive solution to the problems with our Nation's health care. Almost 46 million Americans are currently uninsured, and millions more underinsured. This number has been climbing steadily for 20 years. People who fall into the category of the uninsured are seven times more likely to seek care in an emergency room. They are less likely to receive preventative care, and they are more likely to die as a result. The effects of uninsurance are not limited to individuals and families without coverage—each one of us deals with the consequences.

By not taking action on providing affordable insurance for people in our country, we are putting our future physical and economic health at stake. America's survival rate for newborn babies ranks near the bottom among industrialized nations, better only than Latvia. Our other health outcomes for most segments of the population are poorer than outcomes in other industrialized nations. Additionally, our businesses are having difficulty competing in the global market with businesses in countries that have universal health care. The combination of problems is clearly taking its toll on our country's future.

While we face these looming problems of poor health and access into the health care system, we devote more of our economy to health care than any other developed nation. In real dollars, we spend more on health care than the entirety of England's GDP. Despite this incredible spending, our country is still looking at astounding numbers of uninsured people, and Congress continues to do nothing.

The only thing worse than doing nothing is pretending to do something, and that is what this Republican-designated Health Week amounts to. We have been given 1 week only 1 week to discuss the staggering problems facing the health care system in this country. We have been presented with legislation that ignores or exacerbates the real problems we face. And we have been shut out of the opportunity to offer amendments. If we are going to finally debate health care, as we must, we should engage in a real debate, a debate that gives health care the attention it deserves, instead of debating a bill that Republican leadership probably expects will not even be passed into law. Let's talk about real answers for real people. Let's talk about true health care reform.

I was pleased to be joined by the Senator from South Carolina, Mr. GRAHAM, in introducing legislation that requires Congress to act on health care reform. Our legislation would force Congress to finally address this issue. It requires Congress to discuss, debate, and consider universal health care bills within the first 90 days of the session following enactment of the bill. This bill does not prejudge what particular health care reform measure should be debated. There are many worthy proposals that would qualify for consideration, and this bill does not dictate policy. This simply requires Congress to act. The American people want action, the States want action, and it is time that we answered their call.

Instead of avoiding the issue or offering dead-end solutions, we should enact health care reform legislation that harnesses the talent and ingenuity of Americans to come up with new solutions. That is why I advocate a State-based approach to health care reform, which allows States to experiment with ways to enhance access to health care for their citizens. This approach takes advantage of America's greatest resources—its mind-power and diversity—to bring our country closer to the goal of realizing a working health care system with universal coverage. If the Federal Government helped States enact changes in the health care system, then I believe we would see our political logjam around health care begin to loosen.

We are already seeing States move ahead of the Federal Government on covering the uninsured. Massachusetts recently passed into law a plan to require health insurance for residents. In Wisconsin there has been discussion of expanding health insurance coverage in the State. I think the Federal Government should be working to encourage these innovative initiatives.

States could be creative in the State resources they use to expand health care coverage. For example, a State could use personal or employer mandates for coverage, use State tax incentives, create a single-payer system or even join with neighboring States to offer a regional health care plan.

This approach would guarantee universal health care but still leave room for the flexibility and creativity that is necessary to ensure that everyone has access to good, affordable coverage.

Why don't we use this so-called Health Week to discuss meaningful legislation like the approach I have discussed, rather than simply bringing partisan bills to the floor that won't move? It is time for the government to step up and fulfill its duty to make sure that the benefits of our Nation's health care system can be enjoyed by all Americans. I urge my colleagues to act.

I yield the floor.

UNANIMOUS CONSENT REQUEST—S. 1955

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I am here to propound a unanimous consent request. I want to make sure when we have the cloture vote tonight, that after cloture we are assured we can still have a vote on the Durbin-Lincoln bill as well as S. 1955.

I ask unanimous consent that if cloture is invoked on the substitute amendment, notwithstanding rule XXII, it be in order for the Senate to consider the Durbin-Lincoln substitute amendment, which is the text of S. 2510; provided further that the pending amendments be temporarily set aside immediately after cloture is invoked and the Senate proceed to the Durbin-Lincoln amendment.

I further ask that following 2 hours of debate, equally divided in the usual form, the Senate proceed to a vote in relation to the amendment, with no other amendments in order prior to that vote.

Mr. DURBIN. Reserving the right to object, I thank the chairman of the committee for being so thoughtful as to include the substitute as a possible vote after cloture.

I ask the Senator if he would consider including stem cell research, which we have been waiting for for a year. Senator FRIST has promised he would bring it before the Senate.

There are millions of Americans suffering from afflictions such as diabetes, Alzheimer's, Parkinson's, Lou Gehrig's disease, and spinal cord injuries who are counting on us. Will the chairman of the HELP Committee, as part of Health Care Week, amend his unanimous consent request to include a vote, after an adequate debate, on stem cell research?

Mr. ENZI. Our purpose is to get a vote on small business health plans of some form. You proposed a small business health plan. I proposed a small business health plan. I would like for both of them to be able to get a vote so that small business can get something out of this session.

We have already been promised there will be a debate on stem cells and a vote on stem cells. I heard some of the discussion last night about the three votes that will be taken on that issue. I am pretty sure that will be covered. It would be difficult to amend onto this bill because it is a totally different subject. We need to do something for

small business. This allows your small business plan and my small business plan to be considered and to get a vote.

Mr. DURBIN. Reserving the right to object, then let me ask the chairman of the HELP Committee, since we are just 4 days away from the deadline on Medicare prescription Part D, and 6 or 7 million Americans—seniors, many of whom are in precarious physical and health conditions—have been unable or have not signed up for the program and 4 days from now will face a lifetime penalty for failing to sign up, will the chairman of the committee, understanding the critical importance and urgency of this issue, amend his unanimous consent request so that we can consider this before the deadline to make certain these seniors are held harmless and have a chance to change their plans in the next year?

He can understand if stem cell research is promised months from now, and I hope we will reach it, this is something which is time-sensitive and urgent to millions of Americans. Will the Senator amend his unanimous consent request?

Mr. ENZI. I appreciate the request and the emphasis of making a decision by Monday. I hope millions of people across the United States are using all of the different mechanisms—the volunteers, the phone numbers, the Internet—to get to a very simple result, having Medicare do the math so they can make that decision.

Deadlines are a marvelous thing. I operate on deadlines. So to do it before Monday would probably preclude a lot of people from making that decision and will give people the impression that we will move the deadline now, move the deadline next time, move the deadline next time. That won't get people signed up. We have time to move the deadline after the deadline if that seems to be a major concern—I am sure there is a major concern—but to move it beforehand and not to put the pressure on it would be a huge mistake.

That falls under the Committee on Finance, not under the HELP Committee, not under HELP, and the Finance Committee has to make those determinations to bring that forward. It would not be possible to put that in this amendment.

Again, we are trying to keep it a small business health plan so that small business can have a chance for the first time in 12 years to have something done for them.

Mr. DURBIN. Reserving the right to object, I would like to say as follows: On behalf of 9 million seniors in this country who face a lifetime penalty in 4 days because they failed to sign up for this confusing prescription Part D program that has been created by this administration, and on behalf of millions of Americans who ask me every chance they get: When will you possibly bring up this issue of stem cell research so we can have the medical research to spare people from suffering and death, and on behalf of those millions of Americans who will not have a chance during this Health Care Week to even have their issue considered by the Republican majority in the Senate, I am sorry that I must object.

The PRESIDING OFFICER. The objection is heard.

Mr. ENZI. It would do me no good to change the unanimous consent, so we have 2 more hours of debate or have germane amendments available to your bill?

Mr. DURBIN. If the Senator is asking me a question, I have given him two other requests. There are others, such as reimportation of drugs.

This was supposed to be Health Care Week. The majority leader started with medical malpractice and then went to your bill and does not want to talk about anything else. How can we miss this opportunity? The Senator from Wyoming knows these opportunities are few and far between. If we do not seize this moment and take up these issues, we will not reach them this year and people will be left penalized and still waiting for Congress to act.

Mr. ENZI. And there is only one opportunity to talk about small business. I have been trying to expand that opportunity as much as possible. That is why I propounded this unanimous consent, so that it could be absolutely clear that both methods of taking care of small business would be done. I am sorry the other side is not willing to do that.

Mr. SANTORUM. Will the Senator from Wyoming yield for a question?

Mr. ENZI. Yes.

Mr. SANTORUM. Is the Senator from Wyoming aware we have had votes on the extension of the May 15 deadline at least on two occasions or more? Has the Senate already voted on this issue repeatedly?

Mr. ENZI. Yes, it has.

Mr. SANTORUM. So what the Senator from Illinois is asking is to have another vote after the Senate has already, on more than one occasion, voted it down. So it is not that we have not discussed that issue. We have discussed that issue in the past, and the Senator does not like the decision of the Senate, but that does not mean we have not debated that issue.

The second issue on which I wish to ask a question is the stem cell issue. I think you said this, but I want to make it very clear. Is the leader not in discussion right now with the Democratic leader on setting up a framework to bring up stem cell? And did not the leader say that he would bring this issue to the Senate, and he gave a commitment, and isn't his intention—hasn't he stated it clearly—that he will bring this issue to the Senate in a timely manner before the end of this session?

Mr. ENZI. I have been next to conversations but not a part of the conversation where that was absolutely the case. I have heard speeches in the Senate where that absolutely was the case. I know there are three different proposals that will be voted on and debated in regard to that, so it is something which will be covered this session.

Mr. SANTORUM. And the third issue on which the Senator says we have to have a vote is the importation of drugs. Have we not debated that issue repeatedly in the Senate, and the position the Senator from Illinois has taken has repeatedly failed; is that not the case?

Mr. ENZI. Over a period of years, that has been debated and voted on here, and it has been voted down.

Mr. SANTORUM. I ask the Senator from Wyoming, have we ever debated and brought to the Senate small business health plan reform for the opportunity of small businesses to be able to get insurance for their employees, to take care of one of the biggest problems Members on both sides of the aisle have talked about, which is the rate of uninsured in this country? Have we ever debated this issue in your bill, in the Senate?

Mr. ENZI. It has not been debated in the Senate before. The House has done it for the past 12 years. They passed it eight times, but we have never done it on the Senate side. It has not made it out of committee before.

Mr. SANTORUM. Let me understand, if I am correct, the Senator from Illinois is objecting to moving forward with a bill that has never been considered, that has support, I assume, from both sides of the aisle, that is important from the standpoint of insuring more people; and the reason he does not want to let that go forward is to bring up two issues that have repeatedly been brought up in the Senate, including this session of Congress, and he has been defeated on, and a third issue which the majority leader has already said he would give time for. That is his reason for objecting to this unanimous consent?

Mr. ENZI. That is the reason that was given.

All I am asking is that we do something for small business. I know they were concerned about getting a vote on the Durbin-Lincoln amendment. I tried to make any concessions I possibly could to get that vote postcloture so that we would both be able to get a vote on the two bills and do something for small business. We can weed out what will work for small business. We can do additional amendments. There are actually unlimited amendments that can be done to S. 1955 that the other side could use to improve that, if they so desire. What we do is have 30 hours of debate and then a vote-arama on any issues remaining and a final vote on whether small business has anything different.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, let me correct my colleague from the State of Pennsylvania who has misstated a fact which I am sure has escaped his attention; that is, on February 2, this year,

there was, in fact, a vote on this Medicare prescription Part D. The vote was propounded by the Senator from Florida, Mr. NELSON. It was under the debate on the budget and needed 60 votes, but 52 Senators voted in favor, including, obviously, Republican Senators. So his statement earlier that it has never passed in the Senate is not correct.

It is correct that he voted against giving relief to seniors who failed to sign up in time on May 15. That is reflected in the RECORD. I want to make sure that is clear for the record.

I also say when it comes to this issue, we have been told repeatedly regarding this wonderful program that the seniors would figure it out and all sign up. It turns out half of them have not. It is too complicated. It is too difficult. We have been trying to give the seniors some relief from the possible penalty they will face. I don't know whether it is because of the embarrassment that the program is so complicated, but for whatever reason the Republican majority has not allowed this.

Mr. SANTORUM. Will the Senator yield?

Mr. DURBIN. I am happy to yield.

Mr. SANTORUM. Does the Senator from Illinois recall what the estimates were as to how many seniors would sign by the date of May 15?

Mr. DURBIN. Whose estimates?

Mr. SANTORUM. By the Congressional Budget Office, which scores the bill.

Mr. DURBIN. No.

Mr. SANTORUM. Between 28 and 30 million.

Does the Senator from Illinois know how many have signed up?

Mr. DURBIN. The Senator is very carefully avoiding the obvious; that is, the vast majority of seniors already have prescription drug coverage. What we are trying to do is bring into coverage those who do not have it, and more than half of them have not signed up for the program. So he is comparing numbers here that do not work.

I will reclaim my time because I would like to speak to the tax reconciliation bill. But before I do, the way to deal with this issue on small business health insurance is on behalf of the leader to sit down and decide what amendments will be in order and to move forward. But that is not the way we do business in the Senate. It is a confrontation strategy.

The Republican majority brings a bill to the Senate, fills the tree so no amendments can be offered, and then files cloture, which stops debate. So we cannot have this conversation. We cannot offer other amendments.

Why would the Republican majority leader want to avoid a vote on stem cell research? Because Members on the Republican side of the aisle up for reelection are nervous about this vote. They have said they oppose stem cell research, and they know a majority of the people in their states favor stem cell research and they do not know what to do. They want to avoid the pain. They do not want to face the votes.

I remind them what my former colleague from Oklahoma, Mike Synar, used to say: If you don't want to fight fires, don't be a firefighter. If you don't want to cast controversial votes, don't run for the Senate. That is what this is all about. You have to face the music and face the voters.

The Senator from Tennessee, the majority leader, is trying to protect and insulate his Senators from a delicate and difficult political vote. I am afraid he is going to have to answer to the millions of people across America who believe that stem cell research is critically important to a nation that counts on medical research to deal with our future.

One out of three of our children alive today will be diagnosed with diabetes. If we can do medical research with stem cells to save and spare those children, why don't we do it? We know what Parkinson's is doing to so many healthy people—cutting their lives short, compromising their ability. Alzheimer's is rampant. We have situations with Lou Gehrig's disease, spinal cord injuries.

All of these could be addressed with stem cell research. And despite the fact that the Senate majority leader has said he favors this research, he refuses to call it to the floor. That is not fair. It is not fair to the families who count on us.

If this President has decided we are going to prohibit medical research, we should have a voice in that decision. The people should have a voice in that decision through their Senators. And because the Senate majority leader wants to protect his Members from a tough vote, a controversial vote, he does not want to bring this to the floor. That is unfortunate—unfortunate for the Senate, more unfortunate for the people who count on us.

Let me tell you what we did have time to do this week. Before we left, we found time to do something critically important. We found time to make sure we are dealing with the tax cuts being proposed by the Republican majority.

What are those tax cuts worth to average Americans? Well, if you happen to make about $75,000 a year or less, they are worth $110.

Do you remember when the Republican majority said, we will solve the gasoline price crisis by sending every American a check for $100, and they were laughed out of Washington? Here they come again. Here comes the Republican tax cut for working families across America—$110. Thank you so much. It almost will buy two tankfuls of gas. That is their idea of helping working middle-income families.

But look down here on this chart. Look at the people who are making more than $1 million a year. Do you know what the tax cut is worth to them? It is $42,000. I will tell you this, there are 17,000 people in the State of Illinois, in the State I am proud to represent, who make more than $1 million a year. Do you know how many have written to me and said: ''Please, I need a tax cut for $42,000''? None. Not one. Do you know why? They are doing quite well, thank you.

Mr. President, $42,000 more a year for them is money, perhaps, for another purchase of something to make their lifestyle even more comfortable, or to put it in their savings, or put it in investment, but they do not need it to get by.

The people making $75,000 a year could use a real tax cut. But this bill that is before us has removed one of the tax provisions that would help working families across America. It is the tax provision which said that working families can deduct the cost of college education expenses for their kids. Think about that. Working families, some who have a first-generation son or daughter in a college, got a helping hand from our Tax Code to pay for the cost of college education. And you know it is going up. Kids come out of college today with more and more debt.

And to the families that want to help them, we said: We will give you a helping hand in the Tax Code. But guess what. When the Republicans met in conference, they eliminated that provision. They took out the tax cut for these working families for college education so they could put in a tax cut of $42,000 for people making $1 million a year.

Well, let me tell you what it means in real terms. When you look at the average family across America, it means the tax cut is worth $16. You could not fill up a gas tank unless you were driving, perhaps, a motorcycle. Mr. President, $16—that is the average tax cut across America.

The gentleman whose picture I have here is Mr. Lee Raymond, the retiring CEO of ExxonMobil. Do you remember his retirement gift from ExxonMobil? After totaling up the largest profits in the history of the company, they gave him—not a gold ring, not an engraved plaque—they gave him $400 million as a retirement gift for leaving ExxonMobil. And there is better news coming. This bill will give Mr. Raymond an additional $2.5 million tax cut. There is a guy who really needs it—really needs it—$400 million, and he did not even have to buy a Powerball ticket. And now the Republicans say: Come on. Give the guy a break. Give him a tax cut.

What is wrong with this picture? What is wrong with this picture is that the tax cuts are not only unfair, they are building a wall of debt. The legacy of the Bush administration will be the biggest increase in the debt of America in our history.

Look at this chart. When this President took office, our national debt ceiling was $5.8 trillion. By this year it is up to $8.6 trillion. The mortgage on America has grown faster under this

President than any other President in our history, and more than a third of the responsibility is the President's tax cuts. Do you know why? He is the first President in the history of the United States of America to ever cut taxes in the midst of a war—the first.

Why didn't other Presidents cut taxes in the middle of a war? It did not make sense. Along comes a war that costs you $2 billion a week, and you are going to cut taxes? Don't you know that is going to drive your country into debt? This President should know that. Our Republican colleagues should know that. But they are ignoring it.

And as we are debating this bill, do you know why we are moving on it so fast? We got word this week that they are going to have to raise the debt ceiling again. We just raised it a few weeks ago. We are going to have to raise the mortgage on America again because the fiscal policies of the Bush administration have failed so utterly.

Well, we have time to do this. We do not have time to debate stem cell research. We do not have time to have a real Health Care Week. But we have time to pile debt on our kids. That is what this is all about.

If you want to know the foreign-held debt of America, take a look at this chart. Who are the mortgage bankers for America? Japan, No. 1, with $673 billion; China, No. 2, with $265 billion; and the list goes on. We have to borrow money from foreign countries to float our debt. They loan us money so we can keep going and give tax cuts to the wealthiest people in America, knowing full well that any of these foreign countries could turn on us tomorrow and say, ''We are sick and tired of the dollar. We are moving to the Euro or some other standard,'' and our economy would be paralyzed as a result of it.

It is the height of irresponsibility—height of irresponsibility—for us to drive this Nation so deeply into debt, particularly from a party that used to pride itself on being a fiscally conservative party. He is the first President to raise taxes in the midst of a war, giving tax cuts to the wealthiest people in this Nation, piling debt on children to the point we have never seen in our history, and borrowing money from foreign governments at a rate we have never seen.

This chart indicates that in the history of the United States, before George W. Bush was elected President, 42 other men held the Presidency. In that entire 224-year period of time, in the history of the United States, all of the previous Presidents borrowed $1.01 trillion in foreign-held debt for America—$1.01 trillion. This President, in 5 years, has borrowed $1.22 trillion. That is more than double the foreign-held debt.

Is America safer and more secure because of this? Of course not. And you know what the impact of this is. Remember the debate over Dubai Ports? More and more of these countries awash in dollars they have loaned us are now coming into the United States to invest. They are becoming a bigger part of our economy. So it is not just debt for our children; it is squandering our economic future. And that is a priority that this Republican majority wants to move to today.

When you consider who wins and who loses in Washington, it is very clear. Big oil wins with this bill, and not just Mr. Raymond who got a $2.5 million tax break. Two Senate provisions would have collected nearly $6 billion from oil and gas companies such as ExxonMobil, Chevron, and ConocoPhillips. The Republican majority took them out of the bill. At a time when the oil companies are experiencing the greatest profits in their history, the Republican majority has decided this is not the time to tax them, this is not the time to ask them to give back to America. So they stripped out the tax provisions on big oil.

The lobbyists for the financial service companies did very well, too. Citigroup, GE, and JPMorgan will be able to delay paying taxes on profits they make overseas. What is it worth to them? It is worth $4.8 billion. Why are we providing tax giveaways to companies to keep their profits overseas? Why is our Tax Code rewarding conduct that ships jobs overseas? The Republican majority thinks this makes as much sense as giving tax cuts to people who make $1 million a year.

Who are the losers? Well, every American is going to end up losing because our national debt is going to grow dramatically because of this irresponsible fiscal policy.

This bill, sadly, will not allow Americans to deduct State and local sales taxes. School teachers who buy their classroom supplies have lost their deduction. Families paying college tuition will not be able to deduct the tuition from their taxes. Fewer people will be hired from welfare to work. Businesses working to do research and develop new technologies will not get the tax credits they have had. These are only some of the losers.

But the real losers are the American kids. The kids are going to have to pay for this: $2 trillion that the Bush tax cuts have added to the debt of America—$2 trillion.

Our national deficit is expected to exceed $11 trillion within 5 years. The money we are spending today is not free, no matter how much we pretend it is. Someday we are going to have to pay for it. I should say someday our children will have to pay for it.

So this President—the first in history to cut taxes in the midst of a war, the first President to amass a wall of debt larger than every other President before him when it comes to foreign debt, the first President in history to create a $9 trillion IOU for our kids to pay—is going to have his chance in a few moments with his bill that he so dearly believes in. And you will find that his party will stand behind him.

The President's popularity is not at a high point. Obviously, the Republican Senators believe the way to win the next election is to keep digging the deficit hole deeper. What we are witnessing here is not a debate about tax policy. It is the death rattle of a failed Bush economic policy.

I would say to my friends on the other side of the aisle, I admire your consistency. You stick with the program even though the debt has become unbearable. You stick with it even when conservatives in your own party can no longer explain what your party stands for. You stick with it when we are in a war that costs us $2 billion a week. You stick with it even though we have become indebted further and further to foreign countries, which, if they called in the debt, would make life miserable for this entire Nation. At least you are consistent.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I would also say, we know what the other side believes in. We know they believe in higher taxes. We know they believe in more Government spending. We have seen amendment after amendment come here.

I cannot believe I hear again, repeatedly, from the other side of the aisle the woe and complaint about deficits when it comes to letting people keep their money, but no concern about deficits when it comes to spending and increasing the size of Government.

I want to correct the Senator from Illinois on a couple of points he made with respect to the Medicare Program. He said I was wrong when I said the Nelson amendment lost. He said it got 52 votes. Well, a motion to waive the Budget Act requires 60 votes. Fifty-two is less than 60. It lost. I want to make sure the Record is clear that I was correct and, in fact, the amendment did lose.

I also want to make sure the Record is clear when it comes to low-income eligible seniors signing up for Medicare. The Senator from Illinois said more than half the people who need to go out and sign up for Medicare have not done so. The bottom line is, my understanding is, according to the HHS News of May 10, 2006, a total of 37 million seniors have signed up for the Medicare prescription drug coverage, of a total of around 44 million to 45 million seniors. Now, that does not look like half to me. It looks like a lot more than half have signed up, and a very small percentage have not.

As far as low-income individuals, 10 million of the 13 million have signed up for the program. And those who have not signed up and do not sign up by May 15 will not be penalized. They will suffer no penalty. So if you are a low-income individual, you will not suffer a penalty.

So let's understand now, 37 million have signed up, and there are 3 more

million who, if they do not sign up, will not receive a penalty. So you have 40 million people who either signed up or will not receive a penalty for not signing up, which leaves about 4 million people who will receive a penalty if, in fact, they do not sign up.

Again, there were still, as of this number, 5 days. And as we have seen with other programs—just like as with Congress, we wait until the last minute to do things—we will probably see, and I think we are evidencing, there will be a number of people who will come in and sign up.

The other thing is, believe it or not—I know this is hard for some to believe—some people do not want the program. Some people do not want to participate in a Government program. They are very happy to not participate. They are very happy to purchase their prescriptions on their own.

I know that might come as a shock to some, but there are people who don't like to participate in Government programs, who don't participate in a whole variety of programs the Federal Government offers. As we know, with Medicaid there are lots of people who do not participate. With Medicare, there are people who do not participate, even though they can. It has nothing do with complexity, when you have that high a percentage, much higher than was anticipated by all of those who looked at this, including the Congressional Budget Office. And if you look at the satisfaction of people who have been in the program, more than three-quarters of the people surveyed said they are happy with the benefit. So let's get the facts right.

The reason the Democratic whip objected to Senator ENZI's request to move to a vote on cloture allowing the Durbin-Lincoln amendment was because they don't want to move to cloture. They don't want to pass small business health plans. They don't want to make this happen for small businesses because of another ideology they stick to. That is, they want a big Government-run health care system, and they don't want us to cover other people. I appreciate their sticking to their ideology, even though it has been proven to be a failure in every other country where it has been used and is not popular with the American public.

Mr. FEINGOLD. Mr. President, I will oppose H.R. 4297. It fails in nearly every aspect to justify enactment, but among the biggest of its defects is that it adds $70 billion to our already mounting deficits. The last thing we should be doing is adding to the burden already facing our children and grandchildren.

What are we getting in exchange for this fiscal recklessness? Are we addressing some urgent tax need? Perhaps this bill finally gives us the kind of reform of the alternative minimum tax that is so clearly needed. No, we get another 1-year patch on the AMT problem, and that is it. This bill does nothing further to fix the AMT because the real tax agenda in this bill is to enact dividend and capital gains tax cuts of dubious merit, and which do not take effect for 2 years.

Two years, Mr. President. We are running up a $70 billion credit card tab, and handing it over to our kids to pay, just so we will have a tax cut that takes effect in 2 years.

Worse, the body is once again abusing the reconciliation process in order to shield these questionable tax cuts from the kind of scrutiny they so clearly need. Make no mistake: This bill would never pass without this abusive use of reconciliation. The benefits of this bill are grossly skewed to the most well off. The Center on Budget and Policy Priorities notes that this tax bill provides middle-income households with an average tax cut of $20, about the price of two medium sized pizzas. By contrast, households with incomes over $1 million will get an average tax cut of $42,000, the price of a Lexus. Altogether, more than half of the benefits from this bill will go to the top 3 percent of households, those making $200,000 or more.

Moreover, in order to squeeze those questionable tax cuts into the limited space afforded by the reconciliation maneuver, the conferees have resorted to an outrageous bookkeeping gimmick which shifts revenues that would have been collected in the future to the current budget window. The Roth IRA conversion provisions permit individuals with incomes over $110,000 and married couples with incomes over $160,000 to shift savings into tax sheltered Roth IRAs. The net result is to spend revenues from future budgets to shoehorn through grossly unbalanced tax cuts now. The Center on Budget and Policy priorities notes that by 2050, the Roth IRA provision, which is being used as a temporary revenue enhancer, will actually reduce revenues by $14 billion in present value terms.

As I have had to note too many times, when we choose to spend on current consumption—through appropriated accounts, mandatory spending, or tax cuts—without paying for that spending, we are robbing our children of their own choices. When we spend on our wants, by cutting taxes or through government programs, without paying for those decisions, we are saddling our children and even grandchildren with debts that they must pay from their tax dollars and their hard work.

That is exactly what this bill does. The Roth IRA maneuver, along with the billions in pure deficit spending contained in this bill, comes out of our children's wallets. By digging the deficit ditch even deeper, and by spending future revenues on tax cuts today, we are adding even more debt to the bill with which we are passing on to our children and even grandchildren. As a result, our children will have to forego program benefits or pay higher taxes.

This tax bill is an abuse of the reconciliation process, a process designed to reduce the deficit not aggravate it. The tax policy it encompasses is fiscally reckless and economically regressive. And this legislation fails to address a tax problem that is truly urgent, the mounting problems with the alternative minimum tax. The Senate should reject this bill.

Mrs. MURRAY. Mr. President, with their latest tax plan, Republicans are showing once again that they care more about giving tax breaks to millionaires than helping working families.

Republicans said this week would be health care week. While it is insulting to devote only 1 week to such a critical issue, it's even more troubling that Republicans pulled the plug on health care week in favor of even more tax breaks for the rich. This tax bill and the Senate's failure to help families with the soaring cost of health care are further proof that Republicans have the wrong priorities.

If we want to make America strong again, we need to invest here at home. Today middle-class families throughout Washington State and the country are struggling to pay for the skyrocketing costs of gas, college tuition, and health care. Instead of helping these hardworking families, Republicans have once again decided to leave the middle class behind.

While I am pleased that this bill includes a 1-year patch for the alternative minimum tax, there is not much else to be pleased about in this bill. According to the Tax Policy Center, this tax bill would provide middle income families an average tax cut of just $20, while millionaires would get an average tax cut of $42,000. Rather than extending the middle-class tax cuts that have already expired or will expire at the end of the year, Republicans have again turned their backs on the middle class. The Republican bill also denies families in my home State the ability to deduct their State sales taxes. It blocks teachers from deducting the cost of classroom expenses they pay out of their own pockets. It denies businesses access to the research and development tax credit which I helped extend in September 2004.

On its own, this bill has the wrong priorities, but when you look at the bigger picture a more disturbing pattern is clear. This tax bill is the second part of last year's budget resolution. The first part of the budget resolution, which was enacted in February, cut $39 billion from important areas like health care and education. When we passed that bill, we were told that the bill was necessary to reduce the deficit. Yet today we are presented with a tax bill that in fact increases the deficit by $30 billion and adds to our massive debt.

We need a tax system that is fiscally responsible, helps business grow, and provides maximum relief to the middle class, but this bill achieves none of this. Instead it takes out a loan against our children's future and adds

to the deficit. This tax bill makes it more difficult for us to address other important priorities like homeland security, paying for the war in Iraq, our nation's infrastructure, health care, and education. This is the wrong tax plan, at the wrong time, for the wrong reasons.

Mr. LEVIN. Mr. President, this tax reconciliation conference report before us today sets a new standard for irresponsibility. It is a huge giveaway to the wealthiest among us that is papered over by a disingenuous effort to increase short-term revenues at a great long-term cost. Like so many of the bills we have considered recently, this conference report fails to invest in our Nation's priorities while driving us deeper and deeper into debt.

Perhaps the most outrageous aspect of this bill is how deeply unfair it is. According to the Tax Policy Center, 87 percent of the benefits of this bill would flow to the 14 percent of households with incomes above $100,000; 55 percent of the benefits would go those with incomes above $200,000; and households earning more than $1 million a year, which account for only 0.2 percent of all households, would receive 22 percent of the benefits of these tax cuts.

In contrast, the three-quarters of American households with incomes below $75,000 would receive just 5 percent of the benefits. And the 60 percent of households with incomes below $50,000 would receive less than 2 percent of all benefits. Approximately three-quarters of Michigan taxpayers would receive no benefit at all from the bill's most expensive provision an extension of the capital gains and dividends tax cuts.

The inequities in this bill are even more glaring when you look at the actual dollars. The average tax cut for the middle 20 percent of households would be just $20, while the top one percent would get $13,800. For those with incomes above $1 million, the average tax cut would be $42,000.

What is even more brazen about this bill is that, with an outrageous accounting gimmick, it purports to pay for a portion of these tax cuts for the wealthy by giving even more tax cuts to the wealthy. Proponents of extending the capital gains and dividends tax cuts had to find a way around a Senate rule that says a reconciliation bill may not increase long-term deficits. One way would have been for 60 senators to vote to waive the rule, but it was not likely that there would be 60 votes for this expensive and inequitable proposal. Instead, proponents have resorted to a devious circumvention of this rule by pretending to offset the long-term costs with a provision that will increase revenue in the short-term before turning into a sea of red ink in later years.

Right now, individuals with incomes above $110,000 and couples with incomes above $160,000 cannot contribute to a Roth IRA. Furthermore, only those with incomes over $100,000 are prohibited from converting traditional IRAs to Roth IRAs. This bill would lift both of those caps beginning in 2010, meaning that a large number of high-income households will convert their traditional IRAs to Roth IRAs because funds in a Roth IRA are tax free when withdrawn in retirement. As taxes are paid on the funds being contributed to Roth IRAs, the Treasury will see an increase in revenues over a few years, but the Treasury will lose revenues on investment gains for years down the line.

The Joint Committee on Taxation, the Congressional Research Service, and other nonpartisan experts agree that this proposal will ultimately result in a significant net revenue loss, even once interest is taken into account.

So how did a revenue-loser get dressed up as a revenue-raiser in this bill? As a rule, official Joint Committee on Taxation estimates do not look past the next 10 years, so if the decrease in revenues doesn't occur before 2017, it doesn't show up in the Joint Committee's estimate. Thus, for purposes of the Senate's rules, it is as though it doesn't happen. But in the real world, it will happen. This is a transparent gimmick, designed to indulge this Congress's addiction to irresponsible spending.

We owe it to our children and grandchildren not to continue building up this massive debt. Today, each American citizen's share of the debt is almost $28,000, and that will rise to more than $39,000 by 2016. Paying off this debt will require either extraordinary tax increases or significant cuts in critical areas such as defense or Social Security. Tragically, it will mean that an increasing number of taxpayer dollars will be spent not on moving America forward but simply on treading water by making interest payments to our creditors, most of whom are foreign countries.

One of the few bright spots in the bill that the Senate passed last November was the meaningful antitax shelter provisions. Sadly, even these have now been dropped from this conference report. House Republicans once again rejected the economic substance provision that the Senate has passed many times and that would prohibit abusive tax shelters that have no economic purpose other than tax avoidance. The Senate bill also included an amendment that Senator COLEMAN and I pushed for that would increase penalties on those who promote abusive tax shelter schemes and the banks, law firms and others that aid and abet in these complex shenanigans. Dropping these provisions is a disappointment that only benefits powerful special interests.

Finally, this bill misses yet another opportunity by failing to limit any of the unnecessary tax breaks currently enjoyed by major oil companies which are reaping record profits. In fact, the conference committee struck one of few provisions in the Senate bill that might have helped. The Senate bill had a provision that would have allowed taxpayers caught by the AMT to still enjoy the benefit of the consumer tax credits allowed for the purchase of hybrid and other alternative vehicles. Unfortunately, this provision, too, was omitted in conference.

Although the overwhelming majority of this bill is completely misguided, I do support one positive provision in it—extending for 1 year the patch that prevents middle income families from being slapped with the alternative minimum tax. The AMT was originally created to make sure that the wealthiest Americans paid at least a minimum amount of tax. Because the AMT is not indexed to inflation, however, it is affecting many more taxpayers today. At a time when median family income is falling, middle-income families need all of the help they can get, and they certainly don't need to be socked with an unintended tax increase.

Unfortunately, this bill provides the AMT fix for only 1 year. It makes no sense to extend the capital gains and dividend tax cuts to 2010 and give AMT relief only through the end of 2006. We all know that the reason this bill does not offer longer AMT relief is because the fix so expensive—$33 billion for just 1-year. Knowing that we'll need to do a similar fix to cover future years and leaving the fix out to mask the real costs of the Bush policies, makes this costly bill all the more irresponsible. Finding a more permanent fix for AMT is a cost that we all know is coming, and we should not continue to ignore it in our fiscal policies.

Not only do we need to provide AMT relief for years past 2006, but we also need to pay for it. When the Senate originally considered its version of this bill, many of us supported an alternative package offered by Senator CONRAD. That package would have paid for extending all of the tax cuts that expired at the end of 2005, including AMT relief and the important R&D tax credit. It would have raised this needed revenue by closing many loopholes in our current tax system, including one that allows oil companies to avoid taxation on foreign operations. Unfortunately, Senator CONRAD's amendment was defeated on a nearly partyline vote of 44 to 52.

As a result of these many misplaced priorities, the bill before us today is an irresponsible giveaway to powerful industries and the wealthiest among us that will drive us deeper into the deficit ditch. And it uses outrageous shenanigans to hide its true cost. We do need to fix the AMT, but we also need fiscal responsibility, and we need policies that will build economic security for all Americans, not just those at the top who are already very secure economically.

Lower and middle-income families are getting squeezed from all sides, with the costs of essentials like gas, health insurance, and education going

through the roof. And, as we have seen in Michigan, our Nation is hemorrhaging manufacturing jobs, and median family income is falling. We need to be investing in our people and in our future, but this bill would take a giant step backward. The tax cuts for the wealthy in this bill are totally out of whack with what America needs right now, and I will vote against this irresponsible conference report.

Mr. SARBANES. Mr. President, we have before us more of the same—tax reconciliation legislation that further undermines our underlying fiscal health while providing extraordinary, generous benefits for the very wealthy but little relief for hard-working, hard-pressed, middle-class Americans. As an editorial in today's New York Times says pointedly, ''There's nothing in it for most Americans, and yet all Americans will pay its cost. . . .''

The Republican conferees who produced this conference report made a series of critical choices. Rather than providing tax relief for millions of middle-class Americans, they have given most of the $70 billion to the wealthy few.

Rather than extending critical tax provisions that expired at the end of last year—like the research and development tax credit, the college tuition deduction, and the credit for teachers who use their own money for classroom expenses—they have extended tax cuts for the wealthy, which do not expire until 2009. Rather than finding ways to help Americans address the tremendous prices at the gas pumps, they have allowed the big oil companies to continue enjoying their large tax breaks and Government giveaways. Rather than charting a course to fiscal responsibility a change in direction long overdue they have presented us with a bill whose $70 billion in tax cuts will only add to the already-massive Federal deficit, and whose budgetary gimmicks will cost the country billions of additional dollars in the years to come. Among the most egregious of the gimmicks is the provision allowing wealthy taxpayers to contribute more to their Roth retirement accounts. While it provides revenue at this time to offset the costs of the bill's other tax cuts for the wealthy in the near term, it will cost billions and billions of dollars in lost revenue in the future, and this cost will be borne by future generations of working Americans.

An editorial in this morning's Washington Post sums up this legislation succinctly: ''Budgetary dishonesty, distributional unfairness, fiscal irresponsibility,'' adding ''by now the words are so familiar, it can be hard to appreciate how damaging this fiscal course will be.''

Again and again, the administration points to figures on the growth in the economy that mask the clear, deeply disturbing underlying trends that show the income gap widening. Just the title of an article that appeared in the March 27th Wall Street Journal tells the story: ''Wages Fail to Keep Pace With Productivity Increases, Aggravating Income Inequality.''

Indeed, while the wealthy are getting richer, the incomes of the middle class and the poor have been steadily declining. There is an abundance of evidence on this point. As a New York Times editorial, entitled ''Barely Staying Afloat,'' noted yesterday, more than 37 million Americans now live below the poverty line, and an additional 54 million live between the poverty line and double the poverty line the so-called ''near poor.'' The Washington Post, in another editorial this past Sunday, reported that real income of families in the middle 20 percent has grown only 12 percent since 1980, while the incomes of those in the top 10th have grown an astonishing 67 percent. Those who are fortunate enough to find themselves in the top 1 percent have seen their incomes more than double.

The bill before us reinforces this trend, delivering handsome benefits to the very wealthy, while providing precious little for middle- and lower-class Americans. According to a report recently released by the joint Brookings-Urban Institute Tax Policy Center, approximately 87 percent of this bill's benefits will go to the 14 percent of households with incomes above $100,000, while 55 percent of the benefits will go to the 3 percent of those with incomes over $200,000. While millionaires represent only two-tenths of 1 percent of our population, they will receive 22 percent of this bill's largesse. In terms of real dollars, families in the middle 20 percent of income will receive an average of only $20 in benefits from this bill. In stark contrast, those in the top 1 percent will receive an average of $13,800. Even more troubling, those with an income of over $1 million will benefit by an average of $42,000. This means that millionaires will receive on average 2,100 times as much from this bill as those in the middle 20 percent of society.

Not only are these tax cuts skewed to the wealthiest among us, they further skew the fiscal dilemma that the Nation now confronts. When President Bush took office in 2001, the Federal budget was in surplus for the third consecutive year. In 1998, the Federal Government had reported its first surplus in the budget since the 1960s, and surpluses of $5.6 trillion were projected over a period of 10 years. This very strong fiscal situation put the Nation in a position to pay down the large national debt that had been accumulated as we moved through the 1980s and into the 1990s. Instead President Bush squandered the projected surpluses by instituting irresponsible and reckless tax cuts. When the history of this period is written, the fiscal policy of this administration will be regarded as a gross irresponsibility.

When the President submitted his first budget proposal, he asserted: ''We can proceed with tax relief without fear of budget deficits, even if the economy softens.'' The following year, 2002, with the budget already in deficit, the President called for yet another tax cut, promising that ''our budget will run a deficit that will be small and short term.'' In fact, the President's budget in that year confidently asserted that the deficits would be so short term that by this year 2006 the budget would be back in surplus.

In fact, exactly the opposite has happened. Consistent with the irresponsible fiscal policy that this President has pursued, we have run deficits each and every year since 2001. We went from a surplus of $128 billion in 2001 to a deficit $158 billion in 2002 a swing of $286 billion. The deficit rose to $378 billion in 2003, rose again in 2004 to $413 billion, fell slightly in 2005 to $319 billion, and is now projected to go back up again in 2006 to $371 billion. Far from being small and short term, these deficits are at record levels. Every year, the goal of returning to fiscal balance recedes, as administration policies drive us deeper into debt.

Much of this debt is held by foreign lenders, and that amount is growing all the time. At the end of fiscal year 2001, 31 percent of the outstanding Federal Government debt was held by foreign lenders. Over the succeeding 4 years, borrowing from abroad accounted for more than 80 percent of the increase in our Government debt. So as we have seen the debt rise, the proportion of that debt held by foreign lenders has risen at a much more rapid rate. As our borrowing abroad increases, a shift has also occurred from private to Government lenders.

If foreign lenders continue to buy 80 percent of new Federal debt, the Federal Government will owe more than half of the debt to foreign lenders by 2011. In other words, as Blanche DuBois says in Tennessee Williams' play ''A Streetcar Named Desire,'' we will be dependent on ''the kindness of strangers.

I opposed the President's tax plan as unfair and irresponsible at the time the budget was in surplus, and I oppose the legislation before us today. It is unfair and it is irresponsible, and I urge my colleagues to vote against it.

Mr. VOINOVICH. Mr. President, I rise to speak on the reconciliation bill that is before the Senate.

There are three reasons we should oppose the tax cuts that are currently before the Senate, as well as tax cuts that may come before the Senate in the near future:

No. 1, we do not need these tax cuts; No. 2, we cannot afford these tax cuts; and

No. 3, we should be working on tax reform rather than enacting tax cuts in a piece-meal fashion.

Mr. President, we do not need these tax cuts now. In short, the economy is already growing. The Nation's gross domestic product grew by over 4 percent in both 2003 and 2004 and 3.5 percent in 2005. In the first quarter of 2006, it was reported that the economy grew

at 4.8 percent. Additionally, unemployment has dropped from 6.6 percent to the current 4.7 percent.

The stock markets have regained their strength over time. In fact, proponents of tax cuts point to the stock market as an indicator of the Nation's economic growth and have stated that if tax cuts are not made permanent, we threaten to send our stock market, and consequently the economy, into a tailspin. The growth in the stock market may have coincided with the enactment of certain tax cuts, but as the Wall Street Journal reported, ''A group of Federal Reserve Board economists concludes that the tax cut, which slashed the dividend-income tax on stocks to 15 percent from about 30–38 percent, was a dud when it came to boosting the stock market when it was announced and passed in 2003.''

Moreover, I would argue there are other factors, arguably much larger in scope and importance, which played into the market's, as well as the Nation's economic growth. A rational individual would conclude that the historic lows in interest rates played a large role not only in providing cheap capital for business expansion but also to spur the housing market. As former-Chairman of the Federal Reserve Alan Greenspan indicated, there are factors outside the control of the Federal Government that have led to long-term growth, including the boon in productivity fueled by technology as well as the relative strength of the world economy.

I do not doubt that tax cuts have some effect on the economy. In fact, some may point out that I supported two of the largest tax cuts to be enacted in American history, the tax cuts in 2001 and 2003. In both of these instances I looked at the facts that were before me and came to the conclusion that supporting these tax cuts was the right policy decision. But they were the right policy decision for two distinctly different reasons.

In 2001, our Nation was facing a starkly different fiscal picture than what we have today. At that time, the 10-year surplus was estimated to be $5.6 trillion. There was a surplus on the table, and Congress was faced with two choices: spend the money or give it back to the taxpayer. I chose to get that money off the table and out of Washington so it could not be spent, but I made this decision based on the premise of using the surplus as a three-legged stool: providing tax cuts, paying down the debt, and controlling spending.

On June 7, 2001, the President signed the Economic Growth and Tax Relief Reconciliation Act. I voted for this bill, which reduced the individual income tax rates that apply to taxable income, increased the child tax credit to $1,000 and extended it to smaller families, addressed the ''marriage penalty,'' phased out the Federal estate tax over the period 2002–2010, provided a temporary reduction in the alternative minimum tax, and provided some savings incentives and child care credits.

In 2003, our Nation faced a very different scenario. The country was still reeling from September 11, fighting the war against terror and trying to rebound from corporate accounting scandals. We needed stimulative medicine to ensure that the economy did not sink further into the doldrums. While I supported these tax cuts, I fought to ensure that the amount was the right balance between needed stimulus and taking the deficit into consideration. I joined Senators OLYMPIA SNOWE, JOHN BREAU, and MAX BAUCUS to get the $350 billion that was eventually enacted.

On May 28, 2003, the President signed the Jobs and Growth Tax Relief Reconciliation Act into law. We accelerated the cuts from the 2001 tax bill such as the individual income tax cuts, the child tax credit and the marriage penalty relief. We also extended the alternative minimum tax, AMT, again and reduce the rate on both dividends and capital gains to 15 percent for higher tax brackets and 5 percent for those in the lower tax brackets.

Mr. President, the world has changed again. Just as the decisions I made in 2001 and 2003 were not made in a static environment, I now look at the economic outlook facing our Nation, as well as the ongoing needs I know this government will have to fund.

The second reason we should not move forward on tax cuts is that we cannot afford them. Our fiscal health is in dire straits. In the simplest terms, the Federal Government continues to spend more than it takes in. In case anyone has forgotten, the deficit for Fiscal Year 2005 was $318 billion. This was the third highest deficit in our Nation's history. The first and second largest deficits occurred Fiscal Year 2003 and Fiscal Year 2004.

When I came to the Senate in 1999, the national debt stood at $5.6 trillion. The national debt now stands at $8.4 trillion, an increase of about 50 percent. As a percentage of gross domestic product, GDP, our national debt has grown from being 58 percent of GDP at the end of 2000 to an estimated 66.1 percent of GDP by the end of 2006.

In fact, the debt continues to grow so quickly that the House of Representative's Fiscal Year 2007 budget resolution is reported to contain a provision that would raise the Federal debt ceiling to nearly $10 trillion. This is less than 2 months after Congress was forced to raise the debt ceiling from the previous ceiling.

According to the reports from Medicare and Social Security trustees, the trust funds for these programs will be exhausted even earlier than previously thought. According to the most recent trustees' report, the cost of Social Security and Medicare will grow from nearly 7.4 percent of the economy today to 12.7 percent by 2030, consuming approximately not just 60 percent as predicted by the administration but 70 percent of all Federal revenues, crowding out all other discretionary spending and some other mandatory programs.

I am for entitlement reform. Senator GREGG took the first step last year with the deficit reduction bill of 2005. I voted for that bill. We need to do more to reform entitlements. No matter which way you look at it, entitlement programs coupled with an ever increasing national debt are staring down on our children and grandchildren.

Some Members believe that the solution is to grow the economy out of the problem, that by cutting taxes permanently the economy will eventually raise enough revenue to offset any current losses to the U.S. Treasury. I respectfully disagree with that assertion. I do not believe that in the current situation our country faces, we can continue to spend more than we take in.

In November 2005, former Federal Reserve Chairman Alan Greenspan testified before the Joint Economic Committee and told Congress:

> We should not be cutting taxes by borrowing. We do not have the capability of having both productive tax cuts, and large expenditure increases, and presume that the deficit doesn't matter.

That is exactly what we have been doing the last several years.

I have said many times on this floor that our major problem is we are unwilling to pay for or go without what we want to get done. We have been willing, time and time again, to put the cost of our current spending on the credit cards of our children and grandchildren. To be candid and fair, we have had no choice in much of the spending since September 11. The Federal Government had to rebuild after September 11. We have made the decision to increase security for the homeland. We have to fund the war in Iraq and Afghanistan. And we have to rebuild after the devastation of dealing with Hurricanes Katrina and Rita.

What we should be doing is spending our time on tax reform. The Tax Code has nearly universal disapproval for its complexity and magnitude. As the one who amended and pushed for the creation of the task force on tax reform in 2003 and 2004, I was delighted when the President said, in his 2004 convention acceptance speech, he would move forward with tax reform. We all know that fundamental tax reform is critical, and as we consider these and future tax provisions, it becomes more and more clear we need to overhaul our tax code.

I simply cannot understand why some of my colleagues want to make so many provisions of the current tax code permanent or add new tax cuts when we very well may be eliminating precisely the same provisions as part of fundamental tax reform. No homeowner would remodel their kitchen and bathroom right before tearing down the house to build a newer and better one.

Frankly, one of the measures in the reconciliation bill I do have sympathy

for and that is the patch for the AMT. Like the Sword of Damocles, it hangs over Congress's head nearly annually as it threatens to swallow more middle-class taxpayers. We do need to fix the AMT. Unfortunately, every year we move forward with a piece-meal tax policy, we delay action on permanently fixing the AMT, which will cost over $500 billion. When will we wake up and face the music on AMT?

Additionally, simplifying the code to make it more fair and honest could, by some estimates, save taxpayers over $265 billion in costs associated with preparing their taxes. That would be a real tax reduction, and it would not cost the Treasury one darn dime. It would be a tax cut that would guarantee that people are paying their fair share and would bring more money into the Federal Treasury.

According to the Tax Foundation, we lose about 22 cents of every dollar of income tax collected in compliance costs. That amount adds up to the combined budgets of the Departments of Education, Homeland Security, Justice, Treasury, Labor, Transportation, Veterans Affairs, Health and Human Services, and NASA.

Mr. President, the bottom line is we do not need less revenue, we need more revenue. As a recent Wall Street Journal article states, ''federal taxes amounted to 17.5 percent of gross domestic product, up from a modern low of 16.3 percent in 2004, but well below the high of nearly 21 percent in 2000 . . . keeping the tax burden low will be difficult. Last year, the federal government's spending exceeded its tax take by about $318 billion. And the retirement of the baby-boom generation starting in 2011 could cause spending on big-ticket federal retirement programs to jump.'' I could not have stated it better myself except I would utilize the on-budget deficit. In other words, if you exclude the Social Security surplus, money that I believe should be utilized for its intended purpose rather than funding the government, the deficit was actually almost $492 billion. This number is even worse if we took the Department of Treasury's accrual number for FY2005, which was a deficit of $760 billion.

I know this is controversial to state, but if you look at the extraordinary and unexpected costs that we have with the war on terror, homeland security costs, and rebuilding after Hurricanes Katrina and Rita, the logical thing that one would think about is to ask for a temporary tax increase to pay for them today. Instead, we are saying we will let our children and grandchildren take care of these costs.

The people who are sacrificing today in this country are those who have lost men and women in the war against terror. The people who have sacrificed today are the ones who have come back without their arms and legs, thousands of them. They are making the sacrifice. The question I ask is, what sacrifice are we making?

The simple fact is that we can not have it all—we need to set priorities and make hard choices—otherwise our children will end up paying for it. Anyone in the know who is watching us has got to wonder about our character, our intellectual honesty, our concern about our national security, our Nation's competitiveness in the global marketplace now and in the future, and last but not least, our ''don't-give-a-darn'' attitude about the standard of living and quality of life of our children and grandchildren.

The simple fact is we cannot have it all. We need to set priorities and make hard choices; otherwise, our children will end up paying for it.

Mr. JOHNSON. Mr. President, today I wanted to talk briefly about the current debate on S. 1955 and what is supposed to be Health Week in the Senate. It was my hope and the hope of many of my colleagues that this week would bring about changes to improve health care for South Dakotans and all Americans. This week should have provided an opportunity to debate many important and critical issues, but unfortunately the direction being taken is anything but productive and meaningful.

A real Health Week would be about many things, including addressing problems with the Medicare Part D Program. In recent months, I have held several meetings in my home State with seniors, advocates, pharmacists, and other health providers about the program. What I have heard over and over again is that the benefit is not only confusing for beneficiaries but also often not adequately address prescription drug costs. It has also been unrealistically demanding on pharmacists and other health care providers, literally threatening community pharmacists' abilities to keep their doors open.

While the administration continues to tout their estimated number of beneficiaries enrolled in Part D, the reality in small towns across South Dakota paints a very different picture. Supporters of the Part D Program have marketed the low-income benefit as one of the most important and beneficial aspects of the program. While I did not support the bill that is now law because I believe its basic structure is flawed, I have always conceded that the low-income provisions will help those seniors in need, and we should be doing what we can to make sure seniors who are eligible are informed about their choices.

Unfortunately, the administration has done a poor job of ensuring that those most likely to see a benefit from the program are actually enrolled. In my State, there are 29,000 beneficiaries eligible for the low-income benefit, and according to a recent estimate by Families USA, only 9 percent of individuals have been enrolled. These are everyday South Dakotans with limited resources and support and they need help.

Part of the problem is that the program is just too complicated and not being administered effectively. Just last week, the Government Accountability Office released a report that indicated that when beneficiaries contact the Centers for Medicare and Medicaid services, only 41 percent of questions are answered correctly regarding which plans are the least expensive and most appropriate for them. This is simply unacceptable, and frankly all of my colleagues should be outraged by this statistic. This is a problem that must be addressed, and during this time of debate on health care, we should be working toward enacting changes that will make things better.

Meanwhile, the clock keeps ticking toward the deadline for enrolling in the program. After May 15, only 5 days from now, seniors will suffer a penalty for late enrollment. CMS cannot even answer questions correctly—questions that are essential in order to help seniors select a drug plan that works for them, but the administration insists on penalizing seniors for delaying their decision regarding participation. All this time, drug companies and insurance companies continue to see the checks roll in. Negotiating lower drug prices under Medicare Part D, extending the enrollment for the program, and making the program be more accountable to seniors—these are the things we should be dealing with right now and what Health Week should be about.

Health Week should also be about passing embryonic stem cell research legislation that will create a path toward cures for many diseases plaguing our society. It is hard to believe that on May 24, it will have been 1 year since the House passed its bill, the Stem Cell Research Enhancement Act of 2005 or H.R. 810.

I am strongly in favor allowing a closely monitored and controlled stem cell research effort to go forward using frozen fertilized embryos that would otherwise be incinerated as medical waste, and I am a cosponsor of S. 471 which was introduced by Senator SPECTER and is cosponsored by 41 of my colleagues here in the Senate.

I believe these cells, which are created by the hundreds of thousands at fertility clinics, would be better used to advance medical research that holds great promise for curing or preventing some of the world's worst diseases, as well as repairing spinal cord and other injuries. This type of research is overwhelmingly supported by the American public and by a broad range of health, science, and disease advocacy groups.

I have met with and heard from hundreds if not thousands of South Dakotans and their families, encouraging me to support vital, life-giving research, including embryonic stem cell research, and I agree. My values and my faith tell me to support lifesaving research which will provide cures and therapies for devastating illnesses such as diabetes and Parkinson's disease. The majority leader has indicated in the past that he will allow an up-or-

down vote on stem cell research on the Senate floor, and it is unfortunate that my colleagues on the other side of the aisle will not permit us to move forward, right now, on this issue.

A real Health Week would also be about promoting a health insurance proposal that does help small business, but does so in such a way that protects consumers and does not infringe on State rights to regulate the health insurance market. The Health Insurance Marketplace Modernization Act or S. 1955 would make health care coverage more affordable in many cases but would do so at the expense of providing meaningful coverage to consumers.

South Dakota has mandated that insurance companies that want to offer plans in the State must provide some basic services including diabetic supplies and education, mammography screening, mental health parity, and prostate cancer screenings. My State also requires that insurers provide access to certain types of providers including nurse midwives, nurse anesthetists, optometrists, osteopaths, chiropractors, podiatrists, psychologists, and social workers. S. 1955 will allow insurers to come into South Dakota and provide bare bones coverage that preempts these State mandates. South Dakota deserves to determine what basic care and coverage must be provided to our citizens, and S. 1955 would take away that right.

To gain this exemption, all an insurer has to do is offer a plan that is similar to one offered to State employees in one of the five most populous States. Now some have stated that the availability of this so called enhanced option will ensure access to services that States have mandated, but this is simply not true. The alternative plan does not have to be affordable or comprehensive and could be a high-deductible health plan that provides virtually no preventive care. That means no dental screenings, no prostate cancer screening, no access to nurse practitioners.

The Small Employers Health Benefits Program or SEHBP Act provides a strong alternative to the Enzi approach making coverage more affordable for small businesses and providing individuals with the same type of insurance offered to members of Congress and other Federal employees. This proposal is based on the successful Federal Employees Health Benefits Program which provides health coverage to millions of Federal employees, retirees, and their families and does so with very low administrative costs.

While this alternative does provide an opportunity for small businesses to obtain coverage for their employees, it does so without jeopardizing the basic coverage currently ensured by South Dakota's health insurance laws.

It provides a tax credit to small businesses and ensures that State consumer protection laws are kept in place. According to the most recently available data from the Small Business Administration, in South Dakota 19,750 businesses fall in this category, employing 136,560 people. The legislation also will provide for grant participation waivers to businesses with more than 100 employees under some circumstances.

The SEHBP approach is supported by groups such as Families USA, the American Academy of Family Physicians, American Medical Association, Consumers Union, and the National Partnership of Women and Families.

We need to address the complex health care issues facing our Nation today, but we need to do so in a way that moves us forward. I believe, as do literally hundreds of organizations, including the AARP, American Cancer Society, and the American Academy of Pediatrics, that S. 1955 is wrong for small businesses and their employees. I oppose this bill and will continue to fight for adequate health care access in South Dakota.

Mr. KOHL. Mr. President, I rise in opposition to the tax reconciliation conference report before us. We cannot afford it, and we don't need it. Even more distressing, it benefits overwhelmingly those with incomes greater than $1 million at the expense of middle-income families, of our ability to protect and defend our Nation and of our fiscal bottom line.

We cannot afford adding $70 billion to the burgeoning deficit. Months ago, my colleagues voted to cut programs such as Medicaid and child support—programs that directly serve low-income families and the elderly. They did this in the name of deficit reduction. Yet today, those same Senators will vote to add $70 billion to the deficit.

We don't need the majority of this bill. The centerpiece of that $70 billion is an extension of the tax breaks on capital gains and dividend income. My colleagues have argued that this will prevent a tax increase, but we all know such an increase is not imminent. The cut on capital gains and dividends will not expire until 2008; this legislation extends it from 2008 to 2010.

This legislation puts the needs of everyday Americans behind the luxury of an unnecessary tax break. Families making $50,000 a year or less will see an average of $20—half a tank of gas—in benefits from this bill. But those with incomes of more than $1 million will get back an average of $42,000, enough to buy a new SUV.

The needs of everyday Americans are ignored by this legislation. Businesses are ignored as the bill fails to extend the expired research and development tax credit. It overlooks the needs of students trying to pay for college by not extending the expired deduction for higher-education tuition expenses. It ignores our teachers, by failing to extend the expired deduction for their classroom expenses.

Let's set aside extending tax cuts that don't expire for 2 years in favor of extending those that expire now. Let's not go on a $70 billion spending spree in the face of record levels of Federal deficit and debt. Let's not use our limited revenues to enrich those that need the least at the expense of those who need the most. Finally, let's send a message to the American people about where our priorities lie.

Mr. HARKIN. Mr. President, if you want to know why this Republican-controlled Congress's approval rating has plunged to 22 percent and why President Bush's approval rating is an equally dismal 31 percent, exhibit A is this reckless, irresponsible tax reconciliation bill.

Let's consider the context in which the Republicans are pushing this latest giveaway of $70 billion, all of which will be added to the deficit and national debt:

The Republicans are ramming through these new tax breaks despite the fact that they we are facing a deficit, this year, in excess of $300 billion a year despite the fact that they have run up $2 trillion in new debt since President Bush took office, despite the fact that they are trying to raise the debt limit to an astonishing $10 trillion, despite the fact that we are spending $10 billion a month on their endless wars in Iraq and Afghanistan and despite the fact that they have increased spending by 25 percent in just 5 years' time.

The level of irresponsibility here is just breathtaking. There is nothing conservative about handing out $2 trillion in tax breaks over 5 years and passing the bill to our children and grandchildren. Rather than providing for our children's education, health, and well-being, this bill will provide them with another huge dose of our debt.

That is plain, old-fashioned recklessness and irresponsibility. It is simply shameful.

In his State of the Union speech 3 years ago, President Bush made this statement: We will not deny, we will not ignore, we will not pass along our problems to other Congresses, to other presidents, and other generations.

But that is exactly what this new tax-break bill will do. It will add to the $2 trillion in new debt that President Bush is passing on to other generations. It will deliberately create a fiscal time bomb set to detonate on January 1, 2011, which a future President and future Congress will somehow have to defuse. And it will result in higher interest rates in the years ahead—indeed, interest rates are already rising rapidly.

This morning's New York Times runs two editorials that are dead on. One editorial is titled, The Republican Agenda for 2006: Tax Cuts for a Favored Few. The second editorial is titled, The Republican Agenda for 2006: Tax Increases for Everyone Else.

This bill is one of the most cynical giveaways to the wealthy we have seen. If this bill were entirely in effect this year, taxpayers making more than $1 million a year would be getting an average tax cut of more than $40,000 this

year, enough to buy a new Mercedes. Taxpayers with middle incomes will get an average tax cut that may pay for a tank of gas or tow, for many it will be less than that.

According to the Brookings Tax Policy Center, assuming that all of major tax provisions were put into place this year, taxpayers making more than $200,000 a year will get seven-eights of the benefits in this reconciliation bill. Taxpayers in the lower 60 percent of the income scale—average working Americans—will get only 1 percent of the benefits in this bill—1 percent. This is simply outrageous.

But the cynicism does not stop there. The Republican tax conferees glued this package together with the worst kind of gimmickry. In order to stuff more tax breaks into this bill, they deliberately designed it in such a way as keep the revenues just within the $70 billion limit over 5 years. But they did it in a way that will drain countless billions of dollars from the Treasury in the decades beyond the budget window.

How did they do this? They put in provisions to encourage the wealthy to convert their 401(k) plans and regular IRAs into Roth IRAs, which, itself, will be a bonanza for the rich. As one newspaper put it, this morning:

> This is what passes for fairness in Washington these days: a big windfall for the wealthy to ''pay for'' another tax cut for the wealthy.

The core of this bill is an extension of the 15 percent tax on capital gains from 2008 to 2010. To make this possible, the tax-writers jettisoned two very useful provisions that help ordinary Americans. They did not extend the work opportunity tax credit, which creates incentives to provide job training for the more difficult to employ in our society, and they did not extend the research and development tax credit, which promotes improvements in our efficiency and the development of new products. Those provisions have already expired.

Because this bill costs more than the $70 billion allowed, offsets were needed. Did the tax writers cut the billions in excessive tax breaks going to the oil companies—provisions such as the last in first out rule on their overseas operations? Even the oil company executives have said they don't need this. After all, Exxon made $36 billion last year. Exxon payed its CEO more than $140,000 a day. But the tax-writers didn't touch this tax break for the oil companies which had been in the Senate bill.

Republicans claim that their endless tax cuts have created a strong economy, and that the tax cuts will almost pay for themselves by creating new revenue. This is the old supply-side economic theory—you know, the idea that the best way to feed the sparrows is to give an extra big bag of oats to the horse. The first President Bush got it right; he called it ''voodoo economics.''

The truth is that current economic growth and job creation during this recovery are well below normal, and they are well below the levels we saw when President Clinton was doing what was necessary to balance the budget.

Let's look at this economy. Business investment always recovers after a recession. But, by historical standards, we have seen a sluggish recovery in business investment. In the past 5 years, business investment has grown 65 percent more slowly than the average for all recoveries since World War II. In the early 1990s, George H.W. Bush and Bill Clinton signed significant tax increases into law in order to balance the budget. But business investment was far greater during that period.

In addition, job creation during this recovery has been anemic, at best. Last Friday, the administration ballyhooed the fact that 138,000 jobs were created in April. The cheerleaders didn't mention that 138,000 new jobs is not even enough to keep pace with population growth. And it is less than half of the job creation we experienced, month after month, under President Clinton. Remember, he dared to raise taxes on the wealthy in order to balance the budget, and the resulting economic boom created more millionaires than any recovery in history.

When President Bush passed his third round of tax breaks in 2003, he claimed that it would create 5.5 million new jobs by the end of 2004. That was when Congress cut the tax rate on dividends and capital gains, which the current bill would extend. That bill did not create the promised 5.5 million new jobs. Job growth was only 2.4 million, less then the norm without tax cuts. Over the past 19 quarters since the recession, the growth in employment has been consistently below normal. Meanwhile, incomes of workers have not kept up with inflation.

We have seen the same disappointing results in terms of gross domestic product. Since the end of the last recession, GDP growth has been less then the average GDP growth following recessions since World War II.

And what about the Republicans' argument that tax cuts largely pay for themselves? Are they kidding? They have passed $2 trillion in tax cuts over the last 5 years. And, over that same period of time, the national debt has increased by—you guessed it—$2 trillion.

Yes, we are seeing an increase in revenues at the moment, as one would expect during a recovery. But our revenue estimates are actually below the levels predicted by the Congressional Budget Office in early 2003, before we passed the capital gains and dividend tax breaks we are rushing to extend today.

And let me make one more point about these tax breaks on capital gains and dividends. Over and over again, our friends on the other side of the aisle claim that middle-income families are big beneficiaries of these breaks. Yes, but the typical middle-income taxpayer gains a $20 cut here and a $100 cut there. But the lion's share of the benefits go to you know who. Half of the benefits go to those making more than $200,000 a year. When we just look at the cut in the capital gains and dividends rate: over half of those benefits go to those making over a million a year and over 93 percent of those benefits go to those making over $100,000 a year, according to a table just released by the Joint Tax Committee.

This reconciliation bill gives $70 billion that we do not have, overwhelmingly to people who don't need it; and it passes the resulting debt to people who haven't even been born yet. This bill is reckless. It is irresponsible. And it is shameful.

I urge my colleagues to defeat this conference report so we can substitute a responsible bill—a bill that is progressively paid for, that prevents the alternative minimum tax from penalizing middle-income taxpayers, and that extends job training and the R&D tax credit.

Mr. KERRY. Mr. President, today we are debating a $70 billion tax reconciliation bill and the centerpiece of this bill is a provision to extend the lower tax rates on capital gains and dividends that do not expire until the end of 2008. I cannot support this bill for many reasons. It abuses the budget reconciliation process in order to provide an extension of tax cuts to those with incomes above a million dollars rather than addressing tax issues in a fiscally responsible manner.

This bill is the third and final piece of a flawed budget strategy that does not put us on a path towards deficit reduction. The first piece was the spending bill that cut $40 billion, with most of those cuts hitting those who need our help the most. The second piece was a $781-billion increase in the debt ceiling, which will bring the total to $3 trillion under this administration's watch. If you combine these three bills, the result is a $30 billion increase in the deficit and record level debt.

The conference report does not reflect the tax bill passed by the Senate. Back in November during the Senate Finance markup, I did not support the bill even though it did not include capital gains and dividends tax relief. I was concerned that the bill would come back from the House with this tax relief and that it would substantially increase the deficit in future years. The conference agreement does what I expected and it is even worse than I initially imagined.

The only reason this bill is before us is to extend the lower rate on capital gains and dividends. These lower rates do not even expire until the end of 2008. We have repeatedly heard how American families have benefited from this tax cut and that half of American households now have some investment income. We do not hear the entire side of the story. Even though about half of American households own stock, two-fifths of this stock is held in retirement accounts in which capital gains

and dividends earned are not subject to taxation, and thus do not benefit from the lower rates on capital gains. According to the Federal Reserve Bank's Survey of Consumer Finance, only 17 percent of the households in the bottom 60 percent own stock and the average value is $52,000. This accounts for 9 percent of all taxable stock. Households in the top 1 percent own 29 percent of all taxable stock and 84 percent of these households own taxable stock with an average value of nearly $2 million.

These tax cuts are skewed towards the wealthy because they have more capital gains and dividends income than the average family. For those with incomes under $100,000, capital gains and dividend income accounts for 1.4 percent of their total income, but for those with incomes over $1 million, capital gains and dividends account for 31.4 percent of their income. According to the Urban-Brookings Tax Policy Center, those with income over $1 million will receive an average tax cut of $32,000 in 2009, whereas those with incomes below $50,000 will only receive an average tax cut of $11.

Not only will upper-income individuals benefit from this provision, they will benefit from a new provision that was added during the conference. This provision removes the income limits for converting from traditional individual retirement accounts—IRAs—to a Roth IRA. This provision was added to meet requirements of the budget rules, but don't be fooled, this provision is a gimmick. It is ironic that this gimmick is being used to solve a budget issue—it is being added to solve the budget issue of the capital gains and dividend provision having a $30 billion cost in the second 5 years of the bill. The Roth IRA provision does solve this budget problem, but this provision will add to the deficit. It raises revenue initially because contributions to Roth IRAs are not deductible, but it loses revenue because earnings in these accounts accumulate tax free.

Only households with income over $100,000 would benefit from the easing the restrictions on rollovers to Roth IRA accounts. The Tax Policy Center estimates that the 99.1 percent of the benefits of this provision will go to those in the top 20 percent of households with average incomes of $189,863. I have to admit that it is clever to offset one tax cut with another tax cut that only benefits families in the upper-income limits. This provision highlights how this bill makes a hypocrisy of the budget process.

As I said before, there are several budget gimmicks used in this bill to mask its real price tag of the bill and its total impact on the deficit. All this is being done just so the lower rates on the capital gains and dividends can be extended for another two years.

Many of those in the majority will argue that the lower rates on capital gains and dividends are needed to sustain economic growth. It is hard to prove that these tax cuts are the cause of recent economic growth. Prior to the enactment of these tax cuts, there were significant factors in support of an economic recovery. The President's Council of Economic Advisors was predicting a significant increase in employment growth starting in 2003 without the enactment of additional tax cuts. The rationale for cutting the tax on capital gains and dividends income is that it stimulates investment, but there is no solid data to support this conclusion. The stock market did much better during the 1990s when we had a higher tax rate on capital gains than it has done since the rates were cut in 2003.

Proponents argue that these cuts encourage a great deal of selling by investors, so much so that they pay for themselves. However, in a letter to Finance Committee Chairman GRASSLEY, the Congressional Budget Office found that, ''[I]ncreases might suggest a large behavioral response to the tax rate cut—except that realizations also increased by 45 percent in 1996, before the rate cut. Thus changes in realizations are not necessarily the result of changes in taxes; other factors matter as well.'' CBO explained that asset values, investor decisions, and other economic conditions can influence capital gains realizations just as much.

CBO not only examined the year following the 2003 tax cuts, but they dug even deeper and did a historical analysis of capital gains cuts. The CBO experts found that, ''[a]fter examining the historical record, including that for 2004, we cannot conclude that the unexplained increase [in realizations] is attributable to the change in the capital gains tax rates.'' CBO concluded that much of the volatility in capital gains realizations ''seems unrelated to changes in the capital gains tax rates.''

However, the majority seems to think that the cutting taxes on capital gains and dividends is a priority and that debt financed tax cuts reflects sound economic policy. I disagree and believe that this bill chooses the wrong priorities. It fails to extend tax breaks that expired at the end of 2005. The research and development tax credit that is used to help businesses with innovative and groundbreaking research expired at the end of 2005.

This bill does not help families with the cost of college tuition. Due to the deepest cuts in student aid in more than a decade, loans will increase by an average of $5,800. At the end of 2005, a tax provision that provides a deduction for college expenses expired. This bill chooses not to extend this tax cut.

This bill does address the individual alternative minimum tax—AMT—for 2006, but not for 2007. The conference report reflects the Senate language that is based on an amendment that I offered with Senator WYDEN. This AMT provision will prevent any new taxpayers from being impacted by the AMT in 2006 that were not impacted by the AMT in 2005. It is important that we address the individual AMT, and it can be done in a way that does not increase the deficit.

The individual AMT was created in 1969 to address the 155 individual taxpayers with incomes exceeding $200,000 who paid no federal income tax in 1966. Then, it applied to a tiny minority of households. But it is rapidly growing from 155 taxpayers in 1969, to 1 million in 1999 to almost 29 million by 2010. It now affects families with incomes well below $200,000. By the end of the decade, repealing the AMT will cost more than repealing the regular income tax.

In 1998, we began to notice that something was happening that was unintended—the AMT was beginning to encroach on middle class taxpayers. At that time, the AMT was expected to impact over 17 million taxpayers in 2010. The AMT problem resulted because the regular tax system is indexed for inflation, while the personal exemptions, standard, deduction, and AMT are not. Under the AMT, exemption amounts and the tax brackets remain constant. This has the perverse consequence of punishing taxpayers for the mere fact that their incomes rose due to inflation. The AMT has another perverse consequence. It punishes families for having children. The more children a family has, the lower the income necessary to trigger the AMT.

As we debated the Economic Growth and Tax Relief Reconciliation Act of 2001, I stressed the fact that the legislation would result in more individuals being impacted by the AMT and that not addressing the AMT hid the real cost of the tax cuts. This holds true today. A choice was made in 2001 to provide more tax cuts to those with incomes of over a million dollars rather than addressing a looming tax problem for the middle class. The Economic Growth and Tax Relief Reconciliation Act of 2001 did include a small adjustment to the AMT, but it was not enough. We knew at the time that the number of taxpayers subject to the AMT would continue to rise steadily. The combination of lower tax cuts and a minor adjustment to the AMT would cause the AMT to explode.

Each year that we wait to tackle the AMT, more taxpayers are impacted and the cost of addressing it only increases. We missed an opportunity in 2001 to address the AMT. Repeatedly, the AMT has been pushed aside to give priority to making the tax cuts for the wealthiest Americans permanent. So often we hear that the bulk of the tax cuts assist the average American family. This is ironic because by 2010, the AMT will take back 21.5 percent of the promised tax breaks for individuals making between $75,000 and $100,000 per year and 47 percent from individuals making between $100,000 and $200,000. However, households with annual income over $1,000,000 will only lose 9.2 percent of the tax cuts.

Instead of addressing the AMT for next year, this bill chooses to extend the lower rates for capital gains and

dividends for 2009 and 2010. This bill ignores the fact that we will have to address the AMT for 2007. Without Congressional action, the AMT will impact 23 million taxpayers. To prevent additional taxpayers from being impacted by the AMT in 2007, the exemption amount will need to be increased at a cost of $48.3 billion. We need to address the AMT in a fiscally responsible manner before we extend tax breaks that do not expire until the end of 2008.

Furthermore, this bill chooses to provide tax breaks to the oil and gas industry. The Energy Policy Act of 2005 contained $2.6 billion over 10 years in tax breaks for oil and gas companies. Recently, President Bush said:

> Record oil prices and large cash flows also mean that Congress has got to understand that these energy companies don't need unnecessary tax breaks like the write-offs of certain geological and geophysical expenditures, or the use of taxpayers' money to subsidize energy companies' research into deep water drilling. I'm looking forward to Congress to take about $2 billion of these tax breaks out of the budget over a 10-year period of time. Cash flows are up. Taxpayers don't need to be paying for certain of these expenses on behalf of the energy companies.

Not long ago, we heard the top oil executives testify before Congress that they do not need the tax breaks either.

At a time when the world's largest energy companies are reaping record-setting profits, this bill chooses to only scale back one of the new tax breaks for oil companies. Integrated oil companies will still receive benefit of a provision to expense their geological and geophysical expenditures. The provision only scales the tax break back by $189 million. The Senate bill included three provisions that address the tax breaks of large oil and gas companies, totaling $5 billion. This bill chooses not to include these provisions. Recently, I introduced legislation to address tax breaks provided to the oil and gas companies that would repeal over $28 billion in tax breaks for this industry.

It is embarrassing that this bill keeps in place tax breaks that are not needed by this industry while at the same time providing lavish benefits to oil and gas executives. An executive who makes $400 million a year does not need tax breaks. Executives rewarded with exorbitant amounts of stock options will be able to sell their stock and benefit from the lower tax rate on capital gains. It simply does not makes sense to provide a $42,000 tax break for millionaires when the average American family has seen a $1,950 increase in their cost of gas.

During this debate, we have heard that this bill does not provide tax cuts, that it is just a continuation of tax policy, but it is a continuation of a reckless tax policy. According to the Tax Policy Center, 87 percent of the benefits of the conference agreement go to the 14 percent of households with incomes above $100,000. The top 0.2 percent of households, those earning over a million a year would receive 22 percent of the benefits of this conference report. Those earning over $1 million will receive a $42,000 a year tax cut while the average tax cut for the 20 percent of households in the middle of the income spectrum would be just $20.

We should not continue a tax policy that helps those who do not need our help. While American families are struggling with the costs of health insurance, college education, and gas tax prices, it is not the time to extend tax cuts that only help a small percentage of elite taxpayers. Last quarter, the economy grew 4.8 percent, but wages only grew 0.7 percent. Middle-class families are not feeling confident about the economy. These families are not experiencing the 4.8 percent growth of the economy. They are worried about their economic future. They are living paycheck to paycheck. With the continuing cost of the wars in Iraq and Afghanistan, it is not the time to extend debt financed tax cuts. We could have a very different bill before us that would extend the tax cuts that help families with the cost of the education, address the AMT for next year, and help businesses with the cost of research. Instead, we have a continuation of a tax policy that contributed to the broadening disparity between the rich and the poor.

We are going through this process today, just so one provision in the bill can be passed—the extension of the dividends and capital gains cuts. These cuts expire at the end of 2008.

We do not need to make a farce out of the reconciliation process. We can do better and we should reject this bill and take up a bipartisan bill that helps all American families.

Mr. LIEBERMAN. Mr. President, I rise in opposition to this tax reconciliation conference report. It is a financially bizarre hodgepodge of misplaced priorities, missed opportunities and misguided economics.

Not only is there nothing in this package that helps average American families, whose incomes are stagnant, the Republican majority let programs expire that helped ease the financial burdens of working families.

Instead, this Republican bill showers tax breaks on the Nation's wealthiest, who don't need the help, the oil industry, which is enjoying record profits, and explodes the debt, placing a hidden tax on our children and grandchildren.

This bill is so bad you look at it and wonder: What were they thinking?

For instance, under this tax package the oil industry gets tax breaks worth $5.1 billion, while eliminating tax incentives on hybrid cars, solar energy panels and other energy conservation measures that would help lessen our dependence on foreign oil.

What were they thinking?

The capital gains and dividend tax cut extensions overwhelmingly favor households taking in more than $1 million a year. Middle income households get a tax savings of about $20 a year, while millionaires get a break of somewhere between $42,000 and $82,000.

What were they thinking?

I have supported capital gains relief as a way to stimulate investment, innovation and job creation. But this bill offers that relief at a time when we're running a massive Federal deficit and does next to nothing for anybody other than the wealthiest taxpayers.

Look at what's missing from this bill: The State and local sales tax deduction, the college tuition deduction, the welfare to work tax credit that encouraged employers to lower welfare roles by creating jobs; and the research and development tax credit that helped spur the innovation we need to compete in the global economy.

What were they thinking?

This bill does provide a one-year fix to keep middle-income Americans from falling into the alternative minimum tax trap. But even that is not enough. We need to fix the AMT Problem once and for all.

A famed economic thinker named Marx—Groucho not Karl—once said: ''Money frees you from doing things you dislike. Since I dislike doing nearly everything, money is handy.''

Groucho may have summed up the Republican approach to fiscal policy: They avoid doing the things they dislike—like facing hard financial truths and making tough fiscal decisions—and just keep showering money we don't have on wealthy people and oil companies who don't need it and then pass the bill off to our children who can't afford it.

At least Groucho was joking about how he spent his own money. We're stealing our children's. And that's no joke.

Mr. President, we must come to grips with the exploding deficits. We can't keep cutting taxes, increasing spending and pretend there are no consequences. There are. And it will be our children who will face the reckoning. And on that day they will look back at us in anger and cry: What were they thinking!

I yield the floor.

Mr. BAUCUS. Mr. President, I would like to enter into the RECORD some information I just received from the Joint Committee on Taxation. I asked them to provide me with information on who benefits from the capital gains and dividends tax cuts.

According to the Joint Committee on Taxation, 84 percent of the capital gains tax cut goes to individuals earning $200,000 or more. And also according to the Joint Committee on Taxation, 2 percent goes to households earning less than $50,000.

Additionally, for the dividends tax cut, 63 percent of the tax savings goes to individuals with annual income of $200,000 or more. And only 6 percent goes to taxpayers earning $50,000 and under.

I hope this information will help clarify some of the debate on the floor today. Again, these numbers are directly from the Joint Committee on Taxation with no interpretation.

I ask unanimous consent that this information be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABULATION OF CAPITAL GAINS TAXED AT 5% AND 15% RATES, ALL TAXPAYERS—CALENDAR YEAR 2005

Adjusted gross income [1]	Capital gains taxed at 5% rate			Capital gains taxed at 15% rate			Total: Capital gains taxed at 5% or 15% rate		
	Returns	Amounts	Tax savings	Returns	Amounts	Tax savings	Returns	Amounts	Tax savings
	Millions	$ billions	$ billions	Millions	$ billions	$ billions	Millions	$ billions	$ billions
Less than $10,000	[2]	[3]	[3]				[2]	[3]	[3]
$10,000 to $20,000	0.7	1.0	[3]				0.7	1.0	[3]
$20,000 to $30,000	0.9	2.0	0.1				0.9	2.0	0.1
$30,000 to $40,000	1.0	2.3	0.1	[2]	[3]	[3]	1.0	2.3	0.1
$40,000 to $50,000	0.7	2.3	0.1	0.3	0.4	[3]	1.0	2.7	0.1
$50,000 to $75,000	1.6	6.0	0.2	0.8	2.3	0.1	2.4	8.3	0.4
$75,000 to $100,000	0.9	5.1	0.2	1.2	4.4	0.2	1.9	9.5	0.4
$100,000 to $200,000	0.3	6.1	0.2	2.5	25.4	1.3	2.6	31.6	1.5
$200,000 and over	0.1	4.1	0.1	1.2	262.5	13.3	1.2	266.6	13.5
Total, all taxpayers	6.3	28.9	1.0	6.1	295.1	15.0	11.7	324.0	16.1

[1] Excludes dependent returns and returns with negative AGI.
[2] Less than 50,000.
[3] Less than $50 million.

TABULATION OF QUALIFIED DIVIDENDS TAXED AT 5% AND 15% RATES, ALL TAXPAYERS—CALENDAR YEAR 2005

Adjusted gross income [1]	Qualified dividends taxed at 5% rate			Qualified dividends taxed at 15% rate			Total: Qualified dividends taxed at 4% or 15% rate		
	Returns	Amounts	Tax savings	Returns	Amounts	Tax savings	Returns	Amounts	TAx savings
	Millions	$ billions	$ billions	Millions	$ billions	$ billions	Millions	$ billions	$ billions
Less than $10,000	0.1	[3]	[3]				0.1	[3]	[3]
$10,000 to $20,000	1.1	1.1	0.1				1.1	1.1	0.1
$20,000 to $30,000	1.5	1.7	0.1				1.5	1.7	0.1
$30,000 to $40,000	1.7	2.3	0.2	0.1	[3]	[3]	1.8	2.4	0.2
$40,000 to $50,000	1.2	1.9	0.2	0.8	0.8	0.1	1.9	2.6	0.2
$50,000 to $75,000	2.7	4.0	0.4	1.6	2.8	0.3	4.3	6.8	0.7
$75,000 to $100,000	1.3	2.7	0.3	2.4	4.1	0.4	3.5	6.8	0.7
$100,000 to $200,000	0.1	1.2	0.1	4.7	15.3	1.7	4.8	16.5	1.8
$200,000 and over	[2]	0.4	[3]	2.2	42.9	6.4	2.2	43.2	6.5
Total, all taxpayers	9.7	15.3	1.3	11.9	65.8	8.9	21.1	81.1	10.3

[1] Excludes dependent returns and returns with negative AGI.
[2] Less than 50,000.
[3] Less than $50 million.

Mr. BAUCUS. Mr. President, I want to talk now about the rules of the Senate. With this bill, the majority has once again abused the process. With this bill, the majority has once again shown its disrespect for the rule of law.

Mr. President, I have served in the Congress for 32 years. I have served in the Senate for 28 years. I am continually grateful to my employers, the people of the State of Montana, for giving me this opportunity.

I was in the Congress in 1975, when the Budget Committee reported the very first budget resolution. I was in the Senate in the early 1980s, when the Budget Committee reported its first budget reconciliation bill. I have seen this process change. And the Majority is changing this process again today.

Mr. President, this bill comes before us today under the extraordinary procedures that we call budget reconciliation. This is a process that bypasses the normal Senate rules.

Under the normal Senate rules, Senators may debate legislation at length. Under budget reconciliation, this bill is subject to a strict time limit.

Under the normal Senate rules, and rule XXII, it takes the affirmative vote of 60 Senators to cut off debate. Under budget reconciliation, a simple majority will determine the outcome of this bill.

The Senate chose early on to limit the power to use budget reconciliation. The Senate saw early on that this power could be subject to abuse.

Thus, starting in 1985, the Senate adopted the Byrd Rule against extraneous matter in reconciliation bills. This important rule was named after the dean of the Senate, the Senior Senator from West Virginia. The Senate enacted this rule to ensure that the majority did not abuse the budget reconciliation process to cover extraneous matters.

From 1985 through 1996, that meant that budget reconciliation bills could not worsen the deficit. Then, in 1996, the current majority chose to overturn that understanding of the rule. And in 1996, the current majority began the process of using reconciliation for legislation that worsens the Nation's fiscal balance. That choice is at the root of much of the fiscal debacle that we see today.

But at least one vital part of the Byrd rule remains. One part of the Byrd rule so explicitly prohibits worsening the deficit that the majority has not yet been able to write it out of the books. One part continues to prohibit including in reconciliation provisions that would cause a committee's entire work product to worsen the deficit in years beyond those covered by the reconciliation instructions. That part is section 313(b)(1)(E) of the Congressional Budget Act.

I believe that, today, the majority is taking another step down the road of abusing the reconciliation process. I believe that today the majority is willfully ignoring the application of that rule. And I thus believe that today the majority is once again cheapening the rule of law.

My complaint lies with the Roth IRA provision that I discussed earlier. As I noted, that provision will worsen the deficit by increasing amounts into the future. But because the majority chooses not to recognize this fact, I am left with no procedural recourse.

I'll try to demonstrate my point through a series of steps.

First, let me take the hypothetical case of a budget reconciliation bill that contained just the Roth IRA provisions in this bill but effective in 2006. That is the case for which the Joint Tax Committee has provided the revenue estimates that I discussed earlier. For the sake of simplicity, I ask unanimous consent that the Joint Tax Committee estimates be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON TAXATION,
Washington, DC, May 9, 2006.

MEMORANDUM

To: Pat Heck, Judy Miller, and Ryan Abraham
From: Thomas A. Barthold
Subject: Revenue Estimate

This memorandum is in response to your request dated May 3, 2006, for a revenue estimate of your proposal to eliminate the income limitation on conversions from a traditional to a Roth IRA. Under your proposal,

any amount otherwise required to be includible in income as a result of a conversion that occurs in 2006 may be included in income in equal installments in 2007 and 2008. Your proposal would be effective for taxable years beginning after December 31, 2005.

We estimate that your proposal would have the following effect on Federal fiscal year budget receipts:

FISCAL YEARS

[Billions of dollars]

Item	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2006–10	2006–15
Eliminate the income limitation on Roth IRA conversions; taxpayers can elect to have amounts converted in 2006 included in income in equal installments in 2007 and 2008.	−0.1	1.8	3.4	1.0	−1.1	−1.5	−1.7	−1.9	−2.1	−2.3	5.0	−4.5

Mr. BAUCUS. In summary, it shows a provision that begins with revenue increases but then shows revenue losses. Specifically, it shows revenue losses of $1.1 billion in year 5, $1.5 billion in year 6, $1.7 billion in year 7, $1.9 billion in year 8, $2.1 billion in year 9, and $2.3 billion in year 10.

Now, if this provision were the only provision in a budget reconciliation bill covering years 2006 through 2010, it would plainly violate section 313(b)(1)(E) of the Congressional Budget Act because of its revenue losses in the out years.

This is of course a simplistic analysis. There are other provisions in the bill before us. The question then arises whether those other provisions raise more revenue than the Roth IRA provision loses.

My Finance Committee staff have taken the Joint Tax Committee estimates for these other provisions—all the revenue raisers—and projected their current rate of growth into the future. The results are shown in another table, which I ask unanimous consent be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROJECT REVENUE EFFECTS OF THE TAX RECONCILIATION BILL

[Estimates by the Finance Committee Democratic Staff]

						Projections				
Raiser #	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1	31	33	35	38	41	44	47	50	53	56
2	3	3	3	3	3	3	3	3	3	3
3	10	3	4	6	6	6	6	6	6	6
4	3	3	3	3	3	3	3	3	3	3
5	12	12	15	15	16	17	18	19	20	21
6	44	46	49	52	54	56	58	60	62	64
7	209	224	241	259	279	299	319	339	359	379
8	204	242	260	298	349	400	451	502	553	604
9	6,079	215	220	228	235	242	249	256	263	270
10	2,541	4,929	1,756	(1,080)	(1,267)	(1,500)	(1,700)	(1,900)	(2,100)	(2,300)
11	18	9	5	2	1	.....	.....	.....	.....	.....
12	24	26	28	29	31	33	35	37	39	41
13	228	234	239	254	268	282	296	310	324	338
14	46	53	62	69	75	81	87	93	99	105
Total	9,452	6,032	2,920	176	94	(34)	(128)	(222)	(316)	(410)

Mr. BAUCUS. This analysis shows that the provisions of this bill will worsen the deficit by $34 million in 2016, $128 million in 2017, $222 million in 2018, $316 million in 2019, and $410 million in 2020.

Now, if the appropriate authorities advised the Chair that the bill before us had the revenue effects described in this table, and the Roth IRA provisions caused the deficit to worsen in these by years by the amounts that I have cited, even when taken together with all the other provisions in this bill, once again, the Roth IRA provision would violate the Byrd rule.

Thus, if one does some rather simple arithmetic, one can readily see that the Roth IRA provisions in this bill would worsen the deficit in the out years. And doing that rather simple arithmetic would render the Roth IRA provisions out of order.

The problem is that my staff's estimates, and even the estimates of the Joint Tax Committee and the Congressional Budget Office, are not authoritative. Under the Budget Act, the Chair is required to turn to the Budget Committee for revenue estimates.

The problem is, for whatever reason, the Budget Committee majority has chosen not to do this rather simple arithmetic. The Budget Committee majority has chosen not to see the fiscal consequences of this bill.

It is not as though these fiscal consequences are somehow obscure. It should come as little surprise that one tax cut will not pay for another tax cut. But the Budget Committee majority chooses not to see.

It is not as though the Budget Committee cannot look into the future. The Budget Committee majority has complained of out year costs involving spending to help the victims of asbestos, for example. But when it comes to these tax cuts, the Budget Committee majority chooses not to see.

It is not as though the Budget Committee cannot recognize a budget gimmick when it sees one. The Budget Committee majority has complained of shifts from one year to another in the highway bill, for example. The Roth IRA provision before us today is the mother of all such shifts. But the Budget Committee majority chooses simply not to see.

Thus, Mr. President, I see this case as another abuse of the process. I see this case as another instance of disregard for the rules of the Senate. I see this case as another case of disrespect for the rule of law.

In 1996, this majority abused the reconciliation process by applying it to legislation to worsen the deficit. Last year, this majority abused the Senate rules by threatening to eliminate the right to extended debate through what folks call ''the nuclear option.'' And today, this majority adds another chapter to that history of abuse of power, by simply choosing not to see violations of the rule when they are there staring us all in the face.

I find it curious that the same majority that cried so loudly about ''the rule of law'' in the impeachment of President Clinton today once again shows such little respect for the rule of law right here in the Senate. For this disrespect for the rule of law is not about private morality. This disrespect for the rule of law is about the exercise of power.

There is a word for disrespect for the rule of law in the exercise of power. It is called tyranny.

And that, Mr. President, is another reason to vote against this conference report.

Mr. President, I must say that I was surprised to see such a complicated and controversial provision in the conference agreement. I am referring to the provision to repeal the grandfather clause that was enacted by the American Jobs Creation Act of 2004, as part of the repeal of the old FSC/ETI regime. Further, this provision was not in the Senate or the House bill.

What is most surprising, though, is that it may not have been necessary in addition to maybe not being prudent.

This provision purports to end a dispute with the European Union over these long standing tax incentives. But the EU said it was willing to accept the remaining time on the 2-year transition period, and the grandfathering of leasing contracts. The only provision

that the European Union is totally against is the grandfather clause for sales contracts. The European Union stated as much in a letter just last week where they said they wanted to work out a negotiated settlement.

So the question has to be asked: Why does this bill go beyond the European Union's concessions? In an attempt to increase the revenue raised by this bill, the bill eliminates binding contract relief for both lease and sales contracts.

In every step of the way during the last 7 years of this dispute, Congress has worked closely amongst tax and trade experts and alongside business to minimize the harm any new regime might entail. But not here. No hearings, no deliberations, ignoring a concession by the other side and game over.

It is interesting to reflect on the long history of this provision. Both the extraterritorial income and the Foreign Sales Corporation, or FSC, regimes offered exclusions for export income. The Jobs Act repealed the extraterritorial income exclusion provisions and provided transition rules to phase out the tax benefits. The Jobs Act also provided a grandfather clause which allowed certain contracts to continue to receive the extraterritorial income exclusion.

For the past two decades, the U.S. provided export-related tax benefits under the foreign sales corporation regime. In early 2000, the World Trade Organization found that the regime was a prohibited export subsidy under the relevant WTO agreements. Congress then repealed the foreign sales corporation provisions and enacted a new regime, the extraterritorial income regime, or ETI.

From its inception, the European Union has doubted the validity of this regime. The European Union lodged a complaint with the World Trade Organization. It argued that the provision was an export subsidy in violation of World Trade Organization agreements.

The World Trade Organization agreed with the European Union in August of 2001. An appellate body upheld the finding in January 2002. The World Trade Organization later ruled that the European Union could impose $4.03 billion in sanctions on its imports from the United States. Congress immediately began work to fix the problem. There were several hearings that lead to a number of bills attempting to either repeal or modify the exclusion provisions.

The Jobs Act repealed the extraterritorial income regime for transactions after December 31, 2004. It provided a transition rule that phased out the tax benefits over a 2-year period. Taxpayers could retain 100 percent of their exclusion benefits for transactions prior to 2005, 80 percent for transactions during 2005, and 60 percent for transactions during 2006. For transactions after 2006, a taxpayer would not have any income exclusion benefits.

The Jobs Act also provided that a contract in effect prior to September 17, 2003, would still be awarded exclusion benefits for the duration of the contract. This is what we call the binding contract relief. The purpose behind transition rules was to provide a soft landing to corporations. To give corporations time to adjust to the change in tax policy.

Prior to September 17, 2003, companies relied on the extraterritorial income tax benefits when they entered contracts. The binding contract relief protected U.S. companies where the company might otherwise be substantially harmed by the loss of the tax benefit. Eliminating the grandfather clause eliminates certainty for these U.S. companies.

We shouldn't blindly accept a provision that was not part of the Senate nor the House bill. We shouldn't blindly accept a provision that repeals a provision that took years to develop. We shouldn't blindly accept a provision that goes beyond what is required. I urge my colleagues to vote down this bill.

Mr. President, we have had a very interesting debate today. As I expected, it was a real battle of statistics and charts.

Again, I would like to thank my good friend, the chairman of the Finance Committee. I know that Senator GRASSLEY fought hard to defend the Senate position in the conference committee. And I think the vote in favor might have been overwhelming if he had been successful in bringing back that Senate bill rather than the bill we have today.

But I look forward to working with him and battling side-by-side to deliver that promised second bill. And that brings me back to what I spoke of this morning: there is a substantial amount of work undone.

Despite $70 billion spent on tax cuts today, there are millions of teachers, families with kids in college, businesses that want to conduct important research or hire the hard-to-employ that will not see one dollar of the benefits handed out today.

It is true that this conference report made tough choices. Those choices were tough on teachers, tough on families, tough on businesses. Hopefully, their relief boat will be coming soon.

Until then, though, I will be voting against this bill that made the wrong choices—putting 2009 tax cuts before 2006 tax cuts, and putting ideological wants before America's needs.

I hope that the next bill will be a bipartisan product. I am sure if it is, that it will enjoy broad support in this Senate and across the country. I look forward to working on that bill.

Mr. President, I want to take a moment to thank the individuals who worked so hard on this legislation.

First, I thank my good friend Senator GRASSLEY, the chairman of the Finance Committee, for his leadership on this bill. I also appreciate the hard work and cooperation of his staff, especially Kolan Davis, Mark Prater, Dean Zerbe, Elizabeth Paris, Christy Mistr, John O'Neill, Chris Javens, Cathy Barre, Anne Freeman, Grant Menke, and Nick Wyatt.

Second, I thank the staff of the Joint Committee on Taxation and Senate legislative counsel for their service.

Finally, I thank my staff for their tireless effort and dedication, including Russ Sullivan, Bill Dauster, Pat Heck, Melissa Mueller, Jonathan Selib, Judy Miller, Rebecca Baxter, Ryan Abraham, Carol Guthrie, and Brianne Rogers.

I also thank our dedicated fellows, Mary Baker, Stuart Sirkin, Thomas Louthan, Tiffany Smith, Laura Kellams, Caroline Ulbrich, Margaret Hathaway, and Robin Burgess. I also thank our law clerk, Christal Edwards.

I thank our hardworking interns Zachary Henderson, Lesley Meeker, Lauren Shields, Britt Sandler, Jordan Murray, and Andreas Datsopoulos.

WAGE LIMITATION

Mr. BAUCUS. Mr. President, I would like to engage in a brief colloquy with the distinguished chairman of the Finance Committee, Senator GRASSLEY, regarding changes to the section 199 wage limitation. The conference report attempts to better target the application of the wage limitation by counting only those wages that are ''properly allocable to domestic production gross receipts.''

This change may have unintended consequences for certain industries. In some industries, many workers, particularly those with specialized expertise, provide services as independent contractors or through their own businesses. In such cases, service payments to these workers are not treated as wages under the current wage limitation.

When section 199 was first created, some of the impacted industries requested that we adopt a rule to count these payments for services in determining the wage limitation. The request was dropped because we addressed their issue indirectly by allowing them to use a broader wage base for calculating the limitation. By eliminating this ''headroom,'' we are resurrecting a problem for these industries.

These industries are doing exactly what section 199 was meant to encourage. They are creating high-quality manufacturing and production jobs and contributing substantially to our Nation's economy and trade. I am hopeful that we will reexamine this issue and take the steps necessary to ensure that these industries are not adversely and unduly affected.

Mr. GRASSLEY. I appreciate my distinguished colleague from Montana, Senator BAUCUS, raising this concern. I can assure him that the changes made to the section 199 wage limitation were intended to target the incentive to domestic production activities. If these changes unduly harm the types of industries he has raised in a way that is inconsistent with this intent, I would be happy to consider revisiting this issue in future legislation.

Mr. BAUCUS. I want to thank the distinguished chairman of the Finance Committee for this clarification and his willingness to work with me to address this important problem.

Ms. COLLINS. Mr. President, the Senate is now considering H.R. 4297, the tax reconciliation conference report. This bill contains several important tax relief provisions, including relief from the alternative minimum tax, extended expensing provisions for small businesses, and a 2-year extension of the 15 percent tax rate on dividends and capital gains. I will be voting for this bill in order to block tax increases that would be harmful to our economy and to our citizens.

According to the latest data that I have seen, more than 100 million American taxpayers benefit from the various tax reductions that we have passed since 2001. In Maine, 100,000 taxpayers have benefited from the lower capital gains and dividends tax rate, and about 25,500 Maine taxpayers have benefited from AMT relief.

The 5-year cost of this reconciliation package is just under $70 billion. Of this amount, nearly half—$33.4 billion will go to provide an additional year of relief from the alternative minimum tax. The AMT was originally enacted to ensure that all taxpayers, especially high-income taxpayers, paid at least a minimum amount of Federal taxes. But the AMT is not indexed for inflation, and because of this flaw, each year a larger number of middle-income Americans find themselves subject to this ''stealth tax.'' In fact, without the relief provided in this bill, the number of taxpayers subject to the AMT will increase to 20 million in 2006, up from just 3 million in 2004.

I believe it is essential to protect middle-income families from the AMT ''stealth tax.'' I also believe that the 15 percent capital gains and dividends tax rates have proven their effectiveness and ought to be extended.

When I voted to support lower capital gains and dividends taxes in 2003, my hope was that this tax policy would help lift our economy out of recession and restore the healthy growth we need to create good jobs and opportunity for Americans. Since that tax relief became law, our economy has grown at nearly 4 percent per year, and over 5 million new jobs have been created. The unemployment rate has dropped to 4.7 percent—beneath the average of the past three decades.

I am aware of the ongoing debate among economists over whether, and to what extent, tax cuts can ''pay for themselves.'' Whatever one thinks of that debate, I cannot help but note how far off the estimated cost of this tax relief was. The year before this tax relief became law, the Federal Government received $49 billion in revenues through the capital gains tax—at the 20 percent rate. The Joint Tax Committee predicted that reducing the rate to 15 percent would reduce revenues by $3 billion from 2003 to 2005. But, in fact, capital gains tax revenues jumped instead—to $71 billion in 2004, and $80 billion last year—all paid at the lower 15 percent rate.

To me, the vote on this bill is not about settling a debate among economists. My focus is on finding the right tax policy to help keep our economy healthy, and growing. It is only with strong economic growth that our Nation will be able to meet the needs we currently face—needs that will only become more urgent as our society ages.

Many in this Chamber, and many of my constituents, are concerned about our growing national debt. I share this concern. That is why I have been a consistent supporter of the pay-go rules throughout my tenure in the Senate. But I continue to be struck by the difference that even a small change in our economy's growth rate can make to the deficit and to the revenues we need to support critical social programs. According to the Congressional Budget Office, a change of just one tenth of 1 percent in the GDP growth rate over a 10-year period would change revenues by $224 billion and spending by $48 billion, for a total net impact of $272 billion on the deficit.

The actual growth rate we have experienced since 2003 has been higher by at least two-tenths of 1 percent than CBO predicted before the 15 percent tax rate was enacted. In light of the fact that CBO estimates that a 0.1 percent change can have a net impact of $272 billion on the deficit, it is so important to maintain policies that maintain a healthy growth rate.

For all of these reasons, I will be supporting the tax reconciliation bill.

Mr. KYL. Mr. President, as one of the three Senate conferees on this legislation, I want to take a moment to explain why this legislation is so important to our Nation's continued economic growth.

The centerpiece of this conference agreement is the extension of the 15 percent investment tax rate for 2 more years, through 2010. Under this rate structure, lower income taxpayers will have dividends and capital gains taxed at a 5-percent rate through 2007, and in 2008–2010 will have them taxed at a zero rate. Taxpayers who fall above the 15-percent income tax bracket will have their dividends and capital gains taxed at a 15-percent rate through 2010. As the lead sponsor of the Republican leadership bill, S. 7, to make the lower investment rates permanent, I am pleased we were able to extend these rates to give investors certainty that they will not face a tax increase in the near term.

The reason I have worked so hard to extend these lower rates is because the policy has worked exactly as we intended it when we enacted the rates in 2003. In 2003, we suggested that by reducing the marginal rate imposed on investment earnings we would give investors an incentive to put more of their money at work in the markets. At that time, following the tech-bubble bursting and the terrorist attacks of September 11, investors had been very reluctant to put their hard-earned money at risk in the markets. But by reducing the marginal tax rate on investment income, the tax penalty imposed on the additional investment earnings the reward for taking on additional risk is smaller, and thus makes the risk more attractive. When investors get to keep more of their reward, they are encouraged to invest more; with more investment, businesses have an easier time attracting the capital they need to expand, create new goods and services, and also create more jobs. All of this additional economic activity creates economic growth.

Critics argue that most of the benefit of the lower rates flows to the wealthiest taxpayers, but they fail to acknowledge that millions of low- and middle-income taxpayers receive dividends and capital gains and will benefit from the lower rates. Research by the Joint Committee on Taxation and the Finance Committee has found that lower income taxpayers will save more than higher income taxpayers, when the savings are measured as a percentage of total tax liability, thanks to the lower rates, especially the 5 percent and zero rates. The savings are even more pronounced for seniors. In 2008–2010, seniors with adjusted gross incomes of $50,000 and under will see their tax liability reduced by 17.1 percent as a result of the lower tax rates for dividends. In contrast, seniors with income over $200,000 will see their tax liability cut by only 5.7 percent. All taxpayers with incomes of $200,000 and up will see their tax liability reduced by just 2.2 percent as a result of the dividend tax rates.

The sheer numbers of taxpayers who benefit from these policies is equally impressive. More than 19 million taxpayers claimed dividend income in 2003 and more than 7 million reported capital gains. More than 315,000 Arizona taxpayers reported taxable dividends in 2003 and more than 127,000 Arizona families reported capital gains in 2003. More than 38 percent of Arizona tax filers who reported dividend income in 2003 had incomes under $50,000; 73.1 percent had incomes under $100,000. Of those reporting capital gains, 35.1 percent had incomes under $50,000 and 68.8 percent had incomes under $100,000.

In addition to benefiting millions of taxpayers, the lower rates have encouraged investment in our growing economy. The economy expanded at a 4.8-percent annual rate in the first quarter of 2006. This follows economic growth of 3.5 percent in 2005 the fastest rate of any major industrialized nation. Moreover, the economy has created about 2 million jobs over the past 12 months and more than 5.2 million jobs since August 2003. The unemployment rate is 4.7 percent—this is lower than the average of the 1960s, 1970s, 1980s, and 1990s.

Productivity increased at a strong annual rate of 3.2 percent in the first

quarter of 2006. Productivity is a key factor to increasing standards of living. Hourly compensation rose at a 5.7 percent rate in the first quarter—more than twice as much as in the previous quarter. The Conference Board index of consumer confidence increased in April to its highest level in almost 4 years. Industrial production rose at a 4.5-percent annual rate in the first quarter. The stock market hovers near its all-time high. Our economy is booming, and it is due in large part to the tax policies we enacted in 2003.

Another argument we hear about this bill is that we cannot afford it. I don't think we can afford to not pass this bill. The growing economy that has resulted from these tax policies has led to a surge of revenue flowing into the Treasury. According to the Congressional Budget Office, ''Monthly Budget Review'' released on May 4, 2006, ''the 2006 deficit will be significantly less'' than was predicted, even assuming enactment of the supplemental and the tax reconciliation agreement. Revenues for April 2006 were 14 percent higher than revenues for April 2005. Government estimators had predicted that the reduction in capital gains rates that was enacted in 2003 would cost the Federal Government $27 billion in lost revenues for 2004, but CBO now reports that the lower rates actually brought in an additional $26 billion in revenue. So instead of costing $27 billion, the lower rates actually made $26 billion for the Treasury.

I heard that this morning Ambassador Portman, in his nomination hearing to be the new Director of the Office of Management and Budget, told the Budget Committee that revenues flowing into the Federal Treasury will reach their post-World War II average of about 18 percent of GDP as early as this year. That means Congress must make the 2001 and 2003 tax cuts permanent just to avoid taking historic amounts of revenue out of the economy. Clearly, the American people are not undertaxed.

I want to mention briefly some of the other important provisions of this reconciliation agreement. It extends the AMT ''patch'' through 2006, thus keeping 15.3 million taxpaying families out of the alternative minimum tax. I am a cosponsor of Senator BAUCUS's legislation to repeal the AMT, S. 1103, and, as chairman of the Subcommittee on Taxation and IRS Oversight, I held a hearing last year that looked into the burdens of the AMT.

I am proud that we were also able to address some problems in the international section of our Tax Code in this agreement. The conference agreement provides ''look through treatment'' for 3 years for certain payments between related controlled-foreign corporations. I am the sponsor of legislation, S. 750, to provide this treatment permanently. Today's economy is different from the environment that existed when our foreign tax rules were introduced in the 1960s. Enacting the ''CFC Look-Through'' provision will simplify business structures for U.S. multinational companies and make it easier for them to compete with foreign companies.

The conference agreement also includes an extension of the ''active financing income'' exception, which I actively sought in the conference negotiations. I am a cosponsor of legislation to make this exception permanent, S. 1159. Active financial services income banking income, leasing transactions and other financial transactions that is earned overseas has an exception under law that allows deferral until the funds are repatriated to the U.S. parent, but it expires at the end of 2006. The conference agreement extends the exception through 2008.

The conference agreement extends the current thresholds for small businesses to expense equipment purchases through 2009. Under current law the increased thresholds were due to expire after 2007. Expensing makes it more cost-effective for small business owners to grow their businesses by purchasing new machines and other equipment; extending the provision through 2009 enables businesses to better plan for such investments.

Finally, the conference agreement eliminates the income restrictions on the ability of taxpayers to convert a regular IRA into a Roth IRA in 2010. Under current law, families with incomes over $100,000 cannot convert a regular IRA into a Roth. Allowing the conversion will help families save for retirement because Roth IRAs are made up of aftertax money, and all appreciation in the accounts is withdrawn tax free. We ought not double-tax savings, especially when we need to encourage young people to do more to plan for their own retirements.

I thank Chairman GRASSLEY for being so supportive of my efforts to extend the investment tax rate for 2 more years and for all of his hard work as chairman of this conference. Through his efforts we were able to put together a tax reconciliation agreement that prevents tax increases on millions of Americans and that will keep our economy growing strong well into the future.

Mr. GREGG. Mr. President, pursuant to section 313(c) of the Congressional Budget Act of 1974, I submit for the RECORD a list of material in the conference agreement on H.R. 4297 considered to be extraneous under subsections (b)(1)(A), (b)(1)(B), and (b)(1)(E) of section 313. The inclusion or exclusion of material on the following list does not constitute a determination of extraneousness by the Presiding Officer of the Senate.

To the best of my knowledge, H.R. 4297, the Tax Increase Prevention and Reconciliation Act of 2005, contains no material considered to be extraneous under subsections (b)(1)(A), (b)(1)(B), and (b)(1)(E) of section 313 of the Congressional Budget Act of 1974.

Mr. SMITH. Mr. President, I had first like to thank Chairman GRASSLEY for all of his hard work and leadership on the tax reconciliation bill. He represented the Senate well during sometimes difficult negotiations on this bill. Because Chairman GRASSLEY stuck to his principles, we have a better bill today.

I am very pleased to vote today for the Tax Increase Prevention and Reconciliation Act of 2005. Enactment of this bill is beneficial for all Americans. It will help America sustain its economic strength and allow all Americans to keep more of their hard earned money in their own wallets.

One of the key provisions of the tax reconciliation bill extends the tax cuts on dividends and capital gains through 2010. We've heard a lot of chatter in the media, and frankly from the other side of the aisle, that the investment tax cuts only benefit the wealthy. However, that's simply not the case. The investment tax cuts benefit all Americans—even those in the lowest income brackets.

Let's just look at the hard facts. Out of the nearly 20 million Americans who reported taxable dividends in 2003, more than 36 percent made less than $50,000—and more than 70 percent made less than $100,000. Similarly, of the 7 million who reported taxable capital gains, more than one-third were taxpayers with income of less than $50,000 and two-thirds were taxpayers with income of less than $100,000.

We find the same trends in my home State of Oregon. Over 60 percent of Oregon families claiming income from dividends made less than $75,000—and 20 percent made $30,000 or less. Middle income Oregonians also benefit from the lower capital gains rate. Almost three-fourths of Oregonians claiming capital gains income made less than $100,000—and a fourth had income under $30,000.

Beyond putting money back into Americans' wallets, the recent tax cuts, including the investment tax cuts, have played a major role in strengthening our economy—and enactment of the tax reconciliation bill will assist in continuing this growth. According to virtually every economic indicator, the U.S. economy is thriving. Our economy grew at a 4.8-percent rate in the first 3 months of 2006, the fastest pace in the last three years. This follows economic growth of 3.5 percent in 2005, which was faster than any other major industrialized nation. In addition, we have an unemployment rate of 4.7 percent, which is below the average rate for each of the past four decades.

The recent tax cuts also have helped strengthen Oregon's economy. Although our economy still lags behind the Nation, Oregon's unemployment rate has fallen to 5.5 percent from 6.2 percent 1 year ago.

Another important component of this bill is the AMT relief. The original purpose of the AMT was to ensure that taxpayers with substantial income could not avoid tax liability by using

exclusions, deductions and credits. However, because the AMT was never indexed for inflation, an increasing number of middle-income families have become subject to the tax. Thanks to this bill about 15 million middle-income Americans will not be subject to the AMT in 2006.

Finally, I am very pleased that two issues that I have worked on legislatively were included in the tax reconciliation bill.

First, in line with my bill, the American Veterans Homeownership Act of 2005, Oregon's qualified veterans' mortgage bond program will be expanded. Under current law, Oregon can issue tax-exempt bonds, the proceeds of which can be used to finance mortgage loans to veterans. However, due to current limitations, veterans of Operation Iraqi Freedom, Operation Enduring Freedom, Kosovo, Bosnia, Haiti, Somalia and the 1991 Persian Gulf War are not eligible. The tax reconciliation bill eliminates this limitation allowing more veterans to take advantage of these low-cost home loans.

In addition, the tax reconciliation bill extends for 2 years the increased amount that small businesses may expense. Although this provision doesn't go as far as my proposal in the Tax Depreciation, Modernization, and Simplification Act of 2005, which would make small business expensing permanent, it is a good first step. Small businesses are the heart of our economy. This important provision encourages investment by small businesses—and provides administrative simplification.

I urge all of my colleagues to support this important legislation.

Mr. ALEXANDER. Mr. President, I offer my support for the Tax Increase Prevention and Reconciliation Act of 2005 conference report, which will prevent a tax increase on millions of Americans and keep our economy growing.

This bill could also be called the Job Creation and Economic Growth Act. In the nearly 3 years since we cut taxes on dividends and capital gains in 2003, the U.S. economy has experienced significant growth. We've had 32 straight months of job growth. More than 5.3 million jobs have been created since August 2003. The Nation's unemployment rate is 4.7 percent—the lowest in nearly 5 years, and lower than the averages of the last four decades. More Americans are working today than ever before, and they have more opportunities for better jobs.

Business investment is up. The stock market is up. And construction spending, home building and household wealth levels are at all-time highs. These factors illustrate families in Tennessee and across America are benefiting from the progrowth tax policies initiated by the President and Congress.

This legislation will continue those pro-growth policies. It includes an extension of lower rates on dividends and capital gains. More than 425,000 Tennesseans—including seniors and lower-income workers—will benefit from these lower rates, with an average tax benefit of $989 per year. More than one third of these Tennesseans are families earning $50,000 or less. I am glad the Senate is passing this bill to keep their taxes from going up.

The bill also include a one-year extension of a provision that will keep the alternative minimum tax, AMT, from hitting nearly 150,000 Tennesseans when they file their taxes for 2006. The AMT was originally passed to ensure that wealthy Americans paid their fair share of taxes. Without a change in the law, the number of Americans subject to the AMT would have jumped from 4 million in 2005 to 19 million in 2006, eventually growing to nearly 52 million by 2015. So by including AMT relief in this legislation, we've prevented millions of Americans from having to pay higher taxes.

This legislation also provides tax relief to our small business owners by allowing them to continue to expense certain amounts of equipment they purchase. This gives our small business owners greater flexibility to buy the necessary items they need to expand and improve their businesses—which is particularly important in Tennessee, where 97 percent of all businesses are small businesses.

This legislation also includes a provision to help songwriters in Nashville and throughout the country. Under current law, these songwriters have to pay a tax rate of 35 percent for any sale of their music catalogues or collected works. The tax rate on these sales will now be taxed at the capital gains rate of 15 percent. Now songwriters who sell their work will be able to treat it the same as the sale of any other business. Many songwriters earn modest incomes, so this change will make a big difference in their lives.

The way Congress can keep our economy strong is by keeping taxes low, exercising fiscal discipline and controlling the growth of Federal spending. This Tax Increase Prevention and Reconciliation Act of 2005 is an important step in that direction, and I look forward to working with my colleagues on other measures to promote economic growth and fiscal responsibility.

Mr. REID. How much time remains on this side?

The PRESIDING OFFICER. Six minutes.

Mr. REID. I thank the Chair.

Mr. President, the headlines glared yesterday from Bloomberg News: ''Republicans Set Aside Middle-Income Tax Cuts to Focus on the Rich.'' Those are not my words. They are the words of Bloomberg News. It is a headline they chose to describe the Republican tax reconciliation bill, and it is 100 percent correct: ''Republicans Set Aside Middle-Income Tax Cuts to Focus on the Rich.''

This bill is a big gift to the wealthiest of the wealthy and an even bigger burden to future generations of Americans. It was bad legislation when it left the Senate, and it is a lot worse now that it has returned. To think, with gas prices still on the rise—the average price in Nevada is about $3.08 a gallon—46 million Americans with no health insurance, students literally worrying about whether their parents can afford to send them to college, with the debt at $8.2 trillion, the majority has sent us a bill that does nothing to help any of the people about whom I spoke. In fact, for many Americans, it makes life far worse by presenting them with a tax increase. The choices the Republicans made in producing this legislation are very revealing. Remember the headline: ''Republicans Set Aside Middle-Income Tax Cuts to Focus on the Rich.''

Three bad choices were made in this bill. They chose millionaires and billionaires over the middle class. For 5 years, the Republican majority has handed out billions of dollars in tax breaks and perks to the wealthy elite at the expense of everyone else.

This bill is no different. It extends $21 billion in tax breaks for capital gains and dividends over the next 5 years, a tax break that overwhelmingly benefits the wealthy. It ignores provisions that could have helped families in Nevada and all across the country today. For example, the sales tax deduction, some States pay a lot of sales tax. This was not extended, even though it provides tax fairness for taxpayers in nonincome tax States. This provision, the sales tax deduction, expired. Why would a State such as Nevada that has no income tax be penalized? Because the majority wanted the wealthiest of the wealthy to get a tax break.

The tuition deduction was not extended, even though it helps families pay for the high cost of college and the provision expired at the end of last year. During the 5 years that George Bush has been President, college tuition costs have gone up over 30 percent.

Something simple, the teacher school supply deduction, not a lot of money but what a symbol. Teachers in Nevada and around the country pay out of their own pockets for supplies that the school district can't afford to give them. This little deduction helped thousands and thousands of teachers with a deduction for the school supplies they paid for themselves out of their own pockets. It is not in here because it may take a little bit away from the billionaires. Remember the headline from Bloomberg News: ''Republicans Set Aside Middle-Income Tax Cuts to Focus on the Rich.''

What is in this bill are tax breaks on capital gains and dividends. An analysis in yesterday's New York Times shows how unfair these tax cuts are. According to the newspaper, the 2003 tax cut for those with $10 million or more of income was one half of $1 million—$500,000. For those with a meager income of $1 million a year, the average tax cut was $41,400. In contrast, the

average capital gains and dividends tax cut for those whose income was up to $50,000 was $10. So if you make more than $10 million, you get half a million; $1 million, $40,000 plus; anything less than that, 10 bucks. That says it all about this tax reconciliation.

Choice No. 2: Republicans wrongly ignore America's fiscal security. I always thought the Republicans were the party of fiscal integrity. That has been blown sky high as being a false impression. On the same day a month or so ago, we passed a bill increasing the deficit by billions and billions of dollars, and on the same day, we increased the debt ceiling up to $9 trillion. But that is not enough. We understand the House is bringing one over here that increases the debt ceiling to more than $10 trillion.

Given all the rhetoric from the other side in recent weeks about the need to get the Federal Government's fiscal house in order, you would think our Republican friends would come forward with a fiscally responsible bill. I heard one Republican Senator say: We had the budget bill and Democrats offered amendments to increase spending.

I will now use leader time.

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

Mr. REID. Any amendment we offered to increase spending, we had some unique thing in this modern Republican world. What was so unique? We had an offset for it. We found savings someplace else in this massive budget to pay for what we wanted. Remember, during the last 3 years Bill Clinton was President, we spent less money than we brought in. We brought down the national debt by a half a trillion dollars. But not this Republican Congress and this Republican President. Now it is red ink as far as one can see.

Instead of real fiscal discipline, all the majority has given us is gimmicks that actually make the problem worse. They purport to offset the cost of the tax cuts for capital gains and dividends. But as reported in the Washington Post yesterday, these offsets are nothing but cheap tricks.

> One measure would allow upper income savers with a traditional individual retirement account to pay taxes on the account's investment gains and then roll over some of the balance into a Roth IRA, where the money can be withdrawn tax-free upon retirement. The provision would raise about $6.4 billion over 10 years, seemingly keeping the size of the tax-cutting package down. But over the next 35 years, it would cost the [federal] government $36 billion, according to the Urban Institute.

Think about that. A gimmick to let people think that this was a good thing for the American people because it was raising revenue. It was only about $30 billion short. It is a shell game, and it is a wrong choice for America.

Choice 3: This bill, if you can imagine, is still lavishing tax breaks on the oil companies. As we speak, ExxonMobil—we know they made $34 billion, which is the most any company has ever made in history—as we speak, ExxonMobil has $34 billion in cash. We are giving them more tax breaks? We have these oil companies, as my friend from Oregon said, which are marinating in oil. They cannot make enough money because there is no way they can make enough. But they made $34 billion last year, and that is the most money made in the history of our Republic.

On the other hand, we have middle-class families who have paid for these profits and they are sick and tired of being squeezed at the gas pump.

Who did the Bush Republicans choose? Big oil companies. Their big oil friends. This is the most oil-friendly administration in the history of our country. President Bush had an oil company. Vice President CHENEY worked for an oil company. The Secretary of State was on the board of directors of Chevron. They liked her so much they named a tanker after her. Secretary of Commerce Evans? Oil.

This reconciliation bill kept in place billions of giveaways for big oil, even though the industry is doing well enough to send a CEO into retirement—and there is a dispute as to how much he made when he retired, whether it is $400 million or $670 million. It was a lot of money.

Once again, this is the wrong choice for America. I oppose this bill. It caters to an elite group of wealthy Americans at the expense of the middle class, those with the greatest needs, and future generations. We need a new direction. This legislation won't do it.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. FRIST. Mr. President, I will be brief, and we will be voting shortly. We know that keeping taxes low spurs economic growth and that results in the creation of jobs. Twice in the last 4 years, this Congress passed major tax relief bills. Together these laws have cut taxes for nearly 100 million Americans, spurred a period of energetic economic growth, improved our overall budgetary climate, and it has encouraged businesses to invest in their future. When you put all that together, it has created jobs.

Indeed, since the 2003 tax relief progrowth package, our economy has added 5.3 million new jobs. We have seen unemployment rates fall down to record lows, where today it is remarkable that it is lower than the average of the 1970s and the 1980s and the average of the 1990s, at 4.7 percent. We have enjoyed 18 consecutive quarters of robust growth.

You know, those are the statistics, and that is what we see, what is reported. What really results is that individual lives and families are leading more productive lives, with a higher quality of life. The creation of jobs affects families.

The centerpiece of that 2003 bill was the reduced tax rate on capital gains and dividends. It did other things, but that was the heart of the bill. As we argued then, and what history as clearly shown, is that keeping taxes low promotes tax revenue, what comes into our Government.

In January, the Congressional Budget Office found that the tax cuts on capital gains and dividends resulted in the Government collecting an additional $26 billion in revenue in 2004 and 2005. This year, revenues will be 29 percent higher than they were in 2003. In fact, the Treasury Department just reported yesterday that this year's tax revenues were the second highest in American history, giving the country a sizable surplus for the month.

Mr. President, we hear about who is advantaged by this particular piece of legislation. A majority of households now own stock. A lot of people may question that. The matter is that the majority of households in this country own stock. Almost half of all income tax returns that report capital gains on dividends—the returns that were reported—came from households that have an adjusted gross income of less than $50,000. Of all of the tax returns that report capital gains on dividends, over half of those are reported from households making less than $50,000. It is hard to argue that cutting capital gains taxes benefits only the rich.

Chairman GRASSLEY, Senator KYL, Congressman THOMAS, and all who have participated in this bill, have delivered for the American people and have participated in a progrowth policy legislative agenda that will create jobs. The provisions will continue to strengthen our economy, which is growing, and help provide a stable and inviting environment for small businesses to continue to grow and invest and create jobs.

Keeping these taxes low helps Americans find and create those jobs that we know improve the quality of life for all Americans. Keeping taxes low helps Americans support families and makes America a great place to do business. We will keep taxes low so that we can keep this great country of ours strong and growing.

Last night, the House voted to pass the tax reconciliation conference report and send it to the Senate for action.

I want to applaud the House and Senate conferees for working hard to maintain the 2003 tax cuts that have boosted the economy and grown jobs.

Here on the Senate floor, the Republican majority will work hard to keep up the momentum and resist efforts to raise America's taxes.

I expect that some on the other side will continue to oppose low taxes. They've supported billions of dollars of new taxes since they lost control of the Senate in 2002. Rarely have they met a tax hike they don't like. But we can't let their anti-growth plans win the day.

If they get their way, nearly 7.5 million families and individuals will see their capital gains taxes go up. Twenty million will see taxes on their stock dividends rise, as well.

In my home State of Tennessee nearly 150,000 families and individuals will see their taxes increase if the current alternative minimum tax relief expires this year.

More than 425,000 families and individuals will see their dividend tax rates rise from as little as 0 percent to as much as 35 percent after 2008. Of these taxpayers, roughly 135,000 low-income taxpayers, many of them senior citizens, reported dividend income in 2003.

When it comes to capital gains, nearly 325,000 families and individuals will see their capital-gains tax rates increase from as little as 0 percent to 20 percent after 2008. Of these taxpayers, more than 100,000 low-income individuals, including retirees, reported capital gains in 2003.

The other side says only the rich benefit from tax cuts. But as the taxpayers in my home State demonstrate, the 2003 tax cuts benefited hard working families across the income scale.

Opposing the 2003 tax cuts will hurt these families and hurts America's economic strength.

I urge the minority leader to reject obstructionism and allow swift passage of this legislation.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

Mr. FRIST. Mr. President, I yield back all time on our side.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the conference report to accompany H.R. 4297.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Pennsylvania (Mr. SPECTER).

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

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

The result was announced—yeas 54, nays 44, as follows:

[Rollcall Vote No. 118 Leg.]

YEAS—54

Alexander	DeWine	McCain
Allard	Dole	McConnell
Allen	Domenici	Murkowski
Bennett	Ensign	Nelson (FL)
Bond	Enzi	Nelson (NE)
Brownback	Frist	Pryor
Bunning	Graham	Roberts
Burns	Grassley	Santorum
Burr	Gregg	Sessions
Chambliss	Hagel	Shelby
Coburn	Hatch	Smith
Cochran	Hutchison	Stevens
Coleman	Inhofe	Sununu
Collins	Isakson	Talent
Cornyn	Kyl	Thomas
Craig	Lott	Thune
Crapo	Lugar	Vitter
DeMint	Martinez	Warner

NAYS—44

Akaka	Bingaman	Carper
Baucus	Boxer	Chafee
Bayh	Byrd	Clinton
Biden	Cantwell	Conrad
Dayton	Kerry	Obama
Dodd	Kohl	Reed
Dorgan	Landrieu	Reid
Durbin	Lautenberg	Salazar
Feingold	Leahy	Sarbanes
Feinstein	Levin	Schumer
Harkin	Lieberman	Snowe
Inouye	Lincoln	Stabenow
Jeffords	Menendez	Voinovich
Johnson	Mikulski	Wyden
Kennedy	Murray	

NOT VOTING—2

Rockefeller	Specter

The conference report was agreed to.

Mr. LOTT. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. AKAKA. Mr. President, too many in our country are uninsured or unable to afford health care. For those with coverage, costs continue to rise as insurance premiums and copayment increases make it more difficult to continue to access health care. We must take steps to increase health insurance coverage and expand access to affordable health care, but we must not do so in a manner which will undermine existing coverage and leave consumers without adequate protections and benefit mandates.

I appreciate the efforts of my colleague from Wyoming, Senator ENZI, to expand access to employees through his bill, S. 1955, the Health Insurance Marketplace Modernization and Affordability Act. However, the preemption of State laws will have negative impacts on consumers. Existing State benefit requirements ensure consumers are protected against the cost of illness and provided coverage to preventive services at earlier stages for the better likelihood of favorable treatment. AARP, the American Diabetes Association, and the American Cancer Society, a sample of the many health care related organizations opposed to the legislation, believe that the bill ''could remove critical consumer protections pertaining to rating and benefits as well as reduce broad access to the services necessary to continue producing better outcomes for those with cancer, diabetes, and other chronic illnesses.''

Health care organizations are not alone in their opposition to this legislation. Attorney generals across the country, including Attorney General Mark Bennett in Hawaii, are opposed to S. 1955 because it would cause health insurance consumers to lose important state protections.

We must act to make health care more affordable. An alternative to S. 1955 is S. 2510, the Small Employers Health Benefits Program Act. This legislation would help improve access to insurance without bypassing State consumer protections. The legislation would also provide a tax credit to make health coverage more affordable.

In addition, we need to enact reforms to ensure generic competition for name brand prescription drugs. The legitimate patent protection period needs to be respected, but we need to make sure that generic prescription drugs get to market in a timely manner and that name brand drug companies cannot simply pay generic drug companies to not make a drug. Greater use of generic drugs will help slow the increase in health care costs without reducing access.

Unfortunately, the majority in the current Congress have made it more difficult to access health care. For example, the Deficit Reduction Act contained a provision which will require individuals applying or reapplying for Medicaid to verify their citizenship through additional documentation requirements. For most native-born citizens, these new requirements will most likely mean that they will have to show a U.S. passport or birth certificate. These requirements will create barriers to health care, are unnecessary, and will be an administrative nightmare to implement.

One in 12 U.S. born adults, who earn incomes of less than $25,000, report they do not have a U.S. passport or birth certificate in their possession. Also, more than 10 percent of U.S.-born parents, with incomes below $25,000, do not have a birth certificate or passport for at least one of their children. An estimated 3.2 to 4.6 million U.S.-born citizens may have their Medicaid coverage threatened simply because they do not have a passport or birth certificate readily available. Many others will also have difficulty in securing these documents, such as Native Americans born in home settings, Hurricane Katrina survivors, and homeless individuals.

Having to acquire a birth certificate or a passport before seeking treatment will create an additional barrier to care. Some beneficiaries may not be able to afford the financial cost or time investment associated with obtaining a birth certificate or passport. The costs vary by State and can be as much as $23 to get a birth certificate or $97 for a passport. Taking the time and obtaining the necessary transportation to acquire the birth certificate or a passport, particularly in rural areas where public transportation may not exist, creates a hardship for Medicaid beneficiaries.

Further compounding the hardship is the failure to provide an exemption from the new requirements for individuals suffering from mental or physical disabilities. Those suffering from diseases such as Alzheimer's may lose their Medicaid coverage because they may not have or be able to easily obtain a passport or birth certificate.

It is likely these documentation requirements will prevent beneficiaries who are otherwise eligible for Medicaid to enroll in the program. This will result in more uninsured Americans, an increased burden on our health care providers, and the delay of treatment for needed health care.

I have introduced legislation, S. 2305, to repeal the additional documentation requirements to ensure that Medicaid

beneficiaries are not unfairly denied access to care by these burdensome and unneeded requirements. I had hoped that I would be able to offer my bill as an amendment to the pending legislation. However, the majority has taken action that will prevent this from occurring on S. 1955.

We also need to improve and simplify the Medicare prescription drug benefit so that all seniors are able to obtain all of the medications that they need. We must correct the mistakes of the Medicare Prescription Drug, Improvement, and Modernization Act and fulfill the promise to seniors that the Federal Government will help beneficiaries get the drugs they need. We also need to extend the deadline so that seniors are not unfairly penalized if they need more time to figure out which plan is right for them.

Another important Medicare issue are provider reimbursements. Rising costs, difficulty in recruiting and retaining staff members, and declining reimbursement rates make it necessary to make improvements in Medicare reimbursements to ensure that Medicare beneficiaries have access to health care services. We must increase Medicare reimbursements for service providers so that they can continue to afford to treat Medicare beneficiaries.

Another issue that should be addressed during Health Care Week is stem cell legislation. I am a proud cosponsor of S. 471, introduced by Senators SPECTER and HARKIN, which would authorize Federal funding for research on stem cells derived from embryos donated from in vitro fertilization. Unless this legislation is enacted, these embryos will likely be destroyed if they are not donated for research. This bill also would institute strong ethical guidelines for this research. The House companion measure is pending consideration in the Senate. We must pass this bill so that researchers may move forward on ethical, federally funded research projects that develop better treatments for those suffering from diseases such as diabetes and Parkinson's.

Mr. President, I am afraid that this will be a Health Week only in terms of rhetoric because we are not able to offer amendments to address the pressing health needs of this country. Instead of working together to find common solutions to better meet the health care needs of our country, the majority party has simply offered up legislation that is flawed and refuses to work with us in a meaningful way on this issue.

HEALTH INSURANCE MARKETPLACE MODERNIZATION AND AFFORDABILITY ACT OF 2006—Resumed

The PRESIDING OFFICER. The Senate will proceed to the consideration of S. 1955 which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1955) to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and of the health insurance marketplace.

Pending:

Frist amendment No. 3886 (to S. 1955 (committee substitute) as modified), to establish the enactment date.

Frist amendment No. 3887 (to amendment No. 3886), to change the enactment date.

Motion to recommit the bill to the Committee on Health, Education, Labor and Pensions, with instructions to report back forthwith, with Frist amendment No. 3888, in the nature of a substitute.

Frist amendment No. 3889 (to the instructions of the motion to recommit), to change the enactment date.

Frist amendment No. 3890 (to amendment No. 3889), to provide for the enactment date.

The PRESIDING OFFICER. Under the previous order, there will be 60 minutes of debate equally divided between the Senator from Wyoming, Mr. ENZI, and the Senator from Massachusetts, Mr. KENNEDY, or his designee.

Who yields time?

Mr. FRIST. Mr. President, we have a lot going on on the floor, and we are going to have one more vote today, and it will be up to an hour from now. But what we would like to clarify is who needs to speak from our side. Chairman ENZI is right here. Do we have anybody on our side? I know Chairman ENZI will be speaking. Is there anybody else from our side?

I ask the Democratic leader through the Chair who will be speaking on their side.

Mr. REID. Mr. President, the only request for time I have at the present time is for the Senator from Arkansas, Senator LINCOLN, for 7 minutes. Is there anyone who wishes to speak? Senator KENNEDY wants 10 minutes. Senator DURBIN may request time, I think 7 minutes for Senator DURBIN. No for Senator DURBIN. So 7 and 10, 17 minutes over here.

Mr. FRIST. Mr. President, I ask our chairman approximately how much time we would need. What we want to do is try to get the time down as far as we can. We have a number of people who have plans that they need to make, and we would like to vote as quickly as we can, but we want adequate time to speak.

Mr. President, through the Chair, I ask the Democratic leader, would it be agreeable that we have a unanimous consent request propounded that we vote at 10 minutes after 6, the time equally divided between now and then?

Mr. REID. Does that give us our 17 minutes? I ask to amend the request to 17 minutes on each side.

Mr. FRIST. So to restate, I ask unanimous consent for 17 minutes on either side, so the vote will be at approximately 14 minutes after 6 o'clock.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Arkansas is recognized.

Mrs. LINCOLN. Mr. President, I was so excited when we came to work this week with the opportunity to focus our Nation and the debate of this body toward health, the health of our Nation, the health of our people, and the health of our businesses, the fabric of this country, the fabric of our Nation. It is such an important thing for so many of us—certainly, each of us in our own families. I have small children and aging parents.

All of us have responsibilities in our own lives and responsibilities to our constituencies. We have different constituencies such as the elderly who live in our communities and the small businesses that are striving hard to keep our economy going; children, and those with chronic diseases and illnesses who desperately need to make sure that the coverage they have is sufficient for what they may have or may not have, but want to make sure that they are protected against in case, unfortunately, something might happen.

So as we came to the Senate this week to talk about health and how we could make health a very real part of the discussion in this Nation, a real part of what it meant to our economy and to our people and the quality of life, the real value of who we are as Americans, I was excited. Yet I saw so much of it cut short. The discussion that started on Monday ended with a line in the sand that said: My way or the highway, not let's work a deal and let's figure out what will make health care real in this Nation and sustainable and that will make sense in our communities. Then we moved to talking about how we deal with small businesses. To me, the most important thing we can do for our small businesses is to make available to them affordable, accessible health care but quality health care, the same kind of benefits that we ourselves as Members of Congress are blessed enough to be able to experience for our families and for ourselves.

As we proceeded into this debate, way too much of the debate centered around not what we could work hard to do that was right but what people wanted. Then, all of a sudden, we leave abruptly this incredibly important debate.

We leave behind this incredibly important debate to talk about a tax bill for tax cuts that don't even expire until January of 2009, instead of looking at something real and new, such as a new tax cut for small businesses to engage in the health insurance marketplace for their employees and for themselves or looking at how we could extend tax cuts that had expired, such as research and development and for education and tuition and so many more things that have been productive in our economy and in our communities. We go through this debate, and we come back now to finalize debate on the health care of our Nation. And what have we done? We have missed an opportunity to say to our seniors they are important enough that we are going to extend a deadline, a deadline

that means so much for them to be able to take the time and the opportunity to understand this new prescription drug component of Medicare that we have passed.

I voted for it, Mr. President, and I want it desperately to work. I have been out in the field in Arkansas, and I have made sure I met with seniors. We have hosted meetings and tried to educate, but there simply has not been time enough to get to the complexity of what is offered out there. We look back at what efforts have been made. The GAO has reported that one-third of seniors' calls to Medicare operators resulted in flawed or no information. Think about that for a moment. One in three seniors who called CMS for help were given bad or no information. Now those seniors must make difficult, sound decisions about their health care by Monday of next week. I wish we had been given the opportunity to make a difference in that.

I wish we had the ability to make the difference for small businesses, offering them again the same opportunity we have, to enjoy quality health insurance at a low cost, with many choices for the variety of Federal employees who work in this great Nation. We can do the same. We could allow employers and small businesses and self-employed individuals—think about that, a one-man shop—to reap the benefits of group purchasing power and streamlined administrative costs as well as access to more plan choices.

The proposal we had looked to present would create all of that, without any new bureaucracy. How about not reinventing the wheel? For once, we in Government would use something that was time tested for 40 years, has a 1-percent administrative cost, that we could implement for small businesses and bring to them again the same quality of product we enjoy as Members of Congress.

On top of that, we could have incentivized it and brought them a new tax cut, a new tax benefit in order to be able to invest in themselves and in their employees and provide the kind of health care they deserve.

It is hard for me to believe that we have missed all of those opportunities: to be progressive, to be thoughtful, to invest in our country, to make sure we are taking care of the fabric of this Nation and who we are.

About 53 million Americans work for businesses with less than 100 employees. That pool is bigger than the Medicare population, which is about 42 million. Think of what we could do in offering those small businesses that type of a pool, to be able to bring down their costs, increase their choices, and maintain the quality they have demanded, the types of services they may need now or that they may need in the future, whether it is diabetes or cancer screening, making sure that immunization and child well care are all in there. We had an opportunity to do this and many things and we have missed that opportunity.

Working families and small businesses need help. Our seniors need help. Our community providers need help.

Mr. President, I ask for an additional minute.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 10 minutes.

Mrs. LINCOLN. Thank you, Mr. President. I encourage my colleagues to look at the missed opportunities and pull together to make a difference for the people of this country.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, as many of you are aware, I am a former insurance commissioner from Nebraska. For several years, I served as the head of the National Association of Insurance Commissioners and spent most of my adult working life, except for Government service here and in the State house, in the insurance business. I do not propose that I can propound I am an expert, but I do think I have some experience in this field.

I know you have heard from small businesses in your States. The average cost of health care premiums has doubled in 5 years for small businesses. Everywhere I have gone around the State of Nebraska, every small business owner I have spoken to has told me the same story: We either can't afford or we can't find health care coverage for our workers. We are very concerned about that. What can you do to find a solution?

They pushed me toward the House version of the associated health plans. I couldn't support that unregulated form of self-insurance for the promoting of insurance on an association basis. I couldn't support it. There was no guaranteed fund protection, no requirement for the filing of forms—nothing. I could not support it.

I also knew the status quo where there are now more mandated coverages in several States than people can afford, so the status quo continues to add to the problem, creating more and more uninsureds. We now have gone to the total of 40 to 45 million uninsured, and the number continues to grow.

I am pleased that the Senate is finally debating the problem. We all recognize it is here and it needs to be solved. I agree with my colleague from Arkansas that we need to spend time on this. We just disagree on how to get there.

More time is important, but I can tell you right now that the chairman of the committee, Senator ENZI, has spent more time listening and listening and acting on suggestions than I have ever seen happen in this body. We could probably spend more time, but I think that is what it is about, that is what a cloture vote is about, spending more time rather than cutting it off at this point in the discussion. I believe we were starting to make progress in finding the solution when Senator ENZI and I and our staffs began to talk with one another about how we might solve the problem of having an uninsured plan with an insured plan with regulatory oversight, but cutting out the unnecessary cost to reduce overhead expense, therefore reducing the cost of the premiums, making it more available and more affordable to the employees and to the owners.

I didn't want to create an adverse playing field between association health care plans and the small group market. The traditional AHP bill gave a rating and mandate advantage to association plans that resulted in adverse selection and an unlevel playing field. The proposed SBHP legislation has eliminated this unfair playing field by including rules to prevent these problematic practices and at the same time requiring all insuring entities to abide by the same regulations.

Therefore, there is more than a modicum of State regulation associated with this plan—on a financial solvency basis, on a rating basis, and fairness as to the practices that could be provided.

Unlike AHPs, SBHPs must be fully insured and marketed by State-licensed insurance companies. The insuring entities must meet the capital and solvency requirements within each State they operate, comply with the consumer protection laws in each State, pay the applicable premium taxes, and be part of any assessments associated with high risk pools and/or guarantee funds. As a former State insurance commissioner, keeping State regulation involved in this process was important to me because I know the value of State insurance regulation.

Competition will return to the small group market when we move forward with this legislation. The market will expand. There will be more opportunities today than ever before when this passes. The rates will be in competition as well. Everybody will benefit.

There are those who have suggested that this is not in the best interests of some special interest groups. Senator ENZI and I and our staffs have met with these individuals and in some cases we have made the changes that would take away the concerns they have, but they still oppose the bill.

It seems to me what we need to do is refine this legislation after a cloture vote and listen to the proposals that will be brought up. If there are better ideas out there, I know this body will find them. But to close it off at this point in time is to say no to small business. It is to say we don't care enough to move forward, to consider other proposals, but we simply are going to close debate.

I hardly ever vote to avoid moving forward and I am not going to vote against it now. I am going to vote to go to cloture so we can get a chance, if we get 60 votes. I would hate to see us be four or five or six votes short of that process because I think there is too much at stake for our small businesses, too much at stake for us not to be able

to find solutions. I am afraid if we don't move forward and debate it fully and see what we can do on the floor of the Senate, it will carry over into another year.

I have been here long enough to know when somebody says we will do it next year, you can't always count on next year coming. I think it is important we move this forward.

I yield the floor.

Ms. COLLINS. Mr. President, the Senate has spent much of this week debating S. 1955, the Health Insurance Marketplace Modernization and Affordability Act of 2006. I commend my good friend and colleague from Wyoming for all of his hard work on this legislation, which is intended to make health insurance more affordable for small businesses by allowing them to join together to purchase association-based small business health plans. Despite my support for the goal of this bill, I think its approach is fundamentally flawed. Let me explain my concerns.

One of my top priorities in the Senate has been to expand access to affordable health care for all Americans. There are still far too many Americans without health insurance or with woefully inadequate coverage. As many as 46 million Americans are uninsured, and millions more are underinsured.

Since most Americans get their health insurance through the workplace, it is a common assumption that people without health insurance are unemployed. The fact is, however, that as many as 83 percent of Americans who do not have health insurance are in a family with a worker.

Uninsured working Americans are most often employees of small businesses. In fact, some 63 percent of uninsured workers either work for a small firm or are self-employed. Taking a look at the problems faced by small businesses is, therefore, a good place to start as we attempt to reduce the numbers of uninsured.

Small businesses want to provide quality health insurance for their employees, but the cost is often just too high. So I am totally in agreement with the underlying goal of this legislation, which is to make health insurance more affordable for small businesses and their employees. To that end, I have introduced bipartisan legislation to help employers cope with rising costs by creating new tax credits for small businesses to make health insurance more affordable and by providing grants to States to assist with the development and operation of small employer purchasing cooperatives to increase the clout of small businesses in their negotiations with insurers.

I do, however, have a number of very real concerns about S. 1955, as it was reported out of the Senate HELP Committee.

First, the legislation preempts the States' traditional authority to regulate insurance and allows not just small business health plans but all health insurers to exclude important benefits like cancer screenings, mental health coverage, and diabetes care that currently are guaranteed under many State laws.

States have had the primary responsibility for the regulation of health insurance since the 1940s, and based on my experience in overseeing the Maine Bureau of Insurance for five years, I believe that States have generally done a good job of responding to the needs and concerns of their citizens.

As the founder and cochair of the Senate Diabetes Caucus, I also am all too aware of the tremendous emotional and economic toll that this devastating disease takes on an estimated 21 million Americans and their families. I am particularly concerned that the bill would preempt as many as 46 State laws guaranteeing coverage for the medications, equipment, services, and supplies that people with diabetes need to manage their disease and prevent costly and potentially deadly complications.

This simply is penny wise and pound foolish. Diabetes currently costs our Nation more than $132 billion annually. Eighty percent of those costs are due to the complications associated with diabetes—complications that, absent a cure, can only be prevented through prevention and proper management of the disease. If cloture is invoked, I will be offering an amendment with Senators BINGAMAN and DOMENICI to preserve State laws requiring coverage for comprehensive diabetes care. Both the American Diabetes Association and the Juvenile Diabetes Research Foundation have endorsed our amendment.

I am also concerned that the bill would preempt State rating rules and establish a new national standard. Proponents of the legislation contend that the application of this new national standard may not cause much disruption in many states. In Maine, however, which uses modified community rating, it could alter the market substantially.

In fact, the nonpartisan Congressional Budget Office, CBO, estimates that one-quarter of all small businesses will actually pay higher premiums if this bill is passed. It is therefore likely that many small employers in Maine—particularly those with an older workforce—will wind up paying more, and in some cases substantially more, under this bill.

This bill is no panacea, even for those small employers who will see savings. The CBO estimates that health care premiums will only average about 2 to 3 percent lower if S. 1955 is passed. Many small business owners have been told that the bill will cut their costs by from 12 to 20 percent. Even those employers who do see savings are likely to be disappointed that they are not as great as they had been led to believe.

Finally, I am concerned that the bill, as reported by the committee, could allow health plans to exclude a class of health care providers, solely on the basis of their license or certification, restricting patients' access to qualified health professionals. This is a particularly important issue in rural areas like Maine, where there may not be a sufficient supply of physicians to provide the care that the health plan has promised to cover.

For example, virtually all health plans cover medically necessary primary care services. Many rural Americans use a physician assistant or nurse practitioner as their primary care provider because there simply isn't an adequate supply of physicians where they live. In these areas, if a plan only covers primary care services offered by a physician, patients will either have to drive great distances to receive the care they need or pay out of pocket for services that are supposed to be covered benefits.

If cloture is invoked, I will be offering an amendment to maintain the application of all existing State laws prohibiting health insurers from discriminating against health providers who are acting within their scope of practice under State law, solely on the basis of their license or certification.

Mr. President, I do plan to vote for cloture. Congress should be taking action to make health insurance more affordable for small businesses, and I believe that this debate should go forward.

I do not, however, believe that we need to preempt the good work that States have done in the area of patient's rights and protections in order to help our small businesses. I would, therefore, oppose the current bill on final passage unless it is substantially changed.

Mr. DOMENICI. Mr. President, I rise today to support affordable, adequate and accessible health insurance. We have a bill before the Senate, S. 1955, the Health Insurance Marketplace Modernization Affordability Act of 2006. Chairman ENZI has worked very hard on this bill for many months now and I believe that it will help small business people who are struggling to afford health insurance for themselves, their employees, and their families. I hope that the Senate will pass this bill because the time for Congress to take action on this issue is long overdue.

Most people in the U.S. who have health insurance obtain it through their employer or through a family member's employer as a workplace benefit. Small employers however are far less likely than larger employers to provide health insurance to their workers. In my home state of New Mexico, I am embarrassed to say that almost 25 percent of the citizens do not have health care. This is the second highest rate of uninsured in the country. Furthermore, there are approximately 143,909 small businesses in New Mexico, and of these small businesses, only about 37 percent of firms with fewer than 50 employees offer health insurance. For much smaller firms with five or less employees, the numbers are

even more staggering; fewer than 50 percent of firms offer health insurance. This is unacceptable. Working people deserve better.

The current realities of the insurance market make it much more difficult for a small business people to secure quality, affordable insurance. I believe that by allowing small businesses to band together, as this bill does, that economy of scale will be created and small businesses will be able to leverage their larger purchasing power to lower their health care costs. This would hopefully enable more employers to afford such coverage and ideally reduce the number of small firm workers without health insurance. It is a real first step to providing more access in a market where small business is currently struggling.

Over the past few weeks, I have heard from many advocacy groups who are concerned with the way in which this bill addresses State benefit mandates. I understand these concerns and agree that widely accepted critical protections for patients must be preserved in any legislation the Senate ultimately adopts. That is why I have joined together with Senators SNOWE, BYRD, and TALENT to offer an amendment that would require small business health plans to comply with the benefits adopted by a majority of States. This amendment says if 26 States mandate it, than a small business health plan must comply with it. This amendment is a good and workable compromise that alleviates one of my primary concerns with the small business health plan bill. This compromise will help ensure that millions of Americans will continue to receive health care coverage for most areas, including mammograms, diabetes care and mental illnesses. It is vitally important that we pass a bill that will bring health insurance to employees of small businesses who currently are not covered without consequently diminishing coverage already offered in other areas. This amendment should make it easier for us to do so.

It is time for the Senate to take action on this issue. The House of Representatives has passed this type of legislation multiple times. The American people are tired of excuses and they are tired of the status quo. They want to see change for the better. I again thank my colleague, Senator ENZI, the chairman of the HELP Committee for his hard work on this important issue. I have long said that something needs to be done to address the problem of the uninsured, and I have also said that I support the idea of legislation aimed at helping small business. I sincerely hope that the Senate will pass a bill that will allow small businesses to afford insurance for their employees.

Mr. LEVIN. Mr. President, I take a brief moment to explain why I will be voting against cloture on S. 1955. The availability and affordability of health care is one of the most important issues that we can debate this year in Congress. As was highlighted during the recent ''Cover the Uninsured Week,'' the United States spends more on health care than any other nation, yet we still have almost 46 million uninsured Americans. This means that over 18 percent of Americans are uninsured and that there are 9 million children in our country without health insurance.

The Senate's response to this health care crisis, however, has been sorely lacking. The majority leader called this week health week and scheduled debate on three bills that would do little or nothing to assist the Nation's uninsured. The first two bills were medical liability bills that did not even achieve a majority of votes in the Senate. I have stated many times that I believe any meaningful tort reform should be enacted on the state level and voted accordingly. The third bill is S. 1955, and I would like to take this opportunity to explain my reservations about the bill.

The concept of S. 1955 is to allow small business or trade associations to pool together in an effort to purchase health insurance at affordable costs. These new health plans would cross state lines and therefore be eligible to bypass the state coverage and solvency mandates that apply to health plans offered by larger employers.

S. 1955 is a well intentioned bill. Senators ENZI and NELSON and their staffs have spent many hours meeting with all sides involved in this important debate. This effort to bring everyone to the table resulted in a bill that improved upon previous small business health plan bills referred to as ''association health plans.'' However, S. 1955 still falls short.

I have several concerns about S. 1955. First, I am concerned that this bill could reduce access to critical benefits. S. 1955 replaces state benefit requirements with a new standard that would allow insurers and small business health plans to offer ''basic'' benefit plans, which would not have to include state-required benefits as long as they also make available an ''enhanced'' benefit plan, which would be equivalent to one of the benefit plans offered to state employees in one of the five most populous states. However, this new standard is meaningless since those coverage options are likely to include a high deductible/low coverage plan that would afford little protection to consumers who need health care, whether due to illness or age.

Currently, insurance rating rules and the regulation and approval of insurance plans are by done by state insurance commissioners. Most state insurance commissioners are elected officials charged with making sure a state's market is based on rates that are fair and equitable to all based on state law. In my home State of Michigan, we have few benefit mandates, but those mandates are important to the populations that are protected. Some of the benefits that would no longer be required to be covered for Michigan citizens include hospice care, newborn coverage, access to obstetrician/gynecologist, access to pediatrician and diabetic drugs and prevention of diabetes programs. By some estimates, this could affect over 2.7 million people in Michigan. This pattern could be repeated in states across the country. My concern about this is shared by many Governors, State Attorney Generals and State Insurance Commissioners, who have written the Senate to express their reservations about this bill.

A second concern I have about S. 1955 regards rate setting rules. This legislation would create a new system allowing for insurers to vary premiums based upon, among other factors, health status and age. S. 1955 would wipe out state-based protections against discrimination. This would affect older Americans and others such as groups with large numbers of women, small businesses with fewer workers, and higher risk industries.

Finally, I am concerned that S. 1995 would increase the potential for fraud and abuse. This concern is the basis for the recent letter to the Senate from 41 State Attorney Generals expressing opposition to this bill. S. 1955 will potentially erode state oversight of health insurance plans and eliminate consumer protections in the areas of mandated benefits and internal grievance procedures. The bill provides no additional authority or resources to enforce the new Federal standards created within it. This is eerily reminiscent to me of an experience our country had in the 1970's with Multiple Employer Welfare Arrangements or MEWAs. MEWAs were then exempted from state regulatory insurance requirements, and the result was that almost 400,000 Americans were left with more than $123 million in unpaid health insurance claims.

Yesterday, the majority leader used a procedural tactic to prevent Democrats from offering meaningful amendments to this bill which could have improved it. One such amendment would have been the Democrat substitute to use the Federal Employee Health Benefit Plan as a model pool to allow for lower health care costs for small businesses. I would have liked to have had the opportunity to also debate other health care issues as well such as extending the Medicare Part D enrollment deadline, lifting the Federal restrictions on stem cell research and other efforts regarding the nation's 46 million uninsured.

Health care costs are rising too quickly, and I am sympathetic to the plight of small businesses. As a senior member of the Senate Small Business and Entrepreneurship Committee, I often hear from small business constituents of mine about annual double digit health premium increases. However, rising health care costs are not unique to small businesses—it is an untenable situation shared by most

Americans—and this bill takes the wrong approach to solving this problem. For all of these reasons, there is strong opposition to this bill from many state leaders, and from a coalition of more than 200 organizations, including the AARP, the National Partnership for Families and Women and Families USA.

At a minimum, we needed the chance to improve this bill. I cannot support cloture to end debate and restrict amendments on this legislation.

Mr. REED. Mr. President, I would like to comment on the legislation the majority has brought forward during what it has dubbed Health Week and on health care more broadly.

While I do not support this legislation as drafted, I commend Senator ENZI for attempting to address the important issue of health insurance for small businesses.

As of 2004, over 45 million Americans were uninsured. Unfortunately, these numbers continue to rise with each passing year as more and more employers cease offering coverage to their employees. In Rhode Island, the percentage of companies offering health insurance coverage declined from 80 percent in 1999 to 68 percent in 2005. In my State, a small business is more likely to drop coverage because of the prohibitive cost.

While some employers have stopped offering coverage altogether, others have struggled to keep up with escalating costs. Since 2000, premiums for family coverage have increased by 73 percent compared to an inflation growth of 14 percent and a wage growth of 15 percent over the same period.

Health insurance affordability not only affects employee satisfaction, it also has a direct impact on a company's competitiveness.

We need to address these issues, but S. 1955 is not the answer. It decreases cost by changing rating structures, allowing cherry-picking of healthy individuals, and offering plans with very few benefits.

S. 1955 would amend the Employee Retirement Income Security Act of 1974 (ERISA) to allow for the creation of small business health plans, SBHPs, sponsored by business or trade associations that would, like self-insured plans, be exempt from State laws. As was the case with legislation proposing the creation of association health plans, AHPs, a considerable number of health care experts have expressed concerns that this legislation would exempt SBHPs from important State regulations that protect consumers, guarantee access to coverage and treatment, and ensure financial solvency. Millions of Americans could lose coverage for such important care as screening for breast, cervical, colorectal, and prostate cancer; well-child care and immunizations; emergency services; mental health; and diabetes supplies and education.

I have serious concerns that this legislation could weaken the already fragile insurance market we currently have in the United States. States have worked diligently to craft insurance regulations that reflect their individual needs. They have developed rating systems and mandated benefits to best protect their citizens.

This bill will affect not only health insurance for small businesses but also health insurance for all markets. In a letter to the chairman and ranking member of the Health, Education, Labor, and Pensions HELP Committee, the Rhode Island health insurance commissioner expressed his strong concerns about how S. 1955 would affect the State's health insurance regulatory system, its ability to hold health plans accountable, and develop solutions particular to our Sate. I will ask that the text of this letter be printed in the RECORD.

I have serious concerns about the health insurance that would be offered under this legislation. If insurance does not offer adequate coverage, it is insurance in name only. It is of little use if you can't afford it or access it when you need it.

A recent program on PBS' NOW focused on what it termed ''junk insurance plans'' and profiled two particular cases where the insurance was really no insurance at all, leaving couples who had faithfully paid premiums with astronomical medical bills. In one case, the insurance plan sold was marketed through an association for the self-employed.

It is important to try to address the problem of the uninsured, but we need to be sure that it is being done in a sensible and thoughtful manner.

While Senator ENZI has taken a great deal of time to meet with a variety of stakeholders in drafting this legislation, there have been no hearings on the bill, even though my colleagues and I on the HELP Committee requested such hearings. Moreover, 41 attorneys general have signed a letter in opposition to S. 1955; 19 State insurance commissioners and State departments responsible for insurance regulation have written letters opposing this legislation.

There are better options. The Lincoln-Durbin proposal would be more effective in curbing health care costs and expanding coverage, as well as help small businesses and their employees. It would create the Small Employers Health Benefits Program SEHBP and provide tax breaks for employers that offer financial assistance for insurance premiums to low-income employees. SEHBP is based on the Federal Employee Health Benefits Program and would extend the purchasing power of the Federal Government to small businesses that choose to participate. In addition, SEHBP enrollees in local plans would enjoy an array of coverage options, while at the same time benefiting from State consumer protections.

I filed three straightforward, commonsense amendments to guarantee more comprehensive coverage, to preserve State authority, and to make sure SBHPs actually reduce costs. I first proposed these amendments during the HELP Committee consideration of this bill. The first amendment would create a commission to establish a Federal floor of benefit mandates in accordance with the laws adopted in a plurality of the States, which would preserve some of the critical benefits currently mandated by Rhode Island and other States. The second amendment would limit the preemption of State laws by clarifying that unless specifically provided for, nothing in S. 1955 would override any State or local law related to health insurance. The third amendment requires the Government Accountability Office GAO to evaluate the program 24 months after its implementation, and if there is no evidence of a decrease in cost or increase in access to health care, the program would be terminated.

I am disappointed that the majority is not allowing us to engage in a full and fair debate on these and other amendments in the absence of a broad agreement on the bill.

Earlier this year, we saw the implementation of another program that was not well thought out and was fraught with problems as a result. Many of the problems with the Medicare Part D prescription drug benefit could have been averted. This crisis was anticipated for some time by independent researchers and advocates for Medicare beneficiaries, yet the Republican-controlled Congress repeatedly blocked remedies and continues to do so. Working to improve the Medicare drug plan is not even on the agenda for Health Week.

I did not support the Medicare Modernization Act because I felt the benefit was insufficient and the emphasis on a privately administered program made it excessively complex for beneficiaries. This plan imposes penalties for those enrolled to change plans but allows the plans to change the prescriptions they cover at will. Millions of retirees faced with choosing among a large number of private drug plans struggled with different rules, lists of covered drugs, and premiums. Many who are eligible to sign up have avoided doing so all together.

The problems have been so widespread that more than 20 States, including Rhode Island, had to step in to pay drug claims that should have been paid by the Federal Medicare Program. At least two dozen States have taken emergency action to help low-income individuals who could not get their medications under the program, and States spent many millions of dollars on this assistance.

Since its launch on January 1, doctors and pharmacists have complained that many drugs theoretically covered by the new Medicare drug benefit are not readily available due to the insurers' restrictions and requirements. Many pharmacists can't keep track of

the plans' myriad policies and procedures and doctors say the diverse requirements are onerous and can delay or deny access to needed medications.

The May 15 deadline for enrollment in Part D is looming. We should be taking action to extend the deadline and improve Part D during this sole week the majority has dedicated to so-called health care reform. Let's put America's Medicare beneficiaries first.

Another issue that is imperative for us to address is stem cell research. Last May, the House passed the Stem Cell Research Enhancement Act, H.R. 810, by a wide margin. We heard Senator FRIST last summer announce that he agrees with lifting the stem cell ban, but we have not seen any movement on this issue.

President Bush's policy limits Federal funding of embryonic stem cell research in practice to 22 stem cell lines that have been in existence since 2001, and these lines are unsuitable for research. In recent years, we have seen amazing medical breakthroughs thanks to a dedication to research. HIV disease, which was a virtual death sentence just over a decade ago, has become for many a chronic disease. The 5-year survival rate for childhood acute lymphoblastic leukemia is approximately 85 percent, a dramatic increase because of new lifesaving treatments.

I hope to be able to stand on this Senate floor a few years from now asking for support for new research and highlighting the advancements that have been made in the treatment of spinal cord victims, children with diabetes, and those with Parkinson's because of embryonic stem cell research. The Senate should be marking the 1-year anniversary of the House passage of H.R. 810 by having a vote on the bill. We have an obligation not only to those stricken with these devastating conditions but to the family and friends who care for them. H.R. 810 opens the door to medical research that could unlock the mystery behind many of these devastating diseases while ensuring strong ethical and scientific oversight.

I share Senator ENZI's desire to stem the rising costs of health insurance, which pose a challenge to many, including our Nation's small businesses and self-employed individuals. While Congress should certainly do more to address this matter and expand coverage to those who currently lack it, S. 1955 would have little impact on these crucial needs.

There are other equally critical health issues facing millions of Americans. In addition to Medicare and stem cell research, we should be considering legislation to expand health insurance coverage to every child in this country, legislation to strengthen our public health system, and legislation to ensure an adequate number of nurses and other health professionals to care for our aging Nation. While the majority is stunting this week's debate, it is my hope that the Senate will actually take the time and find a way to work together to have a serious debate on important health care issues this year.

I ask unanimous consent that the before-mentioned letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

March 13, 2006.

Hon. MICHAEL B. ENZI,
Chair, Committee on Health, Education, Labor, and Pensions, U.S. Senate, Washington, DC.

Hon. EDWARD KENNEDY,
U.S. Senate, Washington, DC.

DEAR CHAIRMAN ENZI AND SENATOR KENNEDY: I am writing to express my strong concerns Senate Bill 1955, and to ask that it not be passed.

Context: Rhode Island has a strong history of active health insurance regulation. In 1996, the state passed broad managed care regulations regarding utilization review, member rights and appeals and health plan oversight. These provided protections which were later duplicated in other states. In 2000, the state overhauled its small group rating laws to bring more equity between large group and small group rates. In 2004, the legislature created a first-in-the-nation cabinet-level health insurance commissioner role, to (in part) ''direct health plans towards policies that promote the public good through increased access, and improved efficiency and quality''.

The results speak for themselves, Rhode Island has one of the lowest rates of uninsurance in the country, lower medical costs than its neighbors, high health plan satisfaction measures, excellent scores in HEDIS and public health performance measures, and nationally recognized innovations in health care quality measurement and health care information technology innovation. Studies by my office indicate that rating forms have closed the health insurance price gap between large and small employers.

Effect: In spite of recent amendments, the proposed bill would put all this in jeopardy by eliminating the ability of states to bring together stakeholders to develop local solutions to the problems of affordable health insurances for small businesses.

Specifically: Imposing national underwriting rules and coverage standards for small businesses creates 1 local instability in pricing and hinders innovation. States should be allowed to develop programs for affordable health insurance products and pricing, and then learn from one another. Just this year, small business health insurance reform bills have been introduced by both Democrats and Republicans in the RI legislature that call for crafting new affordable health plans, subsidizing their purchase through reinsurance mechanisms and promoting price transparency. These innovative programs would not be possible under this bill.

The bill weakens health plan accountability. Health care is delivered locally. It is intrinsically tied to public health and important community institutions. Health insurers need to be held accountable by local entities for their actions in states—for the incentives created by their payment mechanisms, for their support of local community health activities and state-wide health policy. Bill 1955, in spite of recent clarifications regarding the role of insurance commissioners, would make it harder for national health plans to be answerable to their local stake holders. It would usurp public authority and place it with large national insurers, who would be accountable to no one.

The bill does not address the real problem. The fundamental health policy challenge facing the U.S. is the effect of rising medical costs on the number of uninsured. As both of you have noted, we need to move beyond underwriting and cost shifting solutions to addressing the underlying utilization drivers. This is best accomplished through local experimentation and accountable insurers—both of which are weakened by this measure. Mass group purchasing—which this attempts to create—will not result in informed purchasers driving system change, but a one-size-fits-all approach which cedes power to national insurers.

As witnessed by the efforts of the sponsors with the National Association of Insurance Commissioners, much good work has gone into amending this bill. Unfortunately, major concerns remain. The bill in its current form fails to address the critical issues states and communities face in developing an affordable, sustainable health care system that works for employees in small businesses. To accomplish this, we need accountable health plans, not association health plans.

Sincerely,

CHRISTOPHER F. KOLLER,
Health Insurance Commissioner, State of Rhode Island.

Mrs. FEINSTEIN. Mr. President, I rise today to speak about my concern for the 6.6 million uninsured individuals in California and the impact the Enzi Small Business Health Insurance bill, S. 1955, will have on both the uninsured and the insured in my State.

While the goal of this legislation is one I agree with—finding a solution to lower health insurance costs and greater access to health insurance for small business owners and their employees—I have serious concerns about the fundamental shift toward insurance deregulation and bare bones insurance coverage under the Enzi bill.

It is my understanding that some changes have been made in the substitute amendment to the Enzi bill but that those changes do very little to change the fact that this bill will result in a loss of covered benefits and an increase in costs for older, sicker workers.

While I respect the position of small businesses that support this legislation, I simply cannot support a proposal that I believe would result in higher costs for older, sicker workers and would result in a loss of covered benefits my State fought hard to guarantee.

My concerns are shared by a wide range of people.

It was also the conclusion of the nonpartisan Congressional Budget Office, 41 State attorneys general including the attorney general of California, 13 Governors, the California State insurance commissioner, the California Public Employees' Retirement System and countless national organizations such as the AARP, the American Medical Association, the American Cancer Society, and many more.

California has one of the most comprehensive set of required insurance benefits in the country. A partial list includes: Coverage of routine patient care costs of cancer clinical trials; coverage of breast, prostate, cervical,

colorectal and other cancer screening; coverage of breast cancer screening, diagnosis and treatment, including prosthetic devices and reconstructive surgery; the right to a second opinion when requested by insured individual or health professional treating an insured individual; minimum maternity hospital stay; coverage of equipment, supplies, including prescriptions, and management of diabetes; coverage of alcoholism and drug abuse treatment; coverage of blood lead screening; coverage of contraceptives approved by the FDA; coverage of services related to diagnosis, treatment and appropriate management of osteoporosis; coverage of domestic partners and coverage of infertility treatment.

The legislation before us sets a ceiling, not a floor for insurance coverage of vital services. Amendments that have been discussed such as creating a 26-State benefit mandate threshold are a ceiling, not a floor.

The reality is that any attempt to ''harmonize'' State benefit mandates will likely result in harm to Californians.

Just like legislation passed by the House last March called the National Uniformity for Food Act which I strongly oppose, this legislation preempts States rights.

California voters and elected officials have determined what they think is best for the State and this legislation override the will of Californians whether they work for a small business or large one.

I am also concerned about the impact this bill will have on premiums for small business employees. California has rules to protect premium adjustments from increasing year to year beyond 10 percent.

And in California, insurance companies may set premium rates for employees based on only three risk factors: age, family composition, and geographic region.

Under this bill, not only will employees be subject to rating based on additional factors such as the size of business, gender and type of business, but California's age and geographic region limitations are preempted.

The new rating factors in the bill disadvantage certain small businesses and they disadvantage businesses with a high proportion of women of childbearing age.

I find it deeply troubling that Senators on both sides of the aisle have been denied the opportunity to vote on amendments to address the problems with this legislation.

I would like to address another healthcare issue that I have been deeply concerned about and that is stem cells.

The Senate has spent a week dedicated to health care and yet, the majority leader has not scheduled a vote on embryonic stem cell legislation.

It has been 8 years—1998—since I introduced one of the first bills dealing with the ethical issues around stem cell research.

It is almost one year—May 24—since the House passed the Castle-DeGette bill.

It has been 9 months—July 29—since the majority leader shocked the Senate and announced his support for stem cell legislation.

But no bill has been passed by the Senate.

What we have learned over that period is that the more than seventy lines the President said were available when he set his policy in August 2001 are down to just over twenty.

Those approximately twenty lines are contaminated with mouse feeder lines and they are old. They are of no therapeutic value.

We need more lines if we are going to untie the hands of researchers so they can do the research needed to learn about the biology of diseases, the restoration and repair of damaged tissue, and the development of treatment therapies.

Time and time again researchers say they need more embryonic stem cell lines.

But, the leadership of the Senate and White House won't listen. They would rather obstruct the work of scientists who want to work with embryonic stem cells. The result is scientists moving to other countries to do their work.

The time to act is now. The price of inaction goes up every day.

Since this fight began, we have lost Christopher Reeve on October 10, 2004, Dana Reeve on March 6, 2006, 4 million Americans to cancer, 1.8 million Americans to diabetes, and 144,000 Americans to Parkinson's.

I have heard opponents of embryonic stem cell research talk about the promise of adult stem cell research. No one I know is arguing that we shouldn't pursue adult stem cell research. That's why the Senate passed the cord blood bill unanimously last year.

But, we must not fund this research to the exclusion of embryonic stem cells.

There is no question that this country needs an effective stem cell policy—both to provide Federal funding for viable stem cell lines and to provide Federal ethical guidelines.

It is simply appalling that here we have a week dedicated to a debate on health care and the leadership of the Senate has not scheduled a vote on the Castle-DeGette, embryonic stem cell bill.

I personally believe this week should be renamed the ''week of missed opportunities'' instead of ''health week''.

Instead of addressing problems associated with the Medicare drug benefit such as the amendment I filed to the pending legislation to protect seniors from insurance plans who may decide to end coverage of drugs they said they'd cover when the senior enrolled in the plan, we are doing nothing.

Instead of allowing the Federal Government to use its bulk purchasing power to negotiate with drug companies to provide lower prices for seniors, we are doing nothing.

Instead of addressing the fact that millions of confused seniors will face a penalty in Medicare forever if they are eligible and don't sign up for the drug program by this Monday, we are doing nothing.

And yet we will have a cloture vote on a bill that will leave millions of Californians without a guaranteed access to cancer screenings and treatment, diabetes coverage, the right to a second medical opinion if they request it, among many others.

All of those protections will be lost, and Senators will have been denied without the opportunity to vote on any amendments to address the problems associated with this legislation.

It is a shame that the leadership of the Senate has allowed this week to become one of missed opportunities when we have bills such as the Castle-DeGette embryonic stem cell bill that have passed the House and are sitting at the President's desk waiting to be taken up and passed by the Senate.

Mr. SALAZAR. Mr. President, access to affordable, quality health care is on the minds of virtually every American. As I travel across my State of Colorado and this nation, people urge me and my colleagues in Congress to solve our health care crisis. I rise today to again add my voice to the millions calling for meaningful, comprehensive health care reform—reform that allows Americans to get the health care that they need; reform that will stop the crippling effect that the rising costs of health care has on our citizens, businesses and economy.

Last year, Senator MCCAIN and I introduced the National Commission on Health Care Act, S. 2007. Its purpose is simple and bold—to fix our broken health care system.

The need to reform our health care system could not be more compelling. An astounding 46 million Americans lack health insurance. They come from every community, every walk of life, and every race and ethnic group. But the most telling part about them is that they come from working families who struggle to put food on their tables and pay their bills. They live in constant fear of getting sick. When they get sick, they often go without medical care and get sicker.

For those fortunate enough to have health insurance, the picture is also grim. Health insurance premiums for family coverage have risen by over 59 percent since 2000, with the average annual premiums for employer-sponsored family coverage costing nearly $11,000. Rising premiums place working families at risk of joining the ranks of the uninsured.

Rising health care coverage has also threatened the ability of American businesses to maintain insurance coverage for their employees and compete on a global level.

Congress must act now to reform our system. We need much more than a

week of gimmicks or piecemeal bills. We need comprehensive reform. S. 2007 reflects that need. The act creates a bipartisan commission of 10 elder states men and women. I want to stress that this is a bipartisan commission. Our health care crisis is not a Democratic or Republican problem. It is a national problem that we must solve together.

The members will conduct a thorough investigation into our health care system, building on the work of others to comprehensively look at availability, affordability, quality and costs relating to our health care system. It will look at the uninsured, the small business insurance market, the increases in premiums and health care costs, and the problems that businesses face in maintaining insurance coverage.

The commission will study our government programs and the private health insurance industry. And, most importantly, the commission will develop comprehensive proposals and recommendations to actually solve problems associated with our Nation's health care system. It is not enough to chip away at the problem by enacting policies related to one aspect of our health care system. We need a comprehensive study and comprehensive solutions.

The National Commission on Health Care will not duplicate the very important work that has already been done by other commissions and think tanks. What it will do is study the proposals from a comprehensive perspective, engage business, labor, health care, consumer, insurance and other groups to develop workable policies that if enacted will solve the crisis we face today.

I look forward to working with my colleagues on both sides of the aisle to pass the Commission Act to reform our broken health care system.

Mr. President, I want to take a few minutes to talk about the Medicare prescription drug program. I want to talk about the need to extend the deadline for seniors and people with disabilities and I want to talk about the rural, independent pharmacies that have suffered because of implementation problems with the drug program.

I was not a member of this esteemed body when the Medicare Modernization Act creating this program was enacted. I therefore have no political stake in defending or criticizing the drug program. I have every interest, however, in making sure that the program is properly implemented and that our seniors and people with disabilities have adequate time and accurate resources with which to make decisions about what plans best meet their health care needs. I strongly support Senator BILL NELSON's legislation extending the deadline for seniors and people with disabilities to enroll in the program. I want to thank Senator BILL NELSON for his commitment to ensure that seniors and people with disabilities have adequate time and accurate information to make wise decisions about their prescription drug insurance.

In less than 1 week, seniors will face the deadline for enrollment in the prescription drug program. For many seniors and their family members, selecting an appropriate prescription plan is a difficult and challenging endeavor. I know firsthand how time-consuming and difficult it is to navigate through the various plans to select the plan that meets the needs of an individual senior.

Several weeks ago, I helped my 82-year-old mother select a prescription drug program. In Colorado, there are over 42 plans to choose from—each covering different drugs or formularies as they are known, each with different monthly premiums; each with different copayments, each with different drug prices, and each with different participating pharmacies. I speak from experience—the process is daunting.

My offices have been helping many Coloradans with questions on Medicare prescription drug program. Often, individuals have called my office in exasperation, trying to find a friendly voice to help them through this process. My staff has assisted these individuals. However, many seniors continue to put off signing up for the program because they are confused and nervous. In Colorado, there are still over 100,000 individuals who are eligible to enroll in the plans who have not. Coloradans consistently tell me that they need more time to make sure they review reliable accurate information to select the right plan. They should have that time.

The complexity of the plans and the importance of the choice that seniors and the disabled must make dictate that we allow them more time to make these important decisions regarding their health. Beyond the complexity of the program, seniors and people with disabilities need more time because of the government's own inability to provide reliable information and available help to navigate the choices they are being asked to make.

Just this month the Government Accountability Office released a report that highlighted the government's own shortcomings with respect to the implementation of the drug benefit. The report highlighted that the Medicare help-lines were not providing accurate information for beneficiaries with questions about enrollment. Posing as seniors and senior advocates, the GAO made calls to the Medicare help-line with questions about how the program works. Astonishingly, the GAO often could not get through to an operator!

When the GAO staff did finally get through to an operator, the information specialists often could not answer their questions about the drug benefit, could not help them with questions about specific plans, and could not provide the detailed information that seniors need to enroll. If the government that administers this program could not provide timely, adequate information to beneficiaries, how can we hold them to an artificial deadline? Our seniors and people with disabilities deserve better. They certainly do not deserve to be penalized.

Individuals who miss the approaching deadline will not have an opportunity to enroll until November. In turn, they will face increased premiums and copays. And these costs increase the longer the individual waits. Seniors should not be punished for the government's inability to provide them with information with which to make a choice regarding their health. We need to help our seniors in this process, by giving them the time and resources needed to make the best decision for them.

I also want to speak in support of Senator LAUTENBERG's Pharmacists Medicare Relief Act of 2006 to modify the Medicare drug benefit to allow pharmacies to get timely payment from prescription drug plans. As we all know, pharmacies operating in rural towns and communities, like my hometown in Colorado, are important components of the community's already fragile health care delivery system. Because rural residents tend to be older and have more chronic conditions, pharmacy services to rural residents are particularly important.

The Medicare drug program has threatened the very survival of some rural pharmacies because of the manner in which the plans pay the pharmacies. These pharmacies must pay their wholesalers on a weekly or biweekly basis. Unfortunately, the prescription drug plans reimburse the pharmacies every 6 weeks. The discrepancy in payment has seriously affected the business of many pharmacies, and particularly pharmacies in rural communities.

Fortunately, there is a simple fix: require the plans to reimburse the pharmacies every 14 days. That is exactly what Senator LAUTENBERG's legislation will do. This legislation would require the plans to pay pharmacists within 14 days if the claims are submitted electronically, and 30 days if the claims are submitted by paper. The legislation also prohibits plans from cobranding Medicare beneficiaries eligibility cards—which means that it bans brands or names of pharmacies from being printed on the prescription drug cards, so that large pharmacies cannot use this advertising advantage at the expense of small operations.

These simple fixes will enable pharmacies in rural areas to continue to serve beneficiaries. Our rural pharmacies and the seniors and disabled people they serve deserve our best efforts to correct problems with the drug benefit plan to enhance health care delivery. I urge my colleagues to support this small but very important fix.

One thing that we can all agree on is that our health care system is in crisis, and that crisis is harming health care providers and patients who need health care services. It is clear that we need

real reform. The time for enacting piecemeal legislation that chips away at the massive health care problems is over. Our healthcare crisis will persist long after this healthcare week in the Senate is over. I pledge to put partisanship aside and work with all of my colleagues toward real health care solutions.

Mr. MENENDEZ. Mr. President, while Republicans proclaim this week as Health Week on the Senate floor, it is quite the contrary in the homes of millions of American families. Today, 46 million Americans have no health insurance at all. And 1.3 million New Jerseyans have no health insurance. Another 16 million or more Americans are underinsured, meaning that they have insurance, but still do not have access to the care they need. Complicating matters even more is the fact that the average cost of family health coverage—$10,880—now exceeds annual earnings for a minimum-wage earner.

So what does the Senate majority propose to do to solve the problem? Nothing more than dust off the old playbook and make another run at the same old play. They propose a medical malpractice bill that has been defeated over and over again, that does not even really reduce costs for providers or patients, and in the process actually reduces remedies for patients. They propose a bill claiming to help small businesses, but it actually hurts patients by removing existing coverage and protections and exacerbates the problem of the underinsured.

So at the end of Health Week in the Senate, all we have to show the American people is more of the same—the same 46 million with no insurance, the same 16 million people with inadequate insurance, and the same families working 40 hours a week to earn a living for their family but still unable to afford quality health care for them.

Instead of leading us down a dead-end road, as Republicans have done this week, we should be on the expressway to real health care solutions—legislation such as the Stem Cell Research Enhancement Act, legislation to extend the enrollment deadline for the new Medicare Part D drug benefit, legislation to provide real solutions to the large and growing number of uninsured Americans, and legislation to address long-term care needs that will only become more pressing as the baby boom generation ages.

The Republican proposals being considered this week never even received a hearing or a vote in their committees of jurisdiction and were destined to fail from the beginning. Is this really all the majority party plans to address regarding the endless needs of our health care system? I believe we can and must do better.

First, Alzheimer's disease does not boast a party affiliation. Neither does cancer or diabetes or Parkinson's disease. Yet, potential cures to these debilitating and fatal diseases are being ensnared in political wrangling, posturing, and obstruction.

Today, almost 35 years after President Nixon declared war on cancer, the Federal Government and Washington Republicans remain AWOL in the fight against this fatal illness and a host of other debilitating diseases. While we have made great strides in researching potential vaccines and cures, our colleagues on the other side of the aisle choose to tie our researchers hands.

The bottom line is this: When your life—or the life of a loved one—is on the line, you never give up and you never limit your options—never. You never lose faith, and you pursue every option, every sliver of hope, of finding a cure.

This issue is about more than statistics, it is about more than numbers on a fact sheet. These are real people. These are families. These are mothers and fathers, sons and daughters, aunts and uncles. These diseases cut through race, age, religion, country, and political affiliation. We all suffer, which is why we must move beyond the usual partisan posturing and fight for expanding research.

I had the opportunity to vote on this stem cell legislation in the House of Representatives, where we had broad, bipartisan support. And I believe that same bipartisan support exists in the Senate, which makes it even more difficult to understand why we cannot come together and do something meaningful for those who are suffering.

We have an opportunity to do what is right, and the majority has again let that opportunity pass them by. This bill means so much more than ending restrictions placed on stem cell research. This bill means hope for the individuals challenged and fighting to live a life with dignity.

Stem cell research has vast potential for curing diseases, alleviating suffering, and saving lives. I know my colleagues recognize the enormous potential of this research too, and it is time to clear the way for discovering new cures and therapies and bring this bill to a vote.

Another thing we cannot ignore is the fast approaching deadline for seniors to enroll in a Medicare prescription drug benefit without being penalized. We need to stand up for our seniors and extend the deadline so that our seniors have time to choose the plan that is right for them.

When the Federal Government rolled out the new benefit, and it did not go as planned, States such as New Jersey stepped up to the plate and provided emergency drug coverage to seniors and people with disabilities in need. Now the Federal Government has a responsibility to recognize its shortcomings and give our seniors a chance to enroll without having to pay the price for the Federal Government's mistakes.

And the concerns go beyond just seniors' drug benefits. There is also a grave concern that seniors and people with disabilities may lose access to their local neighborhood pharmacies. Almost any senior will tell you that they rely on their local pharmacist to help them when they have complications with their drugs—whether it is interactions between drugs or problems getting their medications.

I recently heard from Adolph Gonzalez and Alan Garcia who run the North Bergen Pharmacy, which has been open and serving its customers for the past 21 years. Unfortunately, since prescription drug plans are not paying their claims in a timely fashion, pharmacies such as this one are dipping into their line of credit, taking out loans and scrambling to stay afloat. Unless things change, pharmacies such as the one in North Bergen, NJ, are going to be forced to close their doors.

I introduced legislation to address problems with the Medicare Part D drug benefit and so have many of my colleagues. All of us recognize that unless we start making important changes to improve the program, seniors are going to see lapses in their care. We must be committed to making sure that all Americans have a comprehensive drug benefit that allows them to take the medication prescribed by their doctors, provides them the information and flexibility to pick a plan that works best for them without being penalized, and allows them to continue visiting their local pharmacy.

Unfortunately, the majority party is not going to allow us the opportunity to improve the Medicare Part D prescription drug benefit this week. Our fight for seniors is one we are going to continue, but one that has been overlooked this week in the U.S. Senate.

Second, the unproductive nature of this week is most insulting to the 46 million people across the country who have no health insurance at all—1.3 million in New Jersey alone. No American family should be forced to skip a trip to the doctor because they fear it will also mean an unfortunate trip to the bank.

That is why I strongly support initiatives that will help small businesses afford meaningful health insurance for themselves and their employees; increase coverage for uninsured parents by extending the State Children's Health Insurance Program, SCHIP; and help Americans nearing retirement buy into Medicare—programs that have proven successful in reducing the uninsured and providing access to quality coverage.

In addition, I introduced the Health Care COSTS Act, which will help hard-working Americans afford their health insurance when they are between jobs by providing an ''advanceable'' tax credit for half the cost of COBRA premiums. As I mentioned earlier, the average cost of a family health plan exceeds a full year's earnings for a minimum-wage worker, so there is no way most families can afford to continue to purchase coverage if they lose their job and have to find another.

Instead of debating a bill that will preempt the important New Jersey

State coverage protections—including coverage of cervical cancer screening, contraceptives, home health care, mammography screening, mental health parity, and prostate cancer screening, to name a few—and protection against age discrimination in setting premiums, the Enzi bill takes the high bar of health insurance for New Jersey, and lowers it to a dangerously low level that strips away the coverage our State fought so hard to get.

The choice before us this week—the Enzi bill or nothing—is a false choice. This policy will result in reduced access to important health benefits and substantially increase premiums for people who need coverage most. It will allow insurance companies to cherry-pick the most profitable patients and punish those who need coverage most. It will allow companies to discriminate against older, sicker patients by charging them 3 exhorbitant premiums for the care they get. It will pit young versus old, the healthy versus the sick. These are false choices, and we should not allow the majority to force us into making them.

What we should be doing is considering a bill that preserves State benefits and prevents such cherry-picking. By offering small businesses access to the Federal Employees Health Benefits Program, which has provided extensive benefit choices at affordable prices to me, my colleagues, and all Federal employees for decades, we can do just that.

By pooling small businesses across America into one risk and purchasing pool like the Federal Employees Health Benefits Plan, the new Small Employees Health Benefit Plan will allow employers to reap the benefits of group purchasing power and streamlined administrative costs, as well as access to more plan choices. That is why I support the Lincoln-Durbin alternative. Unfortunately, the Republican leadership has refused to let us have a full debate and up-or-down vote on this proposal.

Finally, the challenge of caring for our aging population will only increase as the baby boom generation grows older and our life expectancy increases. We need to work now to address the challenges of providing affordable long-term care, encourage future retirees to plan for their own long-term care, and strengthen our existing programs to address this growing need.

I have introduced legislation to do just that. This week we should be supporting legislation that helps all families afford to care for the ones they love while also preparing for their own long-term care needs.

While I am disappointed in the partisan nature of this week's debate, it makes my commitment to fighting for the health and well-being of all Americans that much stronger. I call on my colleagues to finally make the health care priorities of the America people the health care priorities of the Senate.

No longer should we avoid a vote on stem cell research, a vote on improving the Medicare Part D prescription drug benefit, a vote for a real solution to solve the issue of the uninsured, and a vote to help our growing senior population age with dignity. At the end of so-called Health Week in the Senate, we will have accomplished nothing for the millions of Amerians who are uninsured or underinsured and struggling every day to provide health care for their families.

Mr. BAUCUS. Mr. President, I rise today in support of the State Health Insurance Assistance Program. I filed amendment No. 2917 to increase resources for this important initiative.

The State Health Insurance Assistance program, known as SHIP, provides one-on-one counseling and assistance to people with Medicare and their families. Congress created the program in 1990 so that Medicare beneficiaries could obtain free, unbiased and personal assistance with their health benefits. Today, SHIPs operate in all 50 States, Washington, DC, and the territories.

Over the last 2 years, SHIPs have had the formidable task of helping Americans understand the new Medicare prescription drug benefit. In all States, SHIPs enlisted the help of thousands of volunteers—over 11,000 nationally—for a massive public outreach campaign.

SHIP counselors and volunteers—like Bobbie Roberts and Sue Bailey in Billings, MT.—conducted public education programs at senior centers, hospitals, assisted-living facilities, libraries, and other public venues. They answered questions via telephone and in face-to-face sessions. And they spent countless hours helping Medicare beneficiaries choose and enroll in a drug plan that best meets their needs.

These folks deserve our thanks. They are truly unsung heroes who have helped make the drug benefit a reality for millions of people with Medicare.

And they did all this on a shoe-string budget.

The Centers for Medicare and Medicaid Services, CMS, operates the Medicare Program. As such, CMS is responsible for providing funding to the SHIP. But last year, in the midst of the largest Medicare expansion ever, CMS provided SHIPs just $32 million to carry out their important work. Thirty-two million dollars sounds like a lot of money. But when you think about the workload the SHIPs faced, it is not much. In fact, that $32 million translates to only 70 cents per Medicare beneficiary. A five-county region in Montana about the size of Delaware received about $8,500 in SHIP funds for the entire year. That is not enough. I believe that the lack of sufficient resources for SHIPs goes a long way toward explaining why enrollment in the drug program continues to lag.

I might also note that the $32 million CMS provided to SHIPs pales in comparison to the roughly $300 million CMS spent promoting the new drug benefit. That $300 million went to programs like the toll-free 1–800 Medicare hotline.

Last week the nonpartisan Government Accountability Office, GAO, Congress's investigative arm—found major flaws with the Medicare hotline. GAO found that the Medicare hotline failed to give seniors correct information on one key question—which plan offered the lowest costs for individuals taking a given set of drugs—almost 60 percent of the time.

And what about some of the other funding devoted to promoting the drug benefit? CMS spent some of the funds on a bus tour. In 2003 CMS spent $600,000 to promote Medicare with a blimp at football games. And other funding went to Ketchum Communications, which produced simulated news reports on the drug program. In 2004, the GAO found that these videos violated the government ban on publicity and propaganda.

We can do better. We can promote the drug benefit in more cost-effective ways by appropriately funding SHIPs. Recent findings from the Medicare Payment Advisory Commission underscore this assertion. A recent study by MedPAC suggests that only 1 in 5 people used the Medicare hotline and only 1 in 10 used the Medicare Web site to make decisions about their Medicare drug coverage.

And even though this year's enrollment deadline is almost upon us, the hard work is not over. Enrollment in the Medicare drug benefit is still too low in many States. In Montana, 40 percent of people with Medicare still don't have any form of drug coverage. A study released yesterday by Families USA estimates that most people who haven't signed up have low income and would qualify for the extra help that Congress included in the drug benefit.

We need to increase SHIP funding to help meet challenges that lie ahead. My amendment would provide $25 million for States to expand their SHIP activities. Funds also would be available for innovative programs in States where Medicare drug coverage is low. And funds would be available to CMS to promote the existence and services of SHIPs.

As the new program evolves, many people with Medicare and their families will have even greater need for a reliable source of impartial advice. And more needs to be done to help low-income people enroll. Many of us voted for the drug benefit because we believed it would help people who need help the most. Let's make that happen in every community in every State. Let's devote resources to a program that works. Let's help thousands of volunteers help our seniors. Let's increase vital resources for the State Health Insurance Assistance Program.

Ms. MIKULSKI. Mr. President, I rise today to support America's small businesses. I know how important small businesses are to the health of the economy and to the communities that

they serve. I know that small businesses are struggling to provide health care for their workers. We should move to offer small businesses reasonable solutions. I commend Senator ENZI for tackling such a tough issue, but this bill would ultimately end up increasing the cost of health care coverage for those that need it most.

We need to be talking about improving health care for all Americans at any age and making the care more affordable for patients, as well as employers. American families are feeling stressed and strained, facing the ballooning cost of health care. Health care coverage is one of the most important issues facing Americans who are worried they will lose coverage, and won't be able to afford the care they need.

It is true having health insurance is crucial but it cannot be just any health care packet; it must be a comprehensive packet. One of the big problems with Senator ENZI's bill is allowing insurance companies, instead of State-elected legislators who speak for their constituents, decide the benefits that consumers should have when they purchase health care.

The benefits I am most concerned about protecting are preventive services. There is a reason that so many of these benefits mandated by States are preventive service—they wouldn't have been included otherwise. There is a reason Maryland guarantees access to mammography—insurers were not covering it. There is a reason that diabetic equipment and supplies are a guaranteed benefit—beneficiaries were complaining that they couldn't get the supplies covered.

Imagine being diagnosed with diabetes—there are in fact 21 million Americans who have received just this diagnosis. Then imagine being told you must carefully check your blood sugar to keep your disease in control—but your insurance company won't pay for this? The American Diabetes Association estimates that it costs $13,243 for every patient to manage their disease. This is what health insurance is for. Most States have recognized the importance of guaranteeing coverage for diabetes supplies and education and have passed laws that provide this coverage to residents in State-regulated health plans. We must not undo what these States have identified as important covered services.

And what about mammograms? Breast cancer is the most common cancer among women, accounting for nearly one of every three cancers diagnosed in the United States. Over 40,000 deaths from breast cancer are anticipated this year alone. Screening and early detection are critical for decreasing the mortality rates of breast cancer. Our reduction in cancer mortality depends on the increased use of mammography screenings for early detection of this disease.

I have worked hard in Congress to ensure women have access to quality mammogram care. I authored the Mammography Quality Standards Act, MQSA, over 10 years ago. This improved the quality of mammograms by setting federal safety and quality standards for mammography facilities. This includes personnel, equipment and operating procedures. Before MQSA became law, there was a patchwork of standards for mammography in this country. Radiation levels used on patients varied widely, equipment was shoddy, and physicians often didn't have proper training. I went to work in Congress to set national standards, helping to make mammograms a more safe and reliable tool for detecting breast cancer.

My own State of Maryland is one of the many States that mandates insurers provide mammography screening. We know this saves lives. Maryland also mandates insurers provide coverage for breast cancer patients who participate in clinical trials, so we can work toward a cure for breast cancer.

Covering services that prevent health conditions is not only sound health policy, it is sound fiscal policy. By finding and treating diseases early we will save the U.S. taxpayers millions of dollars. In fact, it is the only real way to really decrease the cost of health care in this country.

Knowing how important health insurance coverage is for small businesses, I have joined 26 of my Senate colleagues to support the Small Employers Health Benefits Program, SEHBP, which gives small businesses affordable choices among private health insurance plans and expands access to health care coverage for their employees. The SEHBP would allow small businesses across America to band together for lower health care prices by pooling their purchasing power and spreading their risk over a large number of participants. Employers would qualify for an annual tax credit to partially offset contributions on behalf of low-income employees.

I came to the Senate to change lives and save lives. We need to guarantee that more Americans have access to services that prevent and treat chronic illness. Unfortunately, S. 1955 will not do this and in fact this bill will compromise the coverage people already have. I will continue to work toward a solution for affordable health care for patients and employers. I will fight to make a difference. Together, we can change lives.

The PRESIDING OFFICER. Who yields time?

Mr. ENZI. I reserve the remainder of the time.

Mr. KENNEDY. Mr. President, I believe we have 10 minutes. I yield 5 minutes to the Senator from Connecticut and I will yield myself the remaining time.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank my colleague from Massachusetts and very quickly say to our good friend from Wyoming as well, I appreciate his interest in the subject matter and his concern about it. I want to point out to our colleagues why I am terribly disappointed with the procedures we have been confronted with this evening dealing with this legislation.

In committee we spent quite a bit of time and had some rather close votes, tie votes on a number of amendments that were not adopted to the underlying bill.

I raise two issues here in the very short time we have remaining. First is the process itself. This is the Senate. This Chamber historically is the place where debate occurs. To have a process here this evening on an issue where we have dedicated the entire week to health care and then to basically lock out any amendments that might be offered to this proposal runs contrary to the very essence of this body.

Whether or not you are impressed with the substance of this bill, if you believe the Senate ought to be heard on a variety of issues relating to the subject matter—when the amendment tree has been entirely filled, then obviously we are dealing with a process that ought not to be. Even if you are supportive of the bill, it seems to me the Senate ought to be a place where we can offer amendments, have healthy debate over a reasonable time, and then come to closure on the subject matter.

I am terribly disappointed. I know there are relevant issues and irrelevant issues. Members wanted to talk about things such as extending the time on the Medicare proposal. It is going to expire on May 15. That is not an unreasonable proposal, in a Health Care Week, when you are debating these subject matters. My colleagues wanted to talk about prescription drugs, to spend an hour or two out of the entire week to debate whether we ought to have a different proposal regarding prescription drugs. I don't think that is asking too much of this body, for one small debate about an issue that is so important to people. Even amendments designed to help small business would have been prohibited from being offered here as a result of this process. I am terribly disappointed that we are not going to have a chance to talk about this bill in a broader context where Members could bring their ideas to the debate.

The second issue deals with the substance itself. My colleagues ought to take note. The key word here is preempts, because this bill preempts our States—each and every one of us—from having the kind of health care benefits that have been debated and discussed and adopted by our respective States. We each have unique problems. I mentioned earlier this week in this debate, Lyme disease is a huge issue in my State. It originated and was discovered in the town of Lyme, CT. I live 2 miles away from Lyme, CT. People in my State are deeply worried about that issue. So the State of Connecticut in its wisdom adopted as part of its health

care plan a requirement that insurance cover Lyme disease.

I recognize that may not be an issue in the State of some other Member. But we ought to allow Connecticut and every other of the 49 States to decide how they can best serve their constituents, their people, when it comes to health care coverage. This bill preempts my State from deciding whether they can cover certain problems that are unique to my part of the country.

And second, of course, we preempt the States when it comes to setting any kind of rating rules. That is a critical issue because even if you have a comprehensive plan, if you allow the industry to price those products way beyond the reach of the average person, then de facto they are eliminated. So we preempt them on what they can cover and we preempt the States from determining what the prices ought to be for the insurance products that will be sold.

I point out to my colleagues, not a single Governor has supported this bill. Not a single attorney general, not a single insurance commissioner. Over 200 health care organizations have said this bill is flawed and it ought not to be approved.

We are urging our colleagues to reject this proposal. Listen, if you will, to what a business organization in my State had to say about this bill. The Connecticut Business and Industry Association represents 5,000 small businesses in the State of Connecticut. They said:

> We believe that in Connecticut federally certified AHPs would destabilize the small business insurance marketplace, erode carefully crafted consumer protections and raise premium rates for small businesses with older workforces and those that employ people with chronic illnesses or disabilities.

That is a business organization representing 5,000 small employers. This is not an organization that says those words lightly.

For those reasons, for process and procedure, as well as preempting state benefits and rating rules, this bill ought to be rejected. I urge my colleagues to do so.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I understand we have 5 minutes. Will the Chair let me know when I have 30 seconds remaining, please.

I want to pay tribute to my two colleagues who are in support of this, Senator ENZI and Senator NELSON. Senator ENZI and I, and Democrats on our committee and Republicans alike, have worked very long and hard on a whole range of different issues.

We have made important progress. We are going to continue to do so, but we take exception on this issue.

I commend the staff as well for all of their good work and help and assistance.

Senator NELSON, who has been enormously concerned about the problems of small business, has talked about this issue with me and, I know, with other Members here on different occasions. He was such a strong voice when we were considering the Patients Bill of Rights legislation. I always enjoy working with him, although we have a different position on this issue.

We are in the last few minutes of this debate and discussion. In these last few minutes, I want to join with those who have expressed a certain amount of frustration in being unable to address maybe a handful of different health care issues that I find are of concern to the people of my State. In traveling around the country, people are concerned about the prescription drug program. They are concerned about the high cost of prescription drugs. They are concerned about the problems small business has. But we do not believe the proposed solution that has been advanced by Senators ENZI and NELSON is really the best way. We have had a brief debate over this proposal and over an alternative way that we think would be more comprehensive, more realistic, and more expansive than reaching the 1 percent or 2 percent of those who are uninsured and who, according to the Congressional Budget Office, will be covered under the Enzi proposal.

The reasons the insurance commissioners have serious reservations, the reasons the Governors and the attorneys general have taken exception to this legislation, are very important and have been stated again and again; first is this bill's effective preemption of a number of the very important benefits that my State of Massachusetts and a great number of the States in this country have been willing to write into law, to provide protections for their citizens. These protections are in the area of cancer, in the area of cancer screening, in the area of mental health, in the area of diabetes, and well-baby care. State laws have effectively been preempted. The people of my State will no longer be assured of those kinds of protections, if this legislation passes.

The second point, which has been raised again and again, is the question of raising premiums. In the legislation we refer to this as rating. In the initial Enzi proposal, it would have been possible to have a 25-fold variation in the cost of insurance premiums—from $100 to $2,500—based upon your age, your past health history, or that of your family. We know what would happen.

When you allow such variation, you are denying people an effective health insurance program. That is what Blue Cross-Blue Shield says in Massachusetts, my own State. They basically say that younger people will be able to have insurance, but the older people and families who have had health care challenges will be knocked off, unable to afford it.

What will happen? These people will go to the public health clinics, with the State having to pick up the cost. That is what Blue Cross-Blue Shield in my State says. This proposal is a shifting of the cost.

In this very excellent letter, which I will ask to have printed in the RECORD, Blue Cross-Blue Shield in my State has been ranked among the top five plans in the Nation by U.S. News & World Report.

In this letter, Blue Cross-Blue Shield warns us about preempting the State regulations of rating and benefit requirements. They say do not do this. It will have a bad effect on our seniors. It will increase the number of uninsured and transfer the costs back to the public. The taxpayers will pick it up.

We believe Blue Cross-Blue Shield and the other organizations that have been identified are correct. This bill should not pass at this time. We are prepared to work with the Senators from Wyoming and Nebraska to try to deal with these health care challenges.

I ask unanimous consent to have the aforementioned letter printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BLUE CROSS BLUE SHIELD
OF MASSACHUSETTS,
May 10, 2006.

Hon. EDWARD M. KENNEDY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KENNEDY: On behalf of Blue Cross Blue Shield of Massachusetts, I am writing to express our opposition to S. 1955 (''the Health Insurance Marketplace Modernization Act''). The legislation being considered by the United States Senate will completely undermine the historic health care achievements made by Massachusetts for which you played a critical role.

At Blue Cross Blue Shield of Massachusetts, we are committed to providing access to affordable, quality health care to the citizens of Massachusetts. With over 2.9 million members, we are proud to be ranked among the top five health plans in the nation by U.S. News & World Report and the National Committee for Quality Assurance.

As you know, S. 1955 preempts state regulations as to rating and benefit requirements. In so doing, it seriously destabilizes the small group market nationally and critically disrupts states, like Massachusetts, that utilize community rating. Under Enzi, medical underwriting is permitted as are premium surcharges based on age, gender, geography and group size. In Massachusetts, older and sicker individuals will face increased premiums, as will the self-employed and smaller businesses.

Despite its intended goal, the Enzi legislation will actually lead to a rise in the uninsured in Massachusetts as older, sicker workers lose coverage. According to a recent study by the Lewin Group, there will be an increase of over 37,000 uninsured in Massachusetts with an associated rise in uncompensated care costs of over $8 million. Needless to say, this places a further strain on our health centers, community hospitals, urban medical centers as they see increased uninsured and unhealthy individuals.

The Enzi legislation takes a completely different tact to increasing access to affordable insurance than the Massachusetts health reform bill. The Massachusetts approach seeks to pool risk and optimize coverage to benefit the community. S. 1955 would lower costs for individual groups by

basing their rate on their own particular risk and minimizing coverage. The Enzi approach may serve to increase access to young and healthy small groups but does so at the expense of older and sicker populations. From a philosophical and practical standpoint, the two approaches cannot coexist.

The impossible dream, to which you so eloquently spoke, of quality health care that will truly be available and affordable for each and every man, woman, and child in our state, will become just that—impossible—if S. 1955 is allowed to pass.

We thank you for your ongoing efforts for our shared goals of ensuring access to affordable, quality health care to the citizens of the nation and our state of Massachusetts and urge you to continue to vigorously oppose S. 1955 so that it fails in the Senate.

As always, please do not hesitate to contact me.

Sincerely,

CLEVE L. KILLINGSWORTH.

The PRESIDING OFFICER (Mr. CORNYN). The Senator from Wyoming.

Mr. ENZI. Mr. President, actions speak louder than words. People are going to have a chance in a little while to show some action for small business. Once in a while there is a moment when you have a chance to make a difference.

Today, most of the Democrats appear to be willing to sacrifice that moment to make a statement. They are saying we cannot give small business anything until we have votes on stem cells, until we have votes on prescription drugs, until we have votes on drug importation, and to heck with the small businesses. What kind of an attitude is that?

The Democrats' argument is: We are going to deny small business anything until we get them everything. Of course, they are promising everything in their bill.

Let us get this clear. The Democrats care so much about families employed by small business that they are willing to keep them from having any insurance until they find a way to provide everything they think they need. Spare me the care. We have a lot of smokescreens. One of the smokescreens is the process did not allow them to have votes.

I asked unanimous consent a little while ago, and I said I will guarantee you a vote on Durbin-Lincoln. I will guarantee you debate on Durbin-Lincoln. I will let that happen right after cloture.

The reason that has to happen is because of the process of the Senate; otherwise, they only get a vote and they still block me from getting a vote on this bill that has been worked out with the insurance companies, with the insurance commissioners, and with the associations.

That is a smokescreen. There is going to be a vote on whether we care to debate some more on small business. There can be amendments after cloture. Amendments will allow you to cover everything that has been mentioned over here, whether it is ratings or whether it is mandates.

Let me tell you that mandates is another smokescreen. Where this has been done inside States, the companies that had the right not to have mandates, it covers the ones that you mentioned. This is about being able to have enough opportunity to expand across State lines where there are 1,800 different mandates. You have to be able to get them together so that small businesses can go together across State lines and gather a big enough pool to effectively negotiate against insurance companies.

Yes, there are some insurance companies that are writing letters saying: Do not let them do this. There is a profit motive. I can't blame them for that. But what the small businesspeople are really asking for on that is the same thing that big businesses have. We already excluded big business from all of the mandates and the oversight by States. We are not going that far.

We even have some provisions in there, and I am sure with some amendments there would be some mandates in there. Here is where the savings come in for these small businesses. I am extremely excited about this.

The cost for administration for a small business policy is about 35 percent. If you check with Wal-Mart, which is excluded from everything and gets to have their own plan, their cost of administration is 8 percent. The savings are in the administration. That is 27 percent which they save.

For every 1 percent of savings, insurance brings in 200,000 to 300,000 people into the market.

There are 27 million uninsured small businesspeople and employees out there. They are like families.

I was talking to Senator HARKIN. He was telling me about a small businessman he knows. These small businesses are kind of interesting. They go to church with the same people who work for them. They go to watch baseball with the same people who work for them. Their kids are in the same little league. They go to the same organizations. And this small businessman said: I have to tell them that I can't afford the insurance anymore. And I still want to live with them. I want my family to have insurance, but that is not going to happen.

This is an opportunity to make a difference, to offer amendments to perfect the bill in whatever way the majority of people think needs to be done. Anything else is a smokescreen.

I gave them an opportunity to vote on Durbin-Lincoln. I gave them an opportunity to vote on this, but it was an assurance that we would get to vote on both, so small business would get a vote. There is going to be a vote on small business.

There are hundreds of people around the Capitol right now who are with small business who are saying: We need the opportunity to have a better health care plan. Some of them will get insurance for the first time; some will get a better health insurance plan.

As an accountant, I have to remind you that this is not a case of subtraction. This insurance plan is an addition. We are bringing in newly insured people. Anybody who votes against cloture needs to go to their dry cleaners tonight to pick up their laundry and look that person in the eye and say: I do not think you deserve health insurance because you might not demand enough for yourself. So you know what? I saved you from yourself. Can you say that to the mom and pop running the business down the street from your home? Can you say that they do not deserve health insurance? As you go home today after you leave the Hill, think about the people around you, the regular people—the cab driver, the worker at the dry cleaners, the person in the neighborhood restaurant, all of those people you may not notice who really make the world operate. Many of them do not have any insurance. Some may even own that little restaurant around the corner and still not be able to afford the insurance. I am not talking about deluxe insurance; I am talking about any insurance.

So please overlook the smokescreen and vote to have some more debate and amendments and a vote on a small business health plan.

I yield the floor and yield the remainder of my time.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture on the pending modified substitute amendment to Calendar No. 417, S. 1955, Health Insurance Marketplace Modernization and Affordability Act of 2005.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending modified substitute amendment to Calendar No. 417, S. 1955, Health Insurance Marketplace Modernization and Affordability Act of 2006.

Bill Frist, Johnny Isakson, Sam Brownback, John Thune, Thad Cochran, Wayne Allard, John Ensign, Richard Shelby, Larry Craig, Ted Stevens, John McCain, Lamar Alexander, Norm Coleman, Judd Gregg, John E. Sununu, Pat Roberts, Craig Thomas.

The PRESIDING OFFICER. By unanimous consent the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the modified substitute amendment to Calendar No. 417, S. 1955, the Health Insurance Marketplace Modernization and Affordability Act of 2005 shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Pennsylvania (Mr. SPECTER).

Mr. DURBIN. I announce that the Senator from West Virginia (Mr. ROCKEFELLER) is necessarily absent.

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

The yeas and nays resulted—yeas 55, nays 43, as follows:

[Rollcall Vote No. 119 Leg.]

YEAS—55

Alexander	Dole	McConnell
Allard	Domenici	Murkowski
Allen	Ensign	Nelson (NE)
Bennett	Enzi	Roberts
Bond	Frist	Santorum
Brownback	Graham	Sessions
Bunning	Grassley	Shelby
Burns	Gregg	Smith
Burr	Hagel	Snowe
Chambliss	Hatch	Stevens
Coburn	Hutchison	Sununu
Cochran	Inhofe	Talent
Coleman	Isakson	Thomas
Collins	Kyl	Thune
Cornyn	Landrieu	Vitter
Craig	Lott	Voinovich
Crapo	Lugar	Warner
DeMint	Martinez	
DeWine	McCain	

NAYS—43

Akaka	Durbin	Menendez
Baucus	Feingold	Mikulski
Bayh	Feinstein	Murray
Biden	Harkin	Nelson (FL)
Bingaman	Inouye	Obama
Boxer	Jeffords	Pryor
Byrd	Johnson	Reed
Cantwell	Kennedy	Reid
Carper	Kerry	Salazar
Chafee	Kohl	Sarbanes
Clinton	Lautenberg	Schumer
Conrad	Leahy	Stabenow
Dayton	Levin	Wyden
Dodd	Lieberman	
Dorgan	Lincoln	

NOT VOTING—2

Rockefeller	Specter

The PRESIDING OFFICER. On this vote, the yeas are 55, the nays are 43. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. MCCONNELL. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that there now be a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

The Senator from Wyoming.

Mr. ENZI. Mr. President, I thank the Senator from Hawaii for his kindness.

I want to thank everybody who has been involved in the debate on small business over the last several days. I thank Senator NELSON for the hours he and his staff put in working with me on this bill, along with Senator BURNS and his staff. I have said several times that our staffs worked in the same room with the same people from the different coalitions, including the insurance companies and the insurance commissioners, for so long that I thought some of them must be related. I really wasn't sure which ones were from whose staff anymore, either, because they were all working this important issue together. Obviously, we have some more work to do, but I am pleased with the vote we got.

I am disappointed that we didn't get the 60 and couldn't continue the debate right now, that we couldn't have amendments right now and for the next several days, resulting in a vote-arama that would have put the best possible face on it that we could from the Senate. I talked to Senator KENNEDY before and promised I would preconference it with the House before we did anything because this is a very critical bill. But this is the first time the Senate has gotten it to a cloture vote. We will only get it to cloture by working with people and getting some agreement. I am hoping we can bring this back up yet this year. I know there are small businesses that are going to be asking, pleading, begging that it be brought up again this year. Perhaps we can work some changes in the meantime that might make a difference and get us over that 60-vote margin. It is a little tougher in the Senate to pass than in the House because they only have to have a mere majority. We have to have that 60 percent which is a little bit tougher.

Senator KENNEDY and I have worked together on a lot of bills. I appreciate the courtesy he gave in committee. We had 68 amendments. We finished the work in two half days. That is probably a record around here for any committee which does show some cooperation. I am just sorry we didn't get to do the amendments like we did in committee, probably many of the same ones we had in committee. I guess my strategy was that those votes might put it over the top here and bring a few people in. I didn't know there would be such strong resentment built up by this time.

Of course, I am extremely disappointed with the cancer society and the diabetes society because I have never seen a letter that said, I don't care what you do, vote against this bill. That means if we had done the Cadillac of diabetes care and put it in the bill, they were still suggesting that people vote against it. That is unconscionable on behalf of the people that have diabetes or the people who have cancer. Both letters said the same thing. It was truly a disappointment to me.

I know some opposition was built for this bill. The insurance companies said they would be neutral. I noticed there was a little unneutrality there. But the small businessmen will be coming to town. They will be talking to people and expecting us to do something. I hope we can continue to do so.

There are a whole list of people I need to thank, but I will defer for the moment for some others to speak and come back and do that later.

I appreciate the fact that we were able to have a cloture vote.

The PRESIDING OFFICER (Mr. MARTINEZ). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I see the principal cosponsor on his feet. If he might indulge me for a moment, I want to give assurance to the small businesses and families of this country, we are not going away. We are all very strongly committed to getting decent, quality health care for all Americans. Today, we avoided taking a step backward. But we have heard the very eloquent statement of the Senator, my friend from Wyoming, who said he believes we missed an important opportunity to step forward. What I hope Americans will understand is that we have worked very closely together. We are committed to working closely together. We are going to try to find common ground in this area.

I again thank Senator ENZI for his leadership on health issues. I look forward to trying to find common ground on health care and other areas. I am grateful to him for all his courtesies.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, I thank the distinguished cochair of the committee for his courtesies.

Naturally, I am disappointed with the outcome of the vote. Instead of thinking of it as a setback, I want to think of it as a step forward, because it is the first time since I came to the Senate that we have had a serious debate about the accessability and affordability of health care for small businesses.

I thank Senator ENZI for his great work. It has been a pleasure working directly with him. Not only is he tireless, he certainly is willing to listen to other people and has shown a great capacity to listen and to act on good advice. I thank him for that. He was able to bring together groups that had been on opposing sides for years. Through his leadership, this bill was brought to the floor.

I also thank his staff. I appreciate all the assistance they have given me as we have developed this legislation. They are true professionals: Steve Northrup and Andrew Patzman have devoted hours to researching and drafting the legislation and have so diligently reached out to my side of the aisle for suggestions, I now think of them as my satellite staff.

I also thank Katherine McGuire, who has been instrumental in guiding us through this process, and Brittany Moore, who has coordinated all of our information.

Particularly, I thank Senator KENNEDY for his gracious and agreeable manner in disagreeing on the substance of an issue. It is typical of his approach to the Senate. Especially I thank his staff: David Bowen, Stacey Sachs, and Brian Hickey from the Democratic Policy Committee. They have kept us on our toes.

The staff of the leadership offices also has been helpful. I thank Jay Khosla, a newcomer, and Liz Hall, a veteran, for their help. And particularly I thank my staff, both Kim Zimmerman and Amy Tejral, and others who have worked so hard to get us to this point.

Even though not all of my colleagues on this side of the aisle agree that this bill is the right answer for small businesses, I know and respect the fact that they want to find a solution. We all in the Senate want to find a solution, something that will deal with the availability and affordability of health care for small businesses and their employees. I am tonight encouraged that with this discussion, we will be able to move together and work together to find a common solution. Sometimes right after disagreement, there is a solution that is achieved.

I thank my colleagues on this side of the aisle for their willingness to listen and my friends for their votes.

The PRESIDING OFFICER. The Democratic whip.

Mr. DURBIN. Mr. President, let me join in thanking all Members who have been engaged in the debate. Although it did not result in the passage of a bill, I hope we did make progress.

First, let me congratulate again Senator ENZI for showing the courage to bring this matter to the floor. Very few Senators have done that. He did not succeed at this moment, but I believe his determination and the respect we all have for him will lead to a victory at another day, and I hope to be part of it. He showed himself to be genuine, committed to this issue. The small businesses who have entrusted him with this assignment couldn't have picked a better Senator. I would say the same for my colleague from Nebraska, Mr. NELSON. His knowledge extends back to his tenure as insurance commissioner as well as Governor. He certainly understands this issue better than most. I thank both of them for the personal commitment they made to this issue.

I also thank my colleague Senator BLANCHE LINCOLN. She and I worked together on this bill, and I couldn't have had a better partner. BLANCHE is down to earth. She understands these complicated issues and explains them the way the average person can understand them.

This is a matter I have been thinking about for a long time. I didn't come up with this notion in just the last few weeks. In fact, it has been months now since I invited Senator ENZI and many others to come to my office and listen as we explained what our concept was in hopes that we might work toward common ground. We weren't able to do that this time, but I hope we will the next time. I genuinely hope that those who want to engage in this important debate will have a similar starting point to our bill.

The first and obvious question that anyone should ask is: Senator, why do you propose health insurance for the rest of America that you wouldn't buy yourself? The health insurance we have as Members of Congress is the same health insurance Federal employees have, 8 million of them nationwide. My dream was to take that kind of group of 8 million diverse people who work for small businesses and create the same mechanism, the same pool so they could enjoy the same protection, the same benefits I have and my family has and the Members of the Senate have. If this health insurance is good enough for a Member of Congress, it is good enough for any American family. It should be our starting point.

Senator ENZI raised an important question. Why did so many health groups oppose his legislation? Some of them stridently opposed it. He mentioned two, the American Cancer Society, the American Diabetes Association. The reason they felt so strongly was that the legislation proposed on the other side eliminated the protections being offered by States for important cancer screening, for mental health care. Some 42 States cover mental illness, and the Enzi bill would have eliminated that coverage. When it comes to diabetes, it is true that at some point he could have offered diabetes coverage, but they are concerned that if this is a moving target, it could change tomorrow. That is why we have to get back to where we are as Senators, Congressmen, and Federal employees. We know what we are going to have. We know our protection. We can buy it. Shouldn't every American have that confidence and that peace of mind?

That is the starting point. The starting point is not reducing the protections and guarantees in coverage to such a low level that it leaves families exposed to medical ruin if the bills go too high. We should strike a balance which says that these preventive procedures, these screening procedures, this basic health insurance is what every American should have. It is much like a minimum wage. What we are talking about is the minimum guarantees of health insurance across America.

I know there are some things that are too expensive for us ever to cover in every health insurance plan, and we wouldn't suggest those. But if we have coverage for 8 million Federal employees with basic protection, why wouldn't we offer that to every American family? That should be our starting point. Then let's figure how we can work together with small business and with the health community to strike the right balance so the bill we produce will be one of which we will be proud.

Again, I thank Senator ENZI. I didn't believe we would ever have this debate on the Senate floor. I had almost given up hope. But because of his dogged determination, his skill and dedication, he brought us together for this week. It is not the end of the debate. I believe it is the beginning. I hope it ends with passage of a bill for small businesses across America and will bring us closer to the goal of universal health insurance coverage for every single American. I think we can achieve that goal if we work together in a bipartisan fashion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I had intended to present a list of people who worked for me, but a question was asked. I assume it was rhetorical, but I can't let it pass. The question—to me, I assume—was, why offer what you wouldn't buy for yourself for others?

If I were in small business—and I was—and I was faced with rising health costs—and I was—I would have been happy to have been able to buy this insurance for my employees. There is a whole different level of living out there. It is called small business. We usually think if you are in small business, you are making lots of money. A lot of times the employees are making more than the bosses. The bosses buy insurance because that is how they insure their family and they get a group. That helps them, too. But when you have a group, that means that the people in the group get exactly the same insurance you do. You don't get the same package as the Senate.

I will admit that the Senate has a pretty nice package. I would also like to tell you, though, that when I was in small business, when I was in the accounting business, I had a better package than I have in the Senate. So it is available out there. It costs a lot of money. I was trying to find some way to bring that cost down.

On your bill that you would have liked for everybody in America to have—the same thing as the Federal employees—it didn't get there. I would have been happy to have had a vote on that and had that debate. I offered you that opportunity. I wish you would have taken me up on it. We would have had cloture. We would have had a vote on your bill, and we would have had a vote on my bill. That is all it took. It just took a few more votes and we would have had the 60, and small business would have had some resolution tonight that they are not going to have.

You have to remember that everybody isn't living at the same level out there, and we have to watch out for those small businessmen because they are the ones who are taking care of the backbone needs of this country every single day.

I apologize for going on with a little bit more debate. I thank the Senator from Hawaii. I do need to express some thanks because there are a couple people here that are on this list that I have to keep away from ledges and high buildings yet tonight. They have devoted their life for about the last year and 5 months to this, every day that they possibly could, and through the nights and the weekends, and we came up with this bill, working with

some unusual groups. I particularly have to thank Andrew Patzman for his patience, ingenuity, capability, and his constant work. Of course, Steve Northrop probably helped a lot on that because he has a fine sense of humor and an extremely quick wit. That helped us out in a lot of those situations where we were trying to pull everything together after a long time.

I thank Katherine McGuire, who is the director of the Health, Education, Labor and Pensions Committee. While we are doing this, we are also trying to do the pensions conference and a whole bunch of other things. I don't know of anybody who has the capability that she has to juggle as many things at one time as she does and still do a great job of being a mother. I have some really good people.

I could go through a whole list and mention Flip McConnaughy, my Chief of Staff, who held everything together for all of the Wyoming issues and my Wyoming staff. I will just mention some of these other people more quickly. The same kind of thanks to them, and I know what they have done to help out. Brittany, Tod Spangler, Craig Orfield, Ryan Taylor; and then from Senator GREGG's staff, Conwell Smith and David Fisher; from Senator TALENT's staff, Faith Cristol; from Senator SNOWE's staff, Alex Hecht and Wes Coulam; from Senator BEN NELSON's staff, Kim Zimmerman and Amy Terrell; from Senator ISAKSON's staff, Brittany Espy; from Senator HATCH's staff, Pattie DeLoatche and Roger Johns; from legislative counsel, Bill Baird has just done tremendous work with us; from Senator FRIST's staff, the leader, Elizabeth Hall and May Khosla and Charlotte Ivancic; from Senator ENSIGN's staff, Michelle Spence; from Senator MCCONNELL's staff, Scott Raab and Laura Pemberton; from Senator BURR's staff, Jenny Hansen; from Senator ALEXANDER's staff, Page Kranbuhl; from Senator ROBERTS' staff, Jennifer Swenson; from Senator DEWINE's staff, Melissa Atkinson and Karla Carpenter.

That is a whole group of people who have spent days, nights, and weekends working on this bill and making it possible to put together what we have.

I know they are dedicated to it and they will continue to work and we will work across the aisle and look forward to getting something done for small business. I know small business will be asking—perhaps even demanding—but there is a need out there. I hope everybody will recognize that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

NATIVE HAWAIIAN GOVERNMENT REORGANIZATION ACT OF 2005

Mr. AKAKA. Mr. President, I rise once again to discuss legislation I have introduced to extend the federal policy of self-governance and self-determination to Hawaii's indigenous peoples. S. 147 would provide parity in the federal policies towards indigenous peoples in the 50 states, to include American Indians, Alaska Natives, and Native Hawaiians.

To understand the importance of this legislation, one must understand Hawaii's history. Despite the fact that the Congress passed P.L. 103–150, the Apology Resolution, which recites Hawaii's history, many of my colleagues are unaware of our history. Let me provide some context of what we have experienced so that you might better understand the importance of this bill to my state.

Captain James Cook landed in Hawaii in 1778. Prior to Western contact, Native Hawaiians lived in an advanced society that was steeped in science. Native Hawaiians honored their land and environment, and therefore developed methods of irrigation, agriculture, aquaculture, navigation, medicine, fishing and other forms of subsistence whereby the land and sea were efficiently used without waste or damage. Respect for the environment and for others formed the basis of their culture and tradition.

The immediate and brutal decline of the Native Hawaiian population was the most obvious result of contact with the West. Between Cook's arrival and 1820, disease, famine, and war killed more than half of the Native Hawaiian population. This devastating population loss was accompanied by cultural, economic, and psychological destruction.

By the middle of the 19th century, the islands' small non-native population had come to wield an influence far in excess of its size. Westerners sought to limit the absolute power of the Hawaiian king over their legal rights and to implement property law so that they could accumulate and control land.

The mutual interests of Americans living in Hawaii and the United States became increasingly clear as the 19th century progressed. American merchants and planters in Hawaii wanted access to mainland markets and protection from European and Asian domination. The United States developed a military and economic interest in placing Hawaii within its sphere of influence. In 1826, the United States and Hawaii entered into the first of the four treaties the two nations signed during the 19th century.

The Kingdom of Hawaii, which began in 1810 under the leadership of King Kamehameha the first, continued until 1893 when it was overthrown with the help of the United States. The overthrow of the Kingdom is easily the most poignant part of Hawaii's history. Opponents of the bill have characterized the overthrow as the fault of Hawaii's last reigning monarch, Queen Lili'uokalani. Nothing could be further from the truth.

America's already ascendant political influence in Hawaii was heightened by the prolonged sugar boom. Sugar planters were eager to eliminate the United States' tariff on their exports to California and Oregon. The 1875 Convention on Commercial Reciprocity, eliminated the American tariff on sugar from Hawaii and virtually all tariffs that Hawaii had placed on American products. It also prohibited Hawaii from giving political, economic, or territorial preferences to any other foreign power. It also provided the United States with the right to establish a military base at Pearl Harbor.

The business community, backed by the non-native military group, the Honolulu Rifles, forced the prime minister's resignation and the enactment of a new constitution. The new constitution—often referred to as the Bayonet Constitution—reduced the King to a figure of minor importance. It extended the right to vote to Western males whether or not they were citizens of the Hawaiian Kingdom. It disenfranchised almost all native voters by giving only residents with a specified income level or amount of property, the right to vote for members of the House of Nobles. The representatives of propertied Westerners took control of the legislature. The Bayonet constitution has been characterized as bringing democracy to Hawaii by opponents to S. 147. The constitution was not about democracy—it was about a shift in power to business owners from natives.

On January 14, 1893, the Queen was prepared to promulgate a new constitution, restoring the sovereign's control over the House of Nobles and limiting the franchise to Hawaiian subjects. She was, however, forced to withdraw her proposed constitution. Despite the Queen's apparent acquiescence, a Committee of Public Safety was formed to overthrow the Kingdom.

On January 16, 1893, at the order of U.S. Minister John Stevens, American Marines marched through Honolulu, to a building known as Arion Hall, located near both the government building and the Hawaiian palace. The next day, local revolutionaries seized the government building and demanded that Queen Lili'uokalani abdicate. Stevens immediately recognized the rebels' provisional government and placed it under the United States' protection.

I was deeply saddened by allegations made by opponents of this legislation that the overthrow was done to maintain democratic principles over a despotic monarch. As you can tell by the history I just shared, our Queen was trying to restore the Kingdom to its native peoples after Western influence had so greatly diminished the rights of the native peoples in Hawaii. Colleagues, I want to ensure that you understand our true history and the bravery and courage of our Queen, who abdicated her throne after seeing U.S. Marines marching through the streets of Honolulu. She did so to save her people.

Mr. President, I also want to discuss the diversity of Hawaii's people. As I've

said before, we celebrate our diversity as the sharing of our cultures, traditions, and languages; it is what makes us so special in Hawaii. Our diversity unifies us.

Colleagues, I want you to know that during the period of the Kingdom, many people traveled through and to Hawaii. In 1832, records indicate that there were 400 foreigners in Hawaii. Starting in 1852, sugar plantations began to recruit foreign workers to Hawaii. They included Chinese, Portuguese, Japanese, and Filipino workers. While many of these workers were temporary and returned to their homelands, a number of them stayed in Hawaii and have embraced the culture and traditions of Hawaii's indigenous peoples.

The opponents of this legislation first tried to represent this issue as a native vs. non-native issue. They failed to understand how we celebrate diversity in my home State and how so many embrace all things Hawaiian whether or not they can trace their lineage back to the aboriginal, indigenous peoples of Hawaii. The opponents also fail to understand the tremendous respect the people of Hawaii have for Native Hawaiian culture and the fact that the average person is not threatened by the idea of Native Hawaiians having recognition. The people of Hawaii understand that the preservation of rights for Native Hawaiians does not happen to their detriment.

The opponents of this legislation have tried to spread misinformation about the bill to lead non-Hawaiians to believe that their rights will be taken away if the bill is passed. This is not true. In the days to come I will elaborate more. Today, however, I wanted to share Hawaii's history and to explain the celebration of diversity and of multiculturalism in my home state. I am proud of my constituents—proud of their many cultures and traditions—and the fact that they are secure enough in their heritage to be able to support parity in federal policies for Native Hawaiians.

I ask my colleagues to join me in helping to do what is right, what is just for Native Hawaiians.

I look forward to the support that I will receive from my colleagues.

Thank you, Mr. President, for this opportunity to tell you about my history.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

TAX INCREASE PREVENTION ACT

Mr. MCCONNELL. Mr. President, we have had a very good week in the Senate. We had an opportunity to pass the Tax Increase Prevention Act an hour or so ago, which is going to make an important difference not only in the lives of a great number of individual Americans, but also it will be very critical in continuing this robust economy that America currently enjoys.

I commend Members of the Senate for stepping to the plate and passing this very important measure, and particular congratulations go to Chairman CHUCK GRASSLEY of the Finance Committee for his tenacious pursuit of this very important piece of legislation.

REAUTHORIZATION OF THE SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT OF 2000

Mr. SMITH. Mr. President, I rise today to engage in a colloquy with the majority leader, the Senator from Tennessee, regarding the reauthorization of the Secure Rural Schools and Community Self-Determination Act of 2000. This program is critical to bridge the gap in my State and others between what was, what is, and what will be the management direction of Federal forests. For nearly 100 years, counties across the country have shared in the productivity of Federal lands. They have received 25 percent of revenues derived from commercial activity on Forest Service lands, and under a separate statute—50 percent of BLM revenues derived from the O & C lands of western Oregon. In areas that are dominated by Federal forests, these revenues also dominate county government budgets—budgets that pay for public schools, road maintenance and public safety.

This issue is not one of permanently replacing forest productivity with a Government check. While I am a lead proponent of the safety net, which was not intended to be permanent, I have also tried very hard to restore common sense, predictability and productivity to the management of Federal forests. These lands are both ecological and economic assets that must be treated better.

Unfortunately, that day has not yet arrived. That is why we created a safety net in 2000. That is why we also passed the Healthy Forests Restoration Act. That is why we must consider dealing with postcatastrophic event legislation, why we must continue funding the Forest Service and BLM forest management programs and do the other things that are needed to create real jobs in the woods and return viability to rural communities.

Again, the day when forests are ecologically and economically sustainable has not yet arrived. What has arrived is an impending disaster if the county payments safety net is not extended. Oregon counties are not alone facing the hard times. Places such as Clearwater County, ID; Chelan County, WA; and Siskiyou County, CA, will also be devastated by failure to make a short-term extension of the Secure Rural Schools Act.

A commitment from the majority leader to work with me to identify offsets for an extension of the Secure Rural Schools Act will embolden our efforts and reassure rural counties in my State that this issue is of the utmost importance to the Senate.

Mr. FRIST. I thank the Senator from Oregon for his dedication to his State and all States that have been affected by the downturn in Federal timber receipts. He has been in close contact with me, the assistant majority leader and the chairman of the Senate Finance Committee communicating the significance and urgency of his cause. I commit to him to address the needs of rural counties and schools in Oregon and elsewhere. Working with the committees of jurisdiction, I commit to a thorough search for funding offsets so that these critical rural education programs can continue to serve the youth of those communities.

Mr. GRASSLEY. I am aware of Senator SMITH's concerns and pledge to work with him within the Finance Committee's jurisdiction, especially in the area of tax-exempt financing, to find the resources to assist the hard-hit areas to which he refers.

Mr. SMITH. I appreciate the commitment of the Senator from Tennessee to help identify the needed offsets to extend the Secure Rural Schools program and look forward to working with him closely in the coming weeks. I also thank the chairman of the Finance Committee for his consideration of this issue.

MEDICAL CARE ACCESS PROTECTION ACT OF 2006 AND HEALTHY MOTHERS AND HEALTHY BABIES ACCESS TO CARE ACT

Mr. KYL. Mr. President, I regret that, twice this week, the Senate has failed to address the problem of medical liability costs. I support S. 22, the Medical Care Access Protection Act of 2006, and S. 23, the Healthy Mothers and Healthy Babies Access to Care Act. Both of these bills would address the very real problem of access to medical care for people in my State and across the country. We have a crisis in the United States, and in particular in Arizona, when it comes to the availability of providers.

The terrible distortions in our medical liability system have been with us for years. In Arizona, we have seen emergency rooms that cannot remain open because there are not enough trauma surgeons and specialists to staff the ER, physicians who have decided to move from my State to States with more supportive medical liability law, and finally, doctors who have opted to retire early. It is troubling to have highly trained, dedicated, qualified members of the medical community leave or to give up their profession—all to the detriment of their patients.

This shrinking availability of physicians is due in part to the high insurance premiums that doctors are facing.

In just 5 years, the premiums for general surgery in Arizona increased from $37,804 to $56,862—an increase of 50 percent. For obstetricians in Arizona, premiums in 2001 were $49,436 and are now averaging $72,734. These premiums are rising at a staggering rate in part because juries in malpractice cases have given high-dollar verdicts to plaintiffs. Some of the verdicts are merited; many, we know, are not. In the end, these legal excesses damage the medical liability system, push up premiums, and lead to the early exodus of physicians. The system is broken and it is patients who suffer.

Hard-working men and women who need emergency medical treatment face longer waiting times when there are too few physicians to staff hospitals. Instead of a few days, it takes weeks for children to be seen for complex conditions because of the lack of pediatric specialists. Our seniors are forced to drive longer distances because they are told that physicians are no longer seeing any new Medicare patients. The situation for both physicians and patients has grown bleak, and care is compromised.

We should address this by enacting meaningful medical liability reform. S. 22 provides full recovery of the cost of necessary medical expenses and lost wages in a medical negligence case. When a wrong has occurred, it is important that the patient be able to gain a legal settlement or verdict that meets his or her future needs. This has always been a hallmark of medical liability legislation I have supported because it is in the best interest of the patient. New to S. 22 is the Texas model of caps on noneconomic damages,limiting them to $750,000 for noneconomic damages from three parties. I hear constantly from physicians who share with me the escalating costs of medical liability insurance and the ways they have had to alter their practice to pay these bills.

We have had an exodus of specialists from emergency room on-call rosters, and as you might have expected, hospitals are having trouble recruiting new physicians to the area. Compared to the national average of 283 physicians per 100,000 people, Arizona has only 207 physicians per 100,000 people.

I recently got an e-mail from an emergency physician, Todd Taylor of Phoenix, who is leaving the clinical practice to go to Tennessee. He is giving up medicine at the age of 49, in part, he said, because he sees a bad situation getting worse. The American College of Emergency Physicians recently issued a ''national report card'' and graded the medical liability environment in Arizona a D-minus.

I also heard about a woman in Arizona who returned to her obstetrician to deliver her second child, only to find out that physician had stopped delivering babies because of the high liability premiums. Arizona cannot afford to have physicians leave the State or curtail their practices.

There are areas of my State like Apache County that don't have even a single obstetrician. That means women in labor have to drive to neighboring counties to deliver their children. Apache had only 34 physicians in the whole county in 2004 and has seen even more physicians leave the area since then. One physician there, Thomas Bennett, said that his liability premiums, coupled with decreasing reimbursement, forced him out of his practice after 25 years. Dr. Bennett was an OB/GYN and always practiced in rural areas. What a loss to that community and to our State. S. 23, the second bill I mentioned, would provide liability protection for those who deliver babies and might keep physicians in practice or encourage obstetricians to practice in underserved areas like Apache Conty, AZ.

This is not how the system was ever intended to work. If we want women and babies to enjoy the medical care they expect and deserve, we need to find ways to encourage physicians to practice throughout my State and throughout the country. We cannot afford to have doctors relocating to different States to find more favorable laws and for communities to go without vital services.

The health care community has asked for the protections it needs to continue to provide services.

My Senate colleagues should do the right thing for patients, physicians, and hospitals, and reconsider their opposition to medical liability reform now. We will keep coming back until they are willing to address this situation—not just for the medical community but for all of the patients it serves.

Mr. CHAMBLISS. Mr. President, I rise today to speak on the issue of medical liability reform. Earlier this week, we attempted to bring the issue of medical liability reform to the Senate floor for a debate. Two bills were offered, S. 22, the Medical Care Access Protection Act, and S. 23, the Healthy Mothers and Healthy Babies Access to Care Act, both medical liability reform bills. We had two votes that would have simply allowed us to proceed to a debate on these two bills. Both of these procedural motions failed, and unfortunately we were unable to discuss this very important issue in the United States Senate.

The American Medical Association has declared a medical malpractice crisis in 21 States, including my home State of Georgia. Hospitals, physicians, and patients in Georgia and across the Nation are being negatively impacted by rising costs in medical care and medical liability insurance premiums. Many health care providers have left their practices, retired, or moved to another State. As a result, we have seen a reduction in access to health care services and an adverse impact on the health and well-being of the citizens of Georgia. A new medical liability law in Georgia hopefully will help to improve the quality of health care services and assist in lowering the cost of health care liability insurance in my State. I applaud the lawmakers in the State of Georgia who took the time to address this issue on the State level and craft a law that will be beneficial to our physicians and patients.

I was disappointed that the Senate was not able to bring this discussion to the floor. Many of my colleagues and I would have enjoyed the opportunity to participate in a healthy debate. While I do not agree with all aspects of the two proposed pieces of legislation, it is vital that we move forward with a discussion if we ever expect to find a solution. Many of the issues that come before the Senate are not easy ones. In order to find compromises, this body must participate in debates.

Meaningful medical liability reform, at the Federal level, should help rid our court system of frivolous lawsuits, while addressing those who are seriously injured because of negligence. This reform would have to allow injured victims compensation for economic damages—medical expenses, rehabilitation costs, and loss of wages and future earnings—as well as reasonable awards for pain and suffering. We need a system that allows patients the right to pursue any cause where injury is the result of negligence; while at the same time, we need a system that provides reasonable protection to hospitals and physicians.

Our doctors throughout the country do amazing and heroic things everyday. I commend all of them for the hard work and long hours they put in to help ensure the health and wellness of the citizens in our great Nation. I am disappointed that the Senate could not move forward with a discussion on medical liability reform.

HONORING OUR ARMED FORCES

STAFF SERGEANT GREGORY WAGNER

Mr. JOHNSON. Mr. President, I rise today to pay tribute to SSG Greg Wagner and his heroic service to our country. As a member of the South Dakota National Guard, Staff Sergeant Wagner was deployed to Iraq with the Battery C, 1st Battalion, 147th Field Artillery based out of Yankton. On May 8, 2006, he died when his convoy was attacked in a Baghdad neighborhood.

Greg graduated in 1989 from Hanson High School in Alexandria. Soon after his graduation, he enlisted in the South Dakota National Guard. Al Blankenship, the Commander of the American Legion in Alexandria, remembers him as a true military man. Dedicated to the South Dakota National Guard, he worked full time as a heavy equipment mechanic at the National Guard maintenance complex in Mitchell until his unit was deployed in October 2005. Greg was a team leader for his unit, which was tasked with training and evaluating the Iraqi police force in one of the city's police districts.

Greg's high school football coach, Jim Haskamp, remembers him as a very loyal person, which was evident in all aspects of his life. Greg's favorite past time was football. Haskamp recalls that, ''You could chew him out for something, and he'd come back and thank you for trying to make him better.''

Sergeant Wagner gave his all for his soldiers and his country. Our Nation owes him a debt of gratitude, and the best way to honor his life is to emulate his commitment to our country. Mr. President, I join with all South Dakotans in expressing my deepest sympathy to the family of Staff Sergeant Greg Wagner. He will be missed, but his service to our Nation will never be forgotten.

FIRST SERGEANT CARLOS N. SAENZ

Mr. ENSIGN. Mr. President, next week, the family, friends, and comrades of 1SG Carlos Saenz will gather to say a final goodbye as he is laid to rest at Arlington National Cemetery. I pay tribute to his life and legacy.

Carlos Saenz will be buried at Arlington in the company of some of this Nation's greatest fighters, leaders, and explorers—men and women who changed the course of our country. It is completely fitting that Carlos Saenz be laid to rest there because Carlos represents all that is great about America.

Carlos was born in Mexico. He became a naturalized citizen and considered himself extremely lucky and proud to be an American, as we all should. And for more than 25 years, he gave back to this country with every fiber of his being.

Carlos entered active duty in 1978 and was a member of the Nevada National Guard from 1990 to 1992 serving with the 72nd Military Police Company out of Henderson, NV, in Desert Storm and Desert Shield. In June of 1994, he was assigned to the Guard's 1st Squadron, 221st Armor Battalion, Las Vegas, until January 2000. In January 2000, he became an instructor at the 421st Regional Training Institute in Stead, NV. Then, in May 2002, he joined the Guard's 1864th Transportation Company, in Henderson, until he was honorably discharged in January 2004. He then was assigned to the Individual Ready Reserve. He earned the rank of first sergeant in 2001.

Carlos was in Iraq as a trained civil affairs noncommissioned officer assigned to the 490th Civil Affairs Battalion, Abilene, TX. He had an extensive military education and had received countless awards for his service. Carlos had also worked for the Nevada Test Site's security firm for more than two decades where they are remembering him as ''a patriot, a great American, and a good man.''

Nowhere is his loss being felt more than at his home in Las Vegas, where he is being remembered and mourned by his wife, Nanette; his son, Juan; his parents; and brothers and sisters.

I had the opportunity to speak with Nanette Saenz yesterday. I called to extend my condolences and appreciation on behalf of this country. It shouldn't surprise me, but I am always taken aback by the strength and pride of the families of our fallen heroes. It makes sense that our brave servicemen and women have equally brave support systems at home. Nanette was no exception. As the family made clear in a statement, they ''know the legacy he leaves behind while serving in a profession where 'all give some, but some give all'.'' Carlos loved being a soldier and loved what he was doing.

We are fortunate that someone like Carlos came to this country. He died as an American—defending his country, fighting for freedom, and working to keep his family and all our families safe and secure. May God keep him close and watch over his family. And may God continue to bless America with people like Carlos and Nanette Saenz.

POLICE CHIEFS SUPPORT COMMON SENSE NATIONAL GUN SAFETY REGULATIONS

Mr. LEVIN. Mr. President, a national study of police chiefs' support for a variety of possible gun safety regulations was recently completed by researchers at Wayne State University, the University of Toledo, and Kent State University. The study, titled ''Police Chiefs' Perceptions of the Regulation of Firearms,'' was published in the April issue of the American Journal of Preventive Medicine. I applaud the researchers for addressing this important issue and for their contribution to the debate about common sense gun safety legislation.

As the study points out, ''Firearm injuries are the second leading cause of injury death in the United States, and since 1972 have killed on average more than 30,000 people each year.'' Our police chiefs see the consequences of gun violence on a daily basis and are in a unique position to evaluate possible solutions to the gun violence epidemic in our country. For their study, researchers surveyed 600 randomly selected police chiefs in cities with populations of more than 25,000 people. This survey was intended to measure the police chiefs' support for a number of possible gun safety regulations. While the responses of the police chiefs may not be surprising to advocates of commonsense gun safety legislation, they are striking and certainly worth noting.

There were a number of potential gun safety regulations that received the support of an overwhelming majority of the police chiefs who returned surveys. Specifically, 93 percent of police chiefs supported a requirement that background checks be completed prior to the purchase of all handguns and 82 percent believed background checks should also be required for the purchase of rifles and shotguns. This means that overwhelmingly police chiefs believe background checks should be required for the purchase of all firearms, regardless of whether they are purchased from a public or private dealer.

As my colleagues know, current law requires that when an individual buys a firearm from a licensed dealer, a background check must be completed to insure that the purchaser is not prohibited by law from purchasing or possessing a gun. However, this is not the case for some gun purchases. For example, when an individual buys a firearm from a private citizen who is not a licensed gun dealer, there is no Federal requirement that the seller ensure the purchaser is not in a prohibited category. This creates a loophole in the law, making it easy for criminals, terrorists, and other prohibited buyers to evade background checks and buy guns. This loophole creates a gateway to the illegal market because prohibited buyers know they will not be subject to background checks when purchasing a firearm from a private citizen.

One of the factors that automatically disqualifies a person from purchasing a firearm is a prior felony conviction. However, most misdemeanor convictions do not disqualify a person under Federal law from buying a firearm. In response to the survey, a majority of the police chiefs supported a prohibition on the sale of firearms to those who have been convicted of misdemeanor crimes including the public display of a firearm in a threatening manner, domestic violence, and carrying a concealed weapon without a permit.

In addition, the police chiefs supported action on a number of other commonsense gun safety regulations on handguns. More than 81 percent of the police chiefs said that the Federal Government should require handguns to be assigned tamper-resistant serial numbers that could assist law enforcement officials in the prosecution of illegal gun traffickers. Nearly 70 percent of the police chiefs believe that all handguns should be registered, and 82 percent believe that the Federal Government should require all new handguns to be sold with trigger locks.

Our Nation's police chiefs are particularly knowledgeable and well placed to assess the importance of commonsense gun safety laws in protecting the safety of our communities and in stopping the flow of firearms to the illegal market. Through their responses to the survey, the police chiefs are sending a clear message that they believe that stricter national standards on the purchase and possession of firearms should be enacted. Congress should listen to this important message and take action on these issues.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new

categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On March 10, 2006, in Holland, MI, Jason Burns, a student at Hope College, was attacked leaving the campus library. Burns, a well-known gay rights advocate, frequently held lectures on homophobia after his freshman roommate moved out because of Burns' sexuality. While leaving the library a group of students attacked Burns, striking him multiple times and yelling homophobic epithets.

I believe that the 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 is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

THIRTIETH ANNIVERSARY OF THE FOUNDING OF THE MOSCOW HELSINKI GROUP

Mr. BROWNBACK. Mr. President, as chairman of the Helsinki Commission, I am pleased to recognize the accomplishments of the Moscow Helsinki Group, which will mark the 30th anniversary of its founding later this week in the Russian capital. I particularly want to acknowledge the tremendous courage of the men and women who—at great personal risk—established the group to hold the Soviet Government accountable for implementing the human rights commitment Moscow has signed onto in the historic Helsinki Final Act. Today, the Moscow Helsinki Group is the oldest of human rights organizations active in the Russian Federation. Having played a pivotal role in the struggle for human rights during the Soviet period, the group continues to work tirelessly for the cause of human rights, democracy, and rule of law throughout Russia.

When, on behalf of the United States, President Ford signed the Helsinki Accords in August 1975, he was criticized in some circles for supposedly having accepted Soviet control and domination of Eastern Europe in return for what some viewed as worthless promises on human rights. Ultimately, the skeptics were proven wrong. The Helsinki Accords did not legitimize the Soviet conquest of Eastern Europe at the end of World War II. Moreover, by reprinting the entire text of Accords in Pravda, the Soviet Government had publicly pledged to live up to certain human rights standards that were generally accepted in the West but only dreamed of in the Soviet Union and other captive nations. That fact would have huge consequences.

In late April 1976, Dr. Yuri Orlov, a Soviet physicist who had already been repressed for earlier advocacy for human rights, invited a small group of human rights activists to join in a public group committed to monitoring the implementation of the Helsinki Accords in the USSR. Others responded to this invitation, and on May 12 creation of the Public Group to Assist the Implementation of the Helsinki Accords in the USSR was announced at a Moscow press conference organized by future Noble Peace Prize winner Academician Andrei Sakharov. Among the founding members of the Moscow Helsinki Group, as it became known, were the current chairperson, Ludmilla Alexeyeva, Dr. Elena Bonner, who would endure prolonged persecution with Dr. Sakharov, her husband, and others like cyberneticist Anatoly ''Natan'' Sharansky. They were joined by seven brave and principled individuals who were ready to sacrifice their comfort, the professional lives, their freedom, and even their lives on behalf of the cause of human rights in their homeland. More would join in subsequent days.

The Moscow Helsinki Group carried out its mission by collecting information and publishing reports on implementation of the accords in various areas of human rights. The 26 documentation provided by the group proved particularly valuable when the signatories convened in Belgrade in 1977 to assess implementation of Helsinki provisions, including human rights.

Naturally, the Soviet Politburo and the Communist Party had no intention of tolerating citizens who actually expected their government to live up to the pledges it had signed in Helsinki. Some members of the Moscow Group were forced to emigrate, many were sentenced to long terms in labor camp, the Soviet ''GULag,'' while others were sent into internal exile far from families and loved ones. In September 1982, under the repressive rule of former KGB chief Yuri Andropov, the Moscow Helsinki Group was forced to suspend its activity. Only three members remained at liberty, and they were constantly harassed by the KGB. Tragically, founding member Anatoly Marchenko died during a hunger strike at Chistopol Prison in December 1986, only a few months before the Gorbachev government began to empty the labor camps of political and religious prisoners.

Between 1982 and 1987, it seemed that the Soviet Government had succeeded in driving the human rights movement abroad, to the labor camps of the GULag, or underground. The reality was that the Helsinki movement had brought to light the deplorable human rights situation in the Soviet Union and put the Kremlin on the defensive before a world increasingly sensitive to the fate of individuals denied their fundamental rights. The efforts by Helsinki activists in the USSR, together with a stiffened resolve of Western governments, helped bring the Cold War to an end and bring down the barriers, both real and symbolic, that unnaturally divided Europe.

Reestablished in July 1989 by several veteran human rights activists, the Moscow Helsinki Group faces new challenges in Putin's Russia. I have met with Ludmilla Alexeyeva, a founding member who had been exiled to the United States during the Soviet era, who serves as the chairperson today. While Russia has thrown off so much of its Soviet past, the temptation of authoritarianism remains strong. Russia's implementation of Helsinki commitments, particularly those concerning free and fair elections and democratic governance, remain of deep concern to me and my colleagues on the Helsinki Commission.

Ultimately, Mr. President, a strong and prosperous Russia will not be sustained by oil or natural gas revenues but on respect for the dignity of its citizens and the observation of human rights, civil society, and the rule of law. These goals remain at the heart of the Moscow Helsinki Group's ongoing work. I salute the dedicated service of the members of the Moscow Helsinki Group, past and present, and wish them success in their noble endeavors to promote a free and democratic Russia.

CELEBRATING JUNETEENTH

Mrs. BOXER. Mr. President, today I rise to mark ''Juneteenth,'' the day in 1865 when General Gordon Granger issued his order proclaiming America's remaining slaves free.

On June 19, 1865, MG Gordon Granger and a group of Union soldiers landed at Galveston, TX. With their landing, they announced that the war had ended and that the slaves were now free. This was more than 2 years after President Lincoln's Emancipation Proclamation, which had little impact in Texas.

Though initially celebrated in Galveston, TX, Juneteenth is now observed nationwide. Americans from all racial and ethnic backgrounds celebrate Juneteenth. And while this day holds a special resonance for descendants of slaves, Juneteenth provides an important opportunity for us all to commemorate a central tenent of our great country: that we are all created equal. This Juneteenth let us all celebrate this milestone in the struggle for liberty by recommitting ourselves to the advancement of justice for all.

The stain of slavery can never be erased from the history of our Nation, and should never be forgotten. In celebrating Juneteenth, we also honor those who suffered under slavery and help to further our understanding of our Nation's history.

One of the most common elements of Juneteenth celebrations is the singing of ''Lift Every Voice and Sing,'' written by James Weldon Johnson. I am happy to provide these lyrics of this great American song:

LIFT EVERY VOICE AND SING

Lift every voice and sing
Till earth and heaven ring,

Ring with the harmonies of Liberty;
Let our rejoicing rise
High as the listening skies,
Let it resound loud as the rolling sea.
Sing a song full of the faith that the dark past has taught us,
Sing a song full of the hope that the present has brought us,
Facing the rising sun of our new day begun
Let us march on till victory is won.

Stony the road we trod,
Bitter the chastening rod,
Felt in the days when hope unborn had died;
Yet with a steady beat,
Have not our weary feet
Come to the place for which our fathers sighed?
We have come over a way that with tears have been watered,
We have come, treading our path through the blood of the slaughtered,
Out from the gloomy past,
Till now we stand at last
Where the white gleam of our bright star is cast.

God of our weary years,
God of our silent tears,
Thou who has brought us thus far on the way;
Thou who has by Thy might
Led us into the light,
Keep us forever in the path, we pray.
Lest our feet stray from the places, Our God, where we met Thee;
Lest, our hearts drunk with the wine of the world, we forget Thee;
Shadowed beneath Thy hand,
May we forever stand.
True to our GOD,
True to our native land.

—*James Weldon Johnson*.

Mrs. FEINSTEIN. Mr. President, I rise today in recognition of the first day designated to the conservation of the world's endangered species. I would like to take a moment to thank my Senate colleagues for unanimously designating this special day, and especially to my Senate cosponsors for helping to make this day possible.

Let me also commend my constituent Mr. David Robinson for suggesting the establishment of Endangered Species Day. I appreciate his hard work and dedication. Today's designation shows that individuals like Mr. Robinson do make a difference.

I am encouraged to learn that today many fine institutions across our country will use the opportunity of Endangered Species Day to bolster public awareness about the threats facing endangered species worldwide. From lectures at local zoos to birding trips with regional Audubon chapters, events are being held nationwide to commemorate this day. My hope is that Endangered Species Day will spark the wonder and interest among young people, students, and the general public about how they can become more involved in these conservation efforts.

In fact, I am proud to note that in my State of California, conservation and management efforts have helped significantly to restore California condor, winter run chinook salmon, and California gray whale populations. It is remarkable that even species once believed to have been extinct, such as the mount diablo buckwheat and the ventura marsh milk vetch, have been newly found in our State. The dedicated conservation efforts of volunteers, organizations, businesses, private landowners, and government agencies have proved effective in rehabilitating many endangered species populations.

We can be encouraged by these developments. These instances demonstrate that with responsible management we can halt endangered species from continuing down the path towards extinction.

Such success stories also show that more needs to be done to ensure the survival of these species. There are more than 1,000 species in the U.S. and abroad that are designated as ''at risk'' of extinction. With awareness comes responsibility, and it is my hope that Endangered Species Day will inspire continued action in response to the precarious circumstances of endangered species.

Mr. President, I hope that communities across the country take advantage of this special day to discuss ways that they can participate in conservation efforts for endangered species in their State, throughout the country, and around the world.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 9:31 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 1382. An act to require the Secretary of the Interior to accept the conveyance of certain land, to be held in trust for the benefit of the Puyallup Indian tribe.

The enrolled bill was subsequently signed by the President pro tempore (Mr. STEVENS).

At 12:31 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5143. An act to authorize the Secretary of Energy to establish monetary prizes for achievements in overcoming scientific and technical barriers associated with hydrogen energy.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 5143. An act to authorize the Secretary of Energy to establish monetary prizes for achievements in overcoming scientific and technical barriers associated with hydrogen energy; to the Committee on Energy and Natural Resources.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

S. 2791. A bill to amend title 46 and 49, United States Code, to provide improved maritime, rail, and public transportation security, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 11, 2006, she had presented to the President of the United States the following enrolled bill:

S. 1382. An act to require the Secretary of the Interior to accept the conveyance of certain land, to be held in trust for the benefit of the Puyallup Indian tribe.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–6809. A communication from the Secretary of the Senate, transmitting, pursuant to law, the report of the receipts and expenditures of the Senate for the period from October 1, 2005 through March 31, 2006; ordered to lie on the table.

EC–6810. A communication from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Global Terrorism Sanctions Regulations; Terrorism Sanctions Regulations; Foreign Terrorist Organizations Sanctions Regulations'' (31 CFR Parts 594, 595, and 597) received on May 8, 2006; to the Committee on Banking, Housing, and Urban Affairs.

EC–6811. A communication from the Legal Counsel, Terrorism Risk Insurance Program, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Terrorism Risk Insurance Program; TRIA Extension Act Implementation'' (RIN1505–AB66) received on May 8, 2006; to the Committee on Banking, Housing, and Urban Affairs.

EC–6812. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 06–85–06–101); to the Committee on Foreign Relations.

EC–6813. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''Report on Sales of Drugs and Biologicals to Large Volume Purchasers''; to the Committee on Finance.

EC–6814. A communication from the Secretary of Labor, transmitting, the report of a draft bill entitled ''Unemployment Compensation Program Integrity Act of 2006''; to the Committee on Finance.

EC–6815. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''User Fees for Competent Authority Limitation on Benefits Determination'' (Rev. Proc. 2006–26) received on May 8, 2006; to the Committee on Finance.

EC–6816. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Coordinated Issue: Credit for Increasing Research Activities—Extraordinary Expenditures for Utilities'' (UIL 41.51–01) received on May 11, 2006; to the Committee on Finance.

EC–6817. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Revenue Ruling: Down Payment Assistance'' (Rev. Rul. 2006–27) received on May 11, 2006; to the Committee on Finance.

EC–6818. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Intercompany Transactions; Manufacturer Incentive Payments'' ((RIN1545–BF32)(TD 9261)) received on May 11, 2006; to the Committee on Finance.

EC–6819. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Weighted Average Interest Rate Update'' (Notice 2006–49) received on May 11, 2006; to the Committee on Finance.

EC–6820. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Sample, Discretionary Amendment to Section 401(k) Roth Plan'' (Notice 2006–44) received on May 11, 2006; to the Committee on Finance.

EC–6821. A communication from the Chief, Publications and Regulations Branch, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Update of Rev. Proc. 2003–44—Employee Plans Compliance Resolution System'' (Rev. Proc. 2006–27) received on May 11, 2006; to the Committee on Finance.

EC–6822. A communication from the Director, Regulations and Disclosure Law, Customs and Border Protection, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled ''Establishment of a New Port of Entry in the Tri-Cities Area of Tennessee and Virginia and Termination of the User-Fee-Status of Tri-Cities Regional Airport'' (CBP Decision 06–14) received on May 11, 2006; to the Committee on Finance.

EC–6823. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''Development of a Strategic Plan Regarding Physician Investment in Speciality Hospitals''; to the Committee on Health, Education, Labor, and Pensions.

EC–6824. A communication from the Administrator, Office of Workforce Security, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''UIPL 14–05, Changes to UI Performs; UIPL 14–05, Change 1, Performance Criterion for the Overpayment Detection Measure; Clarification of Appeals Timeliness Measures; and Implementation of Tax Quality Measure Corrective Action Plans (CAPs)'' received on May 11, 2006; to the Committee on Health, Education, Labor, and Pensions.

EC–6825. A communication from the General Counsel, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, (3) reports on vacancies in the positions of Director and Deputy Director, Office of Management and Budget, and Administrator, Office of Federal Procurement Policy; to the Committee on Homeland Security and Governmental Affairs.

EC–6826. A communication from the Attorney, Office of Assistant General Counsel for Legislation and Regulatory Law, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Assistance Regulations'' (RIN1991–AB72) received on May 11, 2006; to the Committee on Energy and Natural Resources.

EC–6827. A communication from the Senior Counsel, Office of Legal Policy, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Eligibility of Arriving Aliens in Removal Proceedings to Apply for Adjustment of Status and Jurisdiction to Adjudicate Applications for Adjustment of Status'' (RIN1615–AB50 and RIN1125–AA55) received on May 11, 2006; to the Committee on the Judiciary.

EC–6828. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Designation of Areas for Air Quality Planning Purposes; Alabama; Redesignation of the Birmingham, Alabama 8-Hour Ozone Nonattainment Area to Attainment for Ozone'' (FRL No. 8169–4) received on May 11, 2006; to the Committee on Environment and Public Works.

EC–6829. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans and Operating Permits Program; State of Missouri'' (FRL No. 8169–3) received on May 11, 2006; to the Committee on Environment and Public Works.

EC–6830. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Air Quality Redesignation for the 8-Hour Ozone National Ambient Air Quality Standards; New York State'' (FRL No. 8169–9) received on May 11, 2006; to the Committee on Environment and Public Works.

EC–6831. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Final Exclusion'' (FRL No. 8169–5) received on May 11, 2006; to the Committee on Environment and Public Works.

EC–6832. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Ocean Dumping; De-designation of Ocean Dredged Material Disposal Site and Designation of New Site near Coos Bay, Oregon'' (FRL No. 8167–7) received on May 11, 2006; to the Committee on Environment and Public Works.

EC–6833. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revisions to the Arizona State Implementation Plan, Arizona Department of Environmental Quality, Pima County Department of Environmental Quality, and Pinal County Air Quality Control District'' (FRL No. 8159–7) received on May 11 , 2006; to the Committee on Environment and Public Works.

EC–6834. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Tennessee: Final Authorization of State Hazardous Waste Management Program Revisions'' (FRL No. 8168–4) received on May 11, 2006; to the Committee on Environment and Public Works.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. SPECTER for the Committee on the Judiciary.

Brett M. Kavanaugh, of Maryland, to be United States Circuit Judge for the District of Columbia Circuit.

Thomas L. Ludington, of Michigan, to be United States District Judge for the Eastern District of Michigan.

Sean F. Cox, of Michigan, to be United States District Judge for the Eastern District of Michigan.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LOTT (for himself, Mr. MARTINEZ, and Ms. LANDRIEU):

S. 2783. A bill to amend the Federal Water Pollution Control Act to expand and strengthen cooperative efforts to monitor, restore, and protect the resource productivity, water quality, and marine ecosystems of the Gulf of Mexico; to the Committee on Environment and Public Works.

By Mrs. FEINSTEIN (for herself, Mr. THOMAS, Mr. AKAKA, Mr. ALEXANDER, Mr. ALLEN, Mr. BAUCUS, Mr. BAYH, Mr. BIDEN, Mr. BINGAMAN, Mrs. BOXER, Mr. BURNS, Mr. BYRD, Ms. CANTWELL, Mr. CARPER, Mr. CHAFEE, Mrs. CLINTON, Mr. COBURN, Mr. COCHRAN, Mr. COLEMAN, Ms. COLLINS, Mr. CRAIG, Mr. DAYTON, Mr. DEWINE, Mr. DODD, Mrs. DOLE, Mr. DORGAN, Mr. DURBIN, Mr. ENSIGN, Mr. FEINGOLD, Mr. GRASSLEY, Mr. HAGEL, Mr. HARKIN, Mr. HATCH, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Mr. KYL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. LOTT, Mr. LUGAR, Mr. MARTINEZ, Mr. MCCAIN, Mr. MENENDEZ, Ms. MIKULSKI, Ms. MURKOWSKI, Mrs. MURRAY, Mr. NELSON of Florida, Mr. NELSON of Nebraska, Mr. OBAMA, Mr. PRYOR, Mr. REED, Mr. REID, Mr. ROCKEFELLER, Mr. SALAZAR, Mr. SANTORUM, Mr. SCHUMER, Mr. SESSIONS, Mr. SMITH, Ms. SNOWE, Mr. SPECTER, Ms. STABENOW, Mr. SUNUNU, Mr. TALENT, Mr. THUNE, Mr. VITTER, Mr. VOINOVICH, and Mr. WYDEN):

S. 2784. A bill to award a congressional gold medal to Tenzin Gyatso, the Fourteenth

Dalai Lama, in recognition of his many enduring and outstanding contributions to peace, non-violence, human rights, and religious understanding; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. CLINTON:

S. 2785. A bill to amend title 38, United States code, to provide for the payment of a monthly stipend to the surviving parents (known as ''Gold Star Parents'') of members of the Armed Forces who die during a period of war; to the Committee on Veterans' Affairs.

By Mr. VITTER:

S. 2786. A bill to amend title 5, United States Code, to permit access to databases maintained by the Federal Emergency Management Agency for purposes of complying with sex offender registry and notification laws, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. CRAIG (for himself, Mr. ROBERTS, Mr. THUNE, Mr. THOMAS, Mr. DORGAN, Mr. DOMENICI, Mr. ENZI, Mr. BENNETT, Mr. BAUCUS, and Mr. BURNS):

S. 2787. A bill to permit United States persons to participate in the exploration for and the extraction of hydrocarbon resources from any portion of a foreign maritime exclusive economic zone that is contiguous to the exclusive economic zone of the United States, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BENNETT (for himself and Mr. HATCH):

S. 2788. A bill to direct the exchange of certain land in Grand, San Juan, and Uintah Counties, Utah, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BURNS (for himself and Ms. MURKOWSKI):

S. 2789. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit to rural primary health providers; to the Committee on Finance.

By Mr. BIDEN:

S. 2790. A bill to repeal the fossil fuel energy tax incentives contained in the Energy Policy Act of 2005; to the Committee on Finance.

By Mr. STEVENS (for himself, Mr. INOUYE, Mr. SHELBY, Mr. SARBANES, Mrs. HUTCHISON, Ms. SNOWE, Mr. SMITH, Mr. BURNS, Mr. ALLARD, Mr. BENNETT, Mr. VITTER, Mr. BUNNING, Mr. ALLEN, Mr. GRAHAM, Mr. LOTT, Mr. DEWINE, Mr. DOMENICI, Mrs. DOLE, Mr. TALENT, Ms. MURKOWSKI, Mr. ROBERTS, Mr. LAUTENBERG, Mr. ROCKEFELLER, Mrs. BOXER, Mr. NELSON of Florida, Mr. KERRY, Ms. CANTWELL, Mr. REED, Mr. AKAKA, Mr. SCHUMER, Mrs. CLINTON, Mr. CARPER, Mr. MENENDEZ, Mr. KENNEDY, Mr. PRYOR, Ms. STABENOW, Mr. DORGAN, Mr. KOHL, Mr. BIDEN, Mr. DURBIN, Ms. MIKULSKI, and Mr. JEFFORDS):

S. 2791. A bill to amend title 46 and 49, United States Code, to provide improved maritime, rail, and public transportation security, and for other purposes; read the first time.

By Mr. GREGG:

S. 2792. A bill to revise and extend certain provisions of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LUGAR:

S. 2793. A bill to enhance research and education in the areas of pharmaceutical and biotechnology science and engineering, including therapy development and manufacturing, analytical technologies, modeling, and informatics; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KENNEDY (for himself, Mr. REID, Mr. BAUCUS, Mr. BINGAMAN, Mr. HARKIN, Ms. MIKULSKI, and Ms. CANTWELL):

S. 2794. A bill to ensure the equitable provision of pension and medical benefits to Department of Energy contractor employees; to the Committee on Energy and Natural Resources.

By Mr. MARTINEZ:

S. 2795. A bill to exclude from admission to the United States aliens who have made investments contributing to the enhancement of the ability of Cuba to develop its petroleum resources, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LIEBERMAN (for himself and Ms. COLLINS):

S. Res. 474. A resolution thanking Joyce Rechtschaffen for her service to the Senate and to the Committee on Homeland Security and Governmental Affairs; to the Committee on Homeland Security and Governmental Affairs.

By Mr. INHOFE (for himself and Mr. JEFFORDS):

S. Res. 475. A resolution proclaiming the week of May 21 through May 27, 2006, as ''National Public Works Week''; considered and agreed to.

By Mr. COCHRAN (for himself and Ms. LANDRIEU):

S. Con. Res. 94. A concurrent resolution expressing the sense of Congress that the needs of children and youth affected or displaced by disasters are unique and should be given special consideration in planning, responding, and recovering from such disasters in the United States; to the Committee on Homeland Security and Governmental Affairs.

ADDITIONAL COSPONSORS

S. 483

At the request of Mr. CORNYN, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 483, a bill to strengthen religious liberty and combat government hostility to expressions of faith, by extending the reach of The Equal Access Act to elementary schools.

S. 484

At the request of Mr. WARNER, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 484, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums.

S. 859

At the request of Mr. SANTORUM, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 859, a bill to amend the Internal Revenue Code of 1986 to allow an income tax credit for the provision of homeownership and community development, and for other purposes.

S. 910

At the request of Ms. SNOWE, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 910, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies, lumpectomies, and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 914

At the request of Mr. ALLARD, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 914, a bill to amend the Public Health Service Act to establish a competitive grant program to build capacity in veterinary medical education and expand the workforce of veterinarians engaged in public health practice and biomedical research.

S. 932

At the request of Mr. KENNEDY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 932, a bill to provide for paid sick leave to ensure that Americans can address their own health needs and the health needs of their families.

S. 985

At the request of Mrs. CLINTON, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 985, a bill to establish kinship navigator programs, to establish kinship guardianship assistance payments for children, and for other purposes.

S. 1035

At the request of Mr. INHOFE, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 1035, a bill to authorize the presentation of commemorative medals on behalf of Congress to Native Americans who served as Code Talkers during foreign conflicts in which the United States was involved during the 20th century in recognition of the service of those Native Americans to the United States.

S. 1214

At the request of Ms. SNOWE, the names of the Senator from New Jersey (Mr. MENENDEZ) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 1214, a bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans.

S. 1369

At the request of Mr. TALENT, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 1369, a bill to establish an Unsolved Crimes Section in the Civil Rights Division of the Department of Justice.

S. 1948

At the request of Mrs. CLINTON, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1948, a bill to direct the Secretary of Transportation to issue regulations to reduce the incidence of child injury and death occurring inside or outside of passenger motor vehicles, and for other purposes.

S. 2025

At the request of Mr. BAYH, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 2025, a bill to promote the national security and stability of the United States economy by reducing the dependence of the United States on oil through the use of alternative fuels and new technology, and for other purposes.

S. 2035

At the request of Mr. CRAIG, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 2035, a bill to extend the time required for construction of a hydroelectric project in the State of Idaho, and for other purposes.

S. 2556

At the request of Mr. BAYH, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 2556, a bill to amend title 11, United States Code, with respect to reform of executive compensation in corporate bankruptcies.

S. 2563

At the request of Mr. COCHRAN, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 2563, a bill to amend title XVIII of the Social Security Act to require prompt payment to pharmacies under part D, to restrict pharmacy co-branding on prescription drug cards issued under such part, and to provide guidelines for Medication Therapy Management Services programs offered by prescription drug plans and MA–PD plans under such part.

S. 2566

At the request of Mr. LUGAR, the names of the Senator from New Jersey (Mr. LAUTENBERG) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 2566, a bill to provide for coordination of proliferation interdiction activities and conventional arms disarmament, and for other purposes.

S. 2568

At the request of Mr. SARBANES, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 2568, a bill to amend the National Trails System Act to designate the Captain John Smith Chesapeake National Historic Trail.

S. 2607

At the request of Ms. SNOWE, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 2607, a bill to establish a 4-year small business health insurance information pilot program.

S. 2642

At the request of Mrs. FEINSTEIN, the names of the Senator from New Jersey (Mr. LAUTENBERG) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 2642, a bill to amend the Commodity Exchange Act to add a provision relating to reporting and recordkeeping for positions involving energy commodities.

S. 2643

At the request of Mr. BINGAMAN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 2643, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to clarify that Indian tribes are eligible to receive grants for confronting the use of methamphetamine.

S. 2658

At the request of Mr. LEAHY, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 2658, a bill to amend title 10, United States Code, to enhance the national defense through empowerment of the Chief of the National Guard Bureau and the enhancement of the functions of the National Guard Bureau, and for other purposes.

S. 2679

At the request of Mr. DODD, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2679, a bill to establish an Unsolved Crimes Section in the Civil Rights Division of the Department of Justice, and an Unsolved Civil Rights Crime Investigative Office in the Civil Rights Unit of the Federal Bureau of Investigation, and for other purposes.

At the request of Mr. TALENT, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 2679, supra.

S. 2760

At the request of Mrs. FEINSTEIN, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 2760, a bill to suspend the duty on imports of ethanol, and for other purposes.

S. RES. 270

At the request of Mr. BAYH, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. Res. 270, a resolution expressing the sense of the Senate that the International Monetary Fund should investigate whether China is manipulating the rate of exchange between the Chinese yuan and the United States dollar.

S. RES. 398

At the request of Mr. FEINGOLD, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. Res. 398, a resolution relating to the censure of George W. Bush.

S. RES. 431

At the request of Mrs. FEINSTEIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. Res. 431, a resolution designating May 11, 2006, as ''Endangered Species Day'', and encouraging the people of the United States to become educated about, and aware of, threats to species, success stories in species recovery, and the opportunity to promote species conservation worldwide.

S. RES. 472

At the request of Ms. MURKOWSKI, her name was added as a cosponsor of S. Res. 472, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers.

AMENDMENT NO. 3867

At the request of Ms. SNOWE, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of amendment No. 3867 intended to be proposed to S. 1955, a bill to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace.

AMENDMENT NO. 3914

At the request of Mr. DURBIN, his name was added as a cosponsor of amendment No. 3914 intended to be proposed to S. 1955, a bill to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace.

AMENDMENT NO. 3915

At the request of Mr. NELSON of Florida, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from North Dakota (Mr. DORGAN) and the Senator from Indiana (Mr. BAYH) were added as cosponsors of amendment No. 3915 intended to be proposed to S. 1955, a bill to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace.

AMENDMENT NO. 3917

At the request of Mr. BAUCUS, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of amendment No. 3917 intended to be proposed to S. 1955, a bill to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace.

AMENDMENT NO. 3924

At the request of Ms. SNOWE, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of amendment No. 3924 intended to be proposed to S. 1955, a bill to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN (for herself, Mr. THOMAS, Mr. AKAKA, Mr. ALEXANDER, Mr. ALLEN, Mr. BAUCUS, Mr. BAYH, Mr. BIDEN, Mr. BINGAMAN, Mrs. BOXER, Mr. BURNS, Mr. BYRD, Ms. CANTWELL, Mr. CARPER, Mr. CHAFEE, Mrs. CLINTON, Mr. COBURN, Mr. COCHRAN, Mr. COLEMAN, Ms. COLLINS, Mr. CRAIG, Mr. DAYTON, Mr. DEWINE, Mr. DODD, Mrs. DOLE, Mr. DORGAN, Mr. DURBIN, Mr. ENSIGN, Mr. FEINGOLD, Mr. GRASSLEY, Mr. HAGEL, Mr. HARKIN, Mr. HATCH, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Mr. KYL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. LOTT, Mr. LUGAR, Mr. MARTINEZ, Mr. MCCAIN, Mr. MENENDEZ, Ms. MIKULSKI, Ms. MURKOWSKI, Mrs. MURRAY, Mr. NELSON of Florida, Mr. NELSON of Nebraska, Mr. OBAMA, Mr. PRYOR, Mr. REED, Mr. REID, Mr. ROCKEFELLER, Mr. SALAZAR, Mr. SANTORUM, Mr. SCHUMER, Mr. SESSIONS, Mr. SMITH, Ms. SNOWE, Mr. SPECTER, Ms. STABENOW, Mr. SUNUNU, Mr. TALENT, Mr. THUNE, Mr. VITTER, Mr. VOINOVICH, and Mr. WYDEN):

S. 2784. A bill to award a congressional gold medal to Tenzin Gyatso, the Fourteenth Dalai Lama, in recognition of his many enduring and outstanding contributions to peace, nonviolence, human rights, and religious understanding; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. FEINSTEIN. Mr. President, I rise today to introduce the Dalai Lama Congressional Gold Medal Act of 2006.

This legislation would convey upon the 14th Dalai Lama, Tenzin Gyatso, one of Congress' most prestigious awards for his advocacy of peace, tolerance, human rights, non-violence, and compassion throughout the globe.

I am deeply honored to be joined today by my colleague, Senator THOMAS, and wish to express my appreciation to him for his willingness to be the lead Republican sponsor of this legislation.

Senator THOMAS has long been an advocate for addressing the plight of the Tibetan people, and in 2001 joined with me in introducing the Tibetan Policy Act, the first piece of legislation outlining U.S. policy toward Tibet and its people. He was truly instrumental in helping to advance its passage in the Congress.

In fact, one of my proudest days as a U.S. Senator was on September 30, 2002, when President George W. Bush signed the Tibetan Policy Act into law.

Both Senator THOMAS and I are also grateful that 73 of our Senate colleagues have agreed to be original cosponsors of this legislation honoring the Dalai Lama.

Under the rules, Congressional Gold Medals need the support of at least two-thirds, or 67 Senators, in order for the Senate Banking Committee to consider such authorizing legislation.

I look forward to working closely with Chairman SHELBY and Ranking Member SARBANES to ensure that the Dalai Lama Congressional Gold Medal Act can be taken up and passed out of the Banking Committee in a timely and efficient manner.

In my view, there is no international figure more deserving of the Congressional Gold Medal than His Holiness the Dalai Lama.

This is a man who has dedicated his life to the betterment of humanity as a whole. As one of the most respected religious figures in the world today, the Dalai Lama's teachings on peace, nonviolence and ecumenical openness have been embraced by millions.

One of his greatest contributions has been his promotion of harmony and respect among the different religious faiths of the world.

In his own words: ''I always believe that it is much better to have a variety of religions, a variety of philosophies, rather than one single religion or philosophy. This is necessary because of the different mental dispositions of each human being. Each religion has certain unique ideas or techniques, and learning about them can only enrich one's faith.''

As the spiritual leader of Tibetan Buddhism, he has worked arduously for nearly 50 years to increase understanding between China and the people of Tibet.

He has also dedicated his life to the preservation of the Tibetan culture, religion, and language.

The Dalai Lama's story is a fascinating one.

In 1959, as a teenager, he fled his Tibetan homeland for neighboring India, where he established a government-in-exile that eventually settled at Dharmasala—in the Himalayan foothills.

While he admittedly once espoused independence for Tibet—particularly in the face of the heavy-handed oppression of the Tibetan people by the Chinese Communists—the Dalai Lama foreswore this position nearly two decades ago.

Alternatively, he began to pursue a reasonable and flexible ''Middle Way Approach'' that would provide for cultural and religious autonomy for Tibetans, within the People's Republic of China.

In 1989, the Dalai Lama was the recipient of the Noble Peace Prize for his consistent and unfailing advocacy for the rights of the Tibetan people, along with his promotion of non-violence and peace throughout the globe.

In their recommendation, the Nobel Committee wrote:

The Committee wants to emphasize the fact that the Dalai Lama in his struggle for the liberation of Tibet consistently has opposed the use of violence. He has instead advocated peaceful solutions based upon tolerance and mutual respect in order to preserve the historical and cultural heritage of his people.

In April 1991 , when the Congress welcomed the Dalai Lama in a ceremony in the Capitol Rotunda that was attended by the entire Congressional leadership, he offered a moving anecdote about receiving a small gift from President Franklin Roosevelt when he was a young boy.

That gift—a gold watch showing phases of the moon and the days of the week—became very special to him.

''I marveled at the distant land which could make such a practical object so beautiful,'' he said.

''But what truly inspired me were your ideas of freedom and democracy. I felt that your principles were identical to my own, the Buddhist beliefs in fundamental human rights freedom, equality, tolerance and compassion for all.''

I have been blessed to be able to call the Dalai Lama a friend for almost three decades. I first met him through my husband Richard during a trip to India and Nepal in the fall of 1978.

Incidentally, our first stop was in Dharmasala, where we met with His Holiness and invited him to visit San Francisco where I was mayor.

The Dalai Lama was grateful for the invitation. At that time, he had never even been to the United States.

For political reasons, the Chinese objected to his visiting the United States, and our government, which at that time was in the process of normalizing relations with the People's Republic of China, was sensitive to these concerns.

While the trip was postponed temporarily, as mayor I was delighted to receive the Dalai Lama and present him with a key to the city upon his arrival in San Francisco in September 1979.

During our many conversations over the years, His Holiness has often reiterated that, at its core, Buddhism espouses reaching out to help others, particularly the less fortunate. And it encourages us all to be more kind and compassionate.

The Dalai Lama's persona exudes these qualities. He has a great sense of humor, responds quite spontaneously, and his philosophies cross all religions, cultures, and ethnic lines.

I have visited with him many times since 1978, and while his principled beliefs have never wavered, his teachings have become more expansive. His message has never been more relevant in our troubled world.

At the same time, I also had the opportunity as mayor of San Francisco to become acquainted with several of China's future leaders through the San Francisco-Shanghai Sister City Relationship that I started with Mayor Wang Daohan in 1980.

Mayor Wang's immediate successors, Jiang Zemin and Zhu Rongji, were both later promoted to high-level positions in the Chinese Communist Party and Central Government after leaving Shanghai.

Consequently, since 1990, my husband and I have had many discussions with Jiang Zemin, Zhu Rongji, and other Chinese officials about the status of the Dalai Lama and the plight of the Tibetans in and outside of Tibet.

On three separate occasions over the past 15 years, I have hand-delivered letters from His Holiness to the Chinese leadership, asking for direct talks and reiterating that he does not seek independence for Tibet.

I know that at the same time President Bill Clinton, President George W. Bush, and many others in the U.S. Government have also encouraged a meaningful dialogue. For the most part, these efforts have had little success.

If His Holiness the Dalai Lama were to return to Tibet, his wish is, as he says, to be a simple monk and to be involved only in religious and cultural matters.

China will be a better nation when it embraces the aspirations of the Tibetan people.

Through the passage of this legislation, the United States Senate would recognize the Dalai Lama's worldwide contributions to peace and religious understanding.

Among past recipients of the Congressional Gold Medal are fellow moral and religious leaders, including Pope John Paul II and Mother Teresa, and fellow Nobel Peace Laureates, such as Elie Wiesel and Nelson Mandela.

By definition, a Congressional Gold Medal is reserved for the most heroic, courageous and outstanding—those who we wish to emulate in our life's actions.

I strongly believe that the Dalai Lama is such an individual.

I am proud that the U.S. Congress has a long record of showing support for the Dalai Lama's message of peace and compassion, and I look forward to joining my colleagues in recognizing him with this distinguished award.

Mr. THOMAS. Mr. President, I rise today with my colleague from California in offering this legislation to award the 14th Dalai Lama with the prestigious Congressional Gold Medal.

Mr. President, the Dalai Lama has been one of the leading voices in advocating for peace, tolerance, human rights, nonviolence, and compassion throughout the globe. He has worked tirelessly for nearly 50 years to increase understanding between the Tibetan and Chinese people. In these difficult times, I believe it is necessary to recognize those who fight to bring people together. There are few international figures more deserving of receiving this award.

In 1959, the Dalai Lama fled his Tibetan homeland for neighboring India, where he established a government in exile. Under his ''Middle Way'' approach, he has worked arduously for the past two decades to find a reasonable and peaceful solution for providing cultural and religious autonomy for Tibetans within the People's Republic of China. He has also been a steadfast and vigorous advocate for peace and human rights for all people across the globe.

In 1989, he received the Nobel Peace Prize for his efforts. In their recommendation, the Nobel Committee noted that in his struggle for the liberation of Tibet, the Dalai Lama has consistently opposed the use of violence, and has instead advocated peaceful solutions based upon tolerance and mutual respect.

The Dalai Lama's worldwide contributions to peace, religious understanding, and the advancement of human rights are innumerable. He has made it his life's work to promote harmony and respect among the different religious faiths of the world. In his own words: ''I always believe that it is much better to have a variety of religions, a variety of philosophies, rather than one single religion or philosophy. This is necessary because of the different mental dispositions of each human being. Each religion has certain unique ideas or techniques, and learning about them can only enrich one's faith.''

By definition, a Congressional Gold Medal is reserved for the most heroic, courageous, and outstanding those who we wish to emulate in our own lives. The Dalai Lama is such an individual, and I urge all of my colleagues to join Senator FEINSTEIN and myself in honoring him with this distinctive award.

By Mr. BURNS (for himself and Ms. MURKOWSKI):

S. 2789. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit to rural primary health providers; to the Committee on Finance.

Mr BURNS. Mr. President, I am joined today by Senator MURKOWSKI in introducing the Rural Physicians Relief Act of 2006. This legislation is intended to bring needed relief to doctors in rural America.

As those of us from rural States are well aware, our constituents face many unique challenges when seeking quality health care. Our populations are small and spread out across extremely remote areas. Incidentally, the costs of operating even the most basic medical practice are simply too much for many physicians. As a result, many areas of our States tend to be some of the most medically underserved areas in the Nation.

To give you an idea of the situation in Montana, nearly 286,000 or one third of my constituents live in what are known as frontier areas. According to the United States Census Bureau, these are counties with fewer than seven people per square mile. That means that 46 of Montana's 56 counties are classified as frontier—24 of those have fewer than two people per square mile and 10 of those have less than one per square mile. However, what is even more striking is 9 of these frontier counties have no doctors at all, and 10 others have fewer than 3. Consequently, a large percentage of Montanans must travel great distances simply to get basic medical treatment.

The legislation that Senator MURKOWSKI and I are introducing today seeks to alleviate this problem. It will provide incentives to encourage physicians to practice in these remote and underserved areas. Specifically, it would give a physician who is a Primary health services provider a $1,000 tax credit for each month that he or she provides services in a frontier area. Furthermore, physicians who treat a high percentage of patients from frontier areas would also be eligible for the tax credit.

All too often many of our constituents are at a disadvantage simply because of where they live. While this legislation will not completely solve the problem, it will go a long way toward bringing quality health care to those in rural America.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2789

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Rural Physicians Relief Act of 2006''.

SEC. 2. NONREFUNDABLE CREDIT FOR RURAL PRIMARY HEALTH SERVICES PROVIDERS .

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25D the following new section:

''SEC. 25E. RURAL PRIMARY HEALTH SERVICES PROVIDERS.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual who is a qualified primary health services provider for any month during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to $1,000 for each month during such taxable year—

''(1) which is part of the eligible service period of such individual, and

''(2) for which such individual is a qualified primary health services provider.

''(b) QUALIFIED PRIMARY HEALTH SERVICES PROVIDER.—For purposes of this section, the term 'qualified primary health services provider' means, with respect to any month, any physician who is certified for such month by the Bureau to be a primary health services provider or a licensed mental health provider who—

''(1) is primarily providing primary health services, and either—

''(A) substantially all of such primary health services are provided in frontier areas (within the meaning of section 330I(r) of the Public Health Service Act), or

''(B) such primary health services are provided in a practice which includes rural patients from frontier areas (as so defined) in a percentage of the total practice which is at least equal to the percentage of total residents in the State in which such practice is

located who reside in frontier areas (as so defined),

''(2) is not receiving during the calendar year which includes such month a scholarship under the National Health Service Corps Scholarship Program or the Indian health professions scholarship program or a loan repayment under the National Health Service Corps Loan Repayment Program or the Indian Health Service Loan Repayment Program,

''(3) is not fulfilling service obligations under such Programs, and

''(4) has not defaulted on such obligations. Such term shall not include any individual who is described in paragraph (1) with respect to any of the 3 most recent months ending before the date of the enactment of this section.

''(c) ELIGIBLE SERVICE PERIOD.—For purposes of this section, the term 'eligible service period' means the period of 60 consecutive calendar months beginning with the first month the taxpayer is a qualified primary health services provider.

''(d) OTHER DEFINITIONS AND SPECIAL RULE.—For purposes of this section—

''(1) BUREAU.—The term 'Bureau' means the Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration of the United States Public Health Service.

''(2) PHYSICIAN.—The term 'physician' has the meaning given to such term by section 1861(r) of the Social Security Act.

''(3) PRIMARY HEALTH SERVICES PROVIDER.—The term 'primary health services provider' means a provider of basic health services (as described in section 330(b)(1)(A)(i) of the Public Health Service Act).

''(4) ONLY 60 MONTHS TAKEN INTO ACCOUNT.—In no event shall more than 60 months be taken into account under subsection (a) by any individual for all taxable years.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 25D the following new item:

''Sec. 25E. Rural primary health services providers.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

Ms. MURKOWSKI. Mr. President, today I am pleased to join Senator BURNS in introducing the Rural Physicians' Relief Act of 2006. This important legislation will bring needed assistance to physicians who provide primary health services to rural America.

Physicians who provide health care in the most rural locations in America face challenges unlike their more urban counterparts. Often great distances, remote locations, limited transportation, and harsh climate combine to make health care delivery extremely difficult to say the very least. Patient populations are small and spread out across extremely remote areas. As a result, many of these areas tend to be the most medically underserved areas in the Nation.

In my State of Alaska, a State that is larger than the States of California, Texas and Montana combined, nearly one-quarter of the State's population lives in communities and villages that are only reachable by boat or aircraft. In fact, Alaska has fewer roads than any other State—even fewer roads than Rhode Island. And unlike Rhode Island where over 90 percent of the roads are paved, less than 20 percent of the roads are paved in Alaska.

This means that approximately 75 percent of Alaskan communities are not connected by road to another community with a hospital. This means that all medical supplies, patients, and providers must travel by air. These remote populations tend to be among the poorest in the State. Air travel equates to excessively high health care costs—generally 70 percent higher than costs in the lower 48 States. In short, ''rural'' takes on a new definition in Alaska.

In Alaska, patient access to health care is exacerbated because our State also faces a chilling crisis—we have 25 percent to 30 percent fewer physicians than our population needs. In fact, Alaska has one of the smallest numbers of physicians per capita in the country. We need a minimum of 500 more doctors just to be at the national average of physicians per capita. An American Medical News article recently declared Alaska's precarious situation: ''Alaska has long ranked among the worst states in terms of physician supply.''

Our physician shortage crisis will only worsen. There is an expected retirement of at least 118 physicians in Anchorage alone in the next 10 years. In the 1990s, there were 130 new doctors each year. Now that figure has dropped to only 31 new physicians since 2001. Outside of Anchorage, one in every eight physician positions is vacant.

Additionally, many physicians are forced out of the Medicare and Medicaid Programs because reimbursement rates simply do not cover the cost to treat those patients. With Alaska's growing population, especially of our elderly, this shortage will lead to the severe health care access crisis for all Alaskans.

On top of harsh physical challenges, Alaska's rural population also faces significant human challenges. These rural patient populations are often in the greatest need for primary health care services. Heart disease, stroke, and other cardiovascular diseases are the leading causes of death in Alaska. Women in our State have higher death rates from stroke than do women nationally; and mortality among Native Alaskan women is dramatically on the rise, whereas it is actually declining among Caucasian women in Lower 48. The prevalence of chronic disease such as diabetes and even tuberculosis is increasing faster in Alaska than any other State. Each of these health concerns is magnified because access to health care—especially in rural Alaska—remains our greatest challenge.

The legislation that Senator BURNS and I introduce today seeks to lessen this problem. It will both assist physicians who currently practice in rural America and will provide an incentive to encourage physicians to practice in these remote and underserved areas. Specifically, it would give a physician who is a primary health services provider a $1,000 tax credit for each month that he or she provides services in a designated ''frontier'' area. Furthermore, physicians who treat a high percentage of patients from frontier areas would also be eligible for the tax credit.

Mr. President, my hope is to encourage physicians to practice medicine in rural Alaska and throughout rural America. Creating incentives that offset the high cost of providing care in the most remote areas of the Nation will go far in recruiting physicians to the areas that are most in need of their services.

By Mr. STEVENS (for himself, Mr. INOUYE, Mr. SHELBY, Mr. SARBANES, Mrs. HUTCHISON, Ms. SNOWE, Mr. SMITH, Mr Burns, Mr. ALLARD, Mr. BENNETT, Mr. VITTER, Mr. BUNNING, Mr. ALLEN, Mr. GRAHAM, Mr. LOTT, Mr. DEWINE, Mr. DOMENICI, Mrs. DOLE, Mr. TALENT, Ms. MURKOWSKI, Mr. ROBERTS, Mr. LAUTENBERG, Mr. ROCKEFELLER, Mrs. BOXER, Mr. NELSON of Florida, Mr. KERRY, Ms. CANTWELL, Mr. REED, Mr. AKAKA, Mr. SCHUMER, Mrs. CLINTON, Mr. CARPER, Mr. MENENDEZ, Mr. KENNEDY, Mr. PRYOR, Ms. STABENOW, Mr. DORGAN, Mr. KOHL, Mr. BIDEN, Mr. DURBIN, Ms. MIKULSKI and Mr. JEFFORDS):

S. 2791. A bill to amend title 46 and 49, United States Code, to provide improved maritime, rail, and public transportation security, and for other purposes; read the first time.

Mr. STEVENS. Mr. President, today I introduce a bipartisan transportation security bill, which is a joint Commerce and Banking Committee bipartisan package co-sponsored by Senators INOUYE, SHELBY, SARBANES, and 37 of our colleagues. This bill would dramatically enhance our Nation's port, rail, and transit security systems. The port and rail provisions of this package are identical to provisions of the transportation security bill, S. 1052, which was reported unanimously by the Commerce Committee last year. The transit provisions of the package are identical to those reported unanimously by the Banking Committee.

The events of 9/11 made clear that Congress needed to address the vulnerabilities within the Nation's transportation systems and dramatically increase security measures to protect the essential interstate flow of commerce.

Even before 9/11, the Commerce Committee led the Senate's effort to achieve the delicate balance between improved transportation security and the uninterrupted flow of commerce. In the weeks and months following the 9/11 terrorist attacks, the Commerce Committee developed the Maritime Transportation Security Act, which was signed into law by the President in 2002. The committee later expanded

MTSA by developing the Coast Guard and Maritime Transportation Act of 2004.

In MTSA, the Commerce Committee called on both public and private sector entities, including Federal agencies, the port community, vessel owners, shippers, and earners, to play a role in dramatically enhancing maritime security. The International Maritime Organization followed suit with its own improvements, many of which were based on the foundation set forth in MTSA.

The Commerce Committee spearheaded the establishment of a harmonized security credential for all transportation workers, authorizing the creation of a Transportation Worker Identification Credential, TWIC, program in the Aviation and Transportation Security Act (2001), and twice more in the Maritime Transportation Security Acts of 2002 and 2004. Additional statutory authority from the PATRIOT Act reinforced the importance of such a transportation credential.

TWIC is intended to improve identity management for all transportation workers, ensuring that only authorized personnel gain unescorted access to secure areas of the country's transportation system. TWIC is designed to mitigate the threat of terrorists exploiting certain physical and cyber security gaps in the transportation system.

The bill would require TSA to deliver a rulemaking on the implementation of the TWIC program. It has been over three and one half years since Congress first required such a card, and this provision sets a mandatory deadline of January 1, 2007 for rollout.

The bill that I propose also would direct the Coast Guard to expand the deployment of Interagency Operations Centers to ports throughout the United States. These centers, already operating in five cities, would bring together all port security and operations stakeholders into a single facility at major ports. This approach has proven effective at maximizing communication among Federal, State, and local entities charged with securing the ports.

In addition, the provision would require greater standards and requirements for cargo screening equipment, and call for additional data to be incorporated into the system used to target cargo and containers for searches.

While TWIC, Interagency Operation Centers, and equipment standards will help improve security on our shores, we must be cognizant of the fact that maritime security begins in foreign ports. We must cast our security net as far back into the inbound international supply chain as possible.

Two programs that were authorized by the Commerce Committee in MTSA address the need to pre-screen cargo bound for the United States—the Container Security Initiative CSI, and the Customs-Trade Partnership Against Terrorism, (C–TPAT).

CSI is a program in which U.S. inspectors are deployed to foreign nations to assist their foreign counterparts in the pre-screening of U.S.-bound cargo containers. C–TPAT is a voluntary supply chain security program that allows companies to seek certification from the Federal Government that such companies have taken sufficient steps to ensure that their supply chains are secure in exchange for expedited cargo clearance benefits at U.S. ports.

The bill that I introduce with my colleagues would require that basic program elements and standards be developed by DHS in order to provide CSI and C–TPAT participants a baseline understanding of the security standards expected of them.

Maritime security is not the only improvement that we must make—the unfortunate attacks on passenger trains in Madrid and the subways in London underscored weaknesses in rail transportation that our bill would seek to address. To improve rail security, our bill would require TSA to conduct railroad threat assessments and to prioritize recommendations. In addition, the legislation would create a rail security research and development program to encourage deployment of rail car tracking equipment for shipment of hazardous materials, and require threat mitigation plans when specific threat information exists. The bill also would authorize further studies of necessary improvements to passenger rail screening, in an effort to increase security in this mode of public transportation.

Our mass transit systems have pressing security needs, upon which our' colleagues on the Banking Committee are focused; as a result, transit security improvements are incorporated into our bipartisan bill. It is unfortunate that many transit agencies in the U.S. still lack sufficient resources to fulfill the post-9/11 recommendations of the Federal Transit Administration's security assessment. These needs are all the more pressing in light of recent DHS recommendations for U.S. mass transit systems to remain alert against the possibility of terrorist attacks. In response to this situation, our bill would create a needs-based grant program to identify and address risks and vulnerabilities within transit systems across the country. The bill would authorize $3.5 billion in funding over the next 3 years to transit agencies to invest in projects designed to resist and deter terrorist attacks, including: surveillance technologies; tunnel protection; chemical, biological, radiological, and explosive detection systems; perimeter protection; and a variety of other security improvements. The bill also would codify the role of an Information Sharing Analysis Center, which would provide security information to transit systems and ensure better communication among federal, state, local, and private sector entities.

To improve security, we must have clear objectives and methods to reach those goals. With limited resources, it is important to pinpoint risks and vulnerabilities that exist within our transportation systems, and address them accordingly. By combining provisions approved unanimously by the Commerce and Banking Committees, respectively, this bipartisan bill would make significant targeted improvements to the framework now in place to secure the Nation's port, rail, and transit environments.

Mr. INOUYE. Mr. President, it is hard to believe, but Congress has not made any substantive improvements to the Nation's transportation security systems since 2002. Yet nearly every day, we are provided further reminders that our transportation modes, particularly port, cargo, rail, and public transit, remain vulnerable.

Given the urgent need for further improvements, Chairman STEVENS and I have joined with the Banking Committee leaders, Senator SHELBY and Senator SARBANES, to advance a comprehensive transportation security bill that reflects the importance of our transportation infrastructure to the quality of life and economic health of the country.

Our legislation combines the port, cargo, and rail provisions of our Committee's Transportation Security Improvement Act with the Banking Committee's Public Transportation Terrorism Prevention Act. Together, the combined measure makes significant improvements to our port, cargo, rail, and public transit security nationwide.

It is important to note the level of Senate support for our approach. Not only have the elements of our bill been separately and unanimously approved by our respective Committees, our legislation has 42 Senate cosponsors on introduction. That kind of support demonstrates both the necessity of these improvements and the distinct possibility that we can move this bill this year.

The legislation that we introduce today, with its emphasis on the Coast Guard and the Transportation Security Administration, TSA, is the natural counterpart to the port security bill approved by the House of Representatives last week. The bills are directly compatible, and if the Senate moves quickly on this matter, we can proceed to conference and make real progress on transportation security before the session concludes.

This legislation reflects the port, cargo, and rail security expertise of the Commerce Committee and the public transit security expertise of the Banking Committee. On the Commerce Committee, we began examining port and cargo security in 1999 and had begun to craft security legislation even before the September 11 tragedy.

In 2001, our committee authored the landmark Maritime Transportation Security Act, MTSA, which established the foundation for the Nation's port and cargo security. Under the MTSA,

the Coast Guard became the lead agency on port security matters and created the Nation's current, international, inter-modal cargo security regime. That expertise and perspective is essential as we advance improvements to our maritime security laws.

However, the implementation of MTSA's security improvements has been weak and inconsistent. The Department of Homeland Security's budgets have not reflected port security's significance to the economy, and the Agency has missed numerous internal and legislated security deadlines. As a result, vulnerabilities remain.

Given the recent focus on the Nation's lingering, significant port security weaknesses, the country is now far more attuned to port and cargo security. The heartland is learning what the coasts have known for many years: Our national economy and physical security depend on strong port and cargo security.

Our legislation makes the many enhancements that are long overdue. It guides and enhances the Coast Guard's and the Department of Homeland Security's, DHS, authorities on maritime security. It improves examination of cargo before it reaches U.S. ports, provides a process for the speedy resumption of commerce in the event of an attack on a seaport, and expands the use of interagency operations centers.

Specifically, our legislation improves the examination of shipments before they reach U.S. shores. It calls upon the U.S. Customs and Border Protection, CBP, to develop standards for the evaluation, screening, and inspection of cargo destined for the U.S. prior to loading in a foreign port, and it provides greater targeting and scrutiny of high-risk cargo by requiring importers to file entry data 24-hours prior to loading at a foreign port.

Also, the legislation authorizes the random inspection of incoming cargo—a method which has proven to be 12 times more likely to find illicit shipments than traditional inspection methods.

In the event there is a seaport attack, our bill clarifies the requirements for expedited clearance of cargo through the Secure Systems of Transportation Program and extends the supply chain review to the initial point of loading. The bill also amends MTSA based on Government Accountability Office, GAO, recommendations to improve upon the Container Security Initiative, CSI, the Customs-Trade Partnership Against Terrorism Program, C–TPAT, and Automated Targeting System, ATS.

It is important to note that while our port security regime has significant weaknesses, the agencies involved have also begun to make some notable improvements in recent years. According to the Department of Homeland Security Inspector General's most recent report on the port security grant program, the DHS has made substantial progress on the program and is beginning to deliver funding to the Nation's ports efficiently and effectively.

Our legislation builds upon the port and cargo security systems that have taken 4 years to develop and provides the resources necessary to strengthen port security infrastructure, planning, and coordination. Other pending proposals have sought to reorganize the DHS yet again and add an additional layer of bureaucracy through a new Office of Cargo Policy. Such changes are counterproductive and suggest a lack of understanding of local stakeholders' actual needs and given the need for immediate improvements, they make little sense.

Our committee has also brought its transportation security expertise to bear on the challenges facing rail security. Consistent with the Rail Security Act approved unanimously by the Senate in 108th Congress, our legislation requires the Transportation Security Administration, TSA, to conduct a railroad sector threat assessment and submit prioritized recommendations for improving rail security. It also calls for the TSA and the Department of Transportation to clarify their respective roles for rail security.

Our legislation provides grants through TSA to Amtrak, freight railroads, and others to upgrade security across the entire railroad system. It provides funding through the Department of Transportation to make needed security and safety enhancements to Amtrak railroad tunnels in New York, Washington, and Baltimore.

Our bill creates a rail security research and development program through DHS and encourages the deployment of rail car tracking equipment for hazardous material rail shipments. It so requires railroads shipping high-hazard materials to create threat mitigation plans to protect high-consequence targets when specific threat information exists.

Finally, the bill authorizes studies to improve passenger rail screening and immigration processing along the U.S. northern border, creates a security training program for railroad workers, and provides whistleblower protections for workers who report security concerns.

All of these enhancements have been thoroughly vetted over several years of meticulous work. They have received the unanimous support of our committee membership, and in the case of the rail security provisions, the support of the full Senate in 2004.

In the 108th Congress, the Senate conclusive determined that transportation security and transportation safety could not be separated. Thus, given its oversight of the Coast Guard, TSA, and its general expertise in transportation matters, the Commerce Committee maintained jurisdiction over transportation security generally, and port, cargo, and rail security specifically. Similarly, the Banking Committee's expertise in urban transit has made it the Committee of jurisdiction for public transit security.

This expertise matters, particularly when crafting legislation that impacts how these systems operate. Transportation security legislation must reflect a balanced understanding of security, safety, and commerce. It is not enough to understand just one of those elements. Our economy is totally dependent upon efficient and effective transportation systems. Thus, our security policies must be robust, but they cannot ignore the realities of modern commerce nor the potential economic damage that could result from public policies that did not sufficiently take into account the resumption of our systems.

The legislation that we advance today reflects the Commerce and Banking Committees' expertise and understanding of this important balance. The time has come to advance these improvements, and nearly half of this body has already signed-on in support of this bill. Our legislation presents an opportunity to make immediate progress on transportation security, and it is my sincere hope that the Senate will act on this measure as soon as possible.

Mr. SARBANES. Mr. President, I am pleased to join with my colleagues in introducing legislation to improve security at our Nation's transit systems, rail lines, and ports. The transit title in this legislation was reported unanimously by the Banking Committee in November of last year, and the rail and port titles were reported on the same day by the Commerce Committee. Combining these titles into one piece of legislation makes extraordinary sense when one considers the urgent need to improve security in all areas of our Nation's multimodal transportation network.

As ranking member of the Banking Committee, which has jurisdiction over public transportation, I will focus my remarks on the transit portion of this legislation, though the need for improved security is equally great at our rail network and ports. Let me begin by noting that during the last Congress, the Senate unanimously passed the Public Transportation Terrorism Prevention Act of 2004, which is identical to the transit title in the legislation we are introducing today. Unfortunately, that legislation was never enacted into law, and the threat to transit continues. Just last week the Department of Homeland Security issued a new warning to transit systems to remain alert against possible terrorist attacks. According to the Associated Press, the warning said that four people had been arrested over the last several months in separate incidents involving videotaping of European subway stations and trains or similar activity, which provides ''indications of continued terrorist interest in mass transit systems as targets.''

Last year, the London subway system was the target of a tragic attack that left 50 people dead, and in 2004, almost 200 people were killed when bombs exploded on commuter rail

trains in Madrid. In fact, in 2002, the GAG reported that one-third of all terrorist attacks worldwide are against transit systems. Despite this significant threat, security funding has been grossly inadequate, and, as a result, our Nation's transit systems have been unable to implement necessary security improvements, including those that have been identified by the Department of Homeland Security. In an editorial last July, just after the London attacks, the Baltimore Sun stated that: Since September 11, 2001, the Federal Government has spent $18 billion on aviation security. Transit systems, which carry 16 times more passengers daily, have received about $250 million. That is a ridiculous imbalance.

The editorial goes on to state:

How would those in charge of the nation's public transit systems spend the extra money? Chiefly for necessities like security cameras, radios, training an extra security personnel. Those aren't extravagant requests.

Let me give one example of a critical need right here with respect to Washington's Metro. Their greatest security need is a backup control operations center. This need was identified by the Federal Transit Administration in its initial security assessment and then identified again by the Department of Homeland Security in its subsequent security assessment. This critical need remains unaddressed because it has been unfunded. This legislation would authorize the funding to make this and other urgently needed security upgrades at transit systems around the country.

We know that transit systems are potential targets for terrorist attacks. We know the vital role these systems play in our Nation's economic infrastructure. We can wait no longer to make these security investments.

I thank the chairman of the Banking Committee, Senator SHELBY, for his excellent leadership on transit security and Senator REED for his strong and continued commitment on this issue. I also commend the leadership of the Commerce Committee for their foresight in moving the port and rail titles of this legislation. I thank all of our colleagues who have joined as cosponsors of this legislation, and I urge the full Senate to support it.

By Mr. GREGG:

S. 2792. A bill to revise and extend certain provisions of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002; to the Committee on Health, Education, Labor, and Pensions.

Mr. GREGG. As we seen in recent years, our Nation is not immune from major public health and medical emergencies such as the terrorist attacks on 9/11 or Hurricanes Katrina and Rita. Many of us were living under a false sense of security that the United States was not susceptible to major terrorist attacks. We also believed that our Federal, state, and local governments had all the appropriate emergency preparedness measures in place to handle even the worst-case disasters, like the devastation caused by Hurricane Katrina or a pandemic outbreak of avian flu.

Prior to 9/11, our Nation's public health system provided passive surveillance to detect and track the spread of infectious diseases and to educate the public on how to better protect themselves. Are we better prepared today to handle a national public health emergency than we were prior to 9/11? I would say yes. But, we need to do more.

In the five years since 9/11 our Nation's public health system has begun to transform into a health system able to respond to public health emergencies, whether it is a terrorist attack, such as the anthrax, or a natural event.

The Bioterrorism and Public Health Emergency Preparedness Act of 2002, which I co-authored, provided a number of critical provisions to strengthen our Nation's public health infrastructure after we were attacked on 9/11. The act has authorized almost $8 billion for state and local public health and hospital preparedness to increase medical surge capacity and surveillance capabilities. The act created the Office of Public Health and Emergency Preparedness at HHS to coordinate Federal public health and medical emergency preparedness and response, such as significant increases of vaccines, antivirals, and medical supplies, such as gloves, masks and first-aid equipment for rapid deployment anywhere in the U.S. through the Strategic National Stockpile. The act also strengthened border protection authorities, including quarantine and isolation, and food importation and our water supply.

While the Bioterrorism and Emergency Preparedness Act of 2002 improved our Nation's public health and medical response infrastructure, much work remain. We still cannot say with any certainty that states are more prepared than before 9/11 because we still do not have meaningful standards to evaluate our level of preparedness. Once states develop preparedness plans, we must test and evaluate them. Individuals throughout all levels of government and the private sector agree that one of the biggest public health weaknesses is the lack of adequate testing and evaluation of the response plans long before an emergency occurs.

Now that we've had almost five years to strengthen our capacity to respond effectively to a national emergency, we need to now shift our focus to areas that are especially at a high risk of a terrorist attack or a natural emergency. The Federal government must play a role, but cannot stand alone. The state and local public health and medical first responders will be on front lines during a national emergency. State and local governments have the in-depth knowledge of their own medical surge capacity and response plans and must play a significant role in their own preparedness preparations.

We need to do more to encourage states and regions to coordinate and share resources, including personnel, hospital beds and medical supplies during a major emergency. The public health and emergency medical response community agrees that it is critical to establish regional agreements among neighboring states. A regional approach will greatly increase a state's surge capacity to handle a major public health emergency. Incentivizing states to coordinate emergency preparedness planning is critical. My state of New Hampshire, along with Maine and Vermont, have established memo of understanding to share resources, such as medical personnel and hospital beds, during an emergency in the region.

Finally, we must establish coordination among all levels of government—from the Federal government all the way down to the city and town leaders. The Federal response during a national emergency is managed by the Department of Homeland Security and guided by the National Response Plan (NRP). The NRP directs the Department of Health and Human Services (HHS) to lead the Federal public health and medical response and support the state and local first-responders. It is essential that clear and robust lines of communication are developed between federal agencies to effectively prepare for and respond to national emergencies.

Our Nation has certainly had its share of very difficult circumstances to overcome in recent years. I believe these incidents have given us a real wake-up call that we must prepare at all levels of government to provide a rapid and robust response. I believe the bill I am introducing today will focus on all levels of government to be accountable and prepared to better respond to national public health and medical emergencies.

By Mr. LUGAR:

S. 2793. A bill to enhance research and education in the areas of pharmaceutical and biotechnology science and engineering, including therapy development and manufacturing, analytical technologies, modeling, and informatics; to the Committee on Health, Education, Labor, and Pensions.

Mr. LUGAR. Mr. President, I rise today to introduce the Pharmaceutical Technology and Education Enhancement Act. The legislation that I introduce today would improve pharmaceutical and biotechnological development and manufacturing through education and research at our nation's institutions of higher education. By expanding pharmaceutical science, technology and engineering research within our universities, this bill aims to expedite the drug manufacturing process,

thereby producing quality pharmaceuticals at a more affordable cost to consumers.

In 1999, 8.2 percent of total health care spending in the United States was attributed to prescription drugs. By 2010, prescription drugs are expected to account for 14 percent of our nation's health care spending. In addition, the average cost of bringing a new drug to market has risen 50 percent in the last five years, now costing as much as $1,700,000,000.

The trend of rising pharmaceutical costs is disturbing as it discourages innovation and impedes efforts to fight disease and address important public health concerns. High pharmaceutical manufacturing costs associated with outdated manufacturing processes significantly contribute to the rising cost of prescription drugs and overall health care in our country.

This legislation would establish a partnership between the Food and Drug Administration and other federal agencies, the pharmaceutical and medical industries, and the National Institute for Pharmaceutical Technology and Education whose member institutions include Purdue University, in my home state of Indiana, and ten other exemplary research universities throughout the country. This collaboration will expand the ability of those in the academic research field to contribute to the medical technology and pharmaceutical industries to create better quality products with more efficient, less costly manufacturing.

Without a change in the pharmaceutical manufacturing process, health care costs in this country will continue to rise and prevalent public health concerns will remain unanswered. Engaging the academic community in this process is vital and I urge my colleagues to join me as co-sponsors of this important legislation.

By Mr. KENNEDY (for himself, Mr. REID, Mr. BAUCUS, Mr. BINGAMAN, Mr. HARKIN, Ms. MIKULSKI, and Ms. CANTWELL):

S. 2794. A bill to ensure the equitable provision of pension and medical benefits to Department of Energy contractor employees; to the Committee on Energy and Natural Resources.

Mr. KENNEDY. Mr. President, today Senators REID, BAUCUS, BINGAMAN, HARKIN, MIKULSKI and CANTWELL join me in introducing legislation to protect the pensions and health care of America's nuclear defense and energy workers who provide critical services to support our national defense and energy security.

Our bill reverses a policy the Bush administration recently issued to eliminate secure pensions and good health care for workers under Department of Energy contracts. This policy is bad for workers and bad for business. By attacking their secure pensions and quality health care benefits, this administration is undermining our government's ability to protect our Nation and strengthen our economy. And it is broadcasting a message that American workers' secure retirement and good health care should be put on the chopping block. The Federal Government should be setting a good example with strong benefits for workers, instead of leading a race to the bottom.

By refusing to cover the costs for secure pensions, this administration is forcing contractors to put their employees into defined contribution plans. Workers will bear the risks of uncertain stock markets and the risk of outliving their savings. And businesses, instead of being free to choose which type of retirement plan is best for their workers, will be forced into a one-size-fits-all model.

The American Academy of Actuaries, the professionals who understand as well as anyone the benefit system in America, strongly objects to the Department's new policy, pointing out that it takes away contractors' ability to choose the type of benefit plans offered to workers and undermines retirement security. They urge that this policy be immediately rescinded.

This is a particular concern given the timing of this announcement. Right now we have a pension bill in conference designed to strengthen the defined benefit pension system.

At this critical time, the administration should be supporting the growth and expansion of the defined benefit pension system. But instead it is going the other way, by forcing businesses to abandon defined benefit pension plans. This says to me that this President is not committed to a secure retirement for Americans. First he tried to privatize Social Security; now he's trying to use our federal contracting system to do the same with our Nation's nuclear defense workers.

The administration is also attacking employer-provided health care, by saying the government will not pay more than the average in the industry for health care costs under Department of Energy contracts. In other words, it will pay only the average or below.

And the quality health care benefits Department of Energy contractors offer workers will have to be replaced by limited medical plans that unfairly penalize the least healthy workers.

These high deductible plans don't work for people who need health care the most. Persons with chronic health conditions or who are hit with illness or injury will have to pay significantly more than they would with the comprehensive insurance that the administration's proposal eliminates. These individuals will never be able to find the funds to cover the care they need before meeting the high-deductible needed for their plan to cover them. Is this how we want to treat American workers?

If the President's goal is to cut spending for health care, this is the wrong way to go about it. Workers with the kind of high-deductible health plan President Bush has mandated for Department of Energy contractors are more likely to avoid, skip or delay the care that prevents a medical crisis. This means workers will get care when they are sicker and may need costly hospital or emergency room care. Shifting costs to workers drives up costs instead of cutting them.

Last week Senator REID, Senators BAUCUS, BINGAMAN, HARKIN, MIKULSKI, CANTWELL, MURRAY and I sent a letter to the White House calling on the President to overturn this ill-conceived policy and call off his attack on the retirement security and health care of these skilled workers. We hope that the President will reconsider. But if he does not, we will be looking for every opportunity to address this issue through this legislation. I urge my colleagues to support this legislation.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 474—THANKING JOYCE RECHTSCHAFFEN FOR HER SERVICE TO THE SENATE AND TO THE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. LIEBERMAN (for himself and Ms. COLLINS) submitted the following resolution; which was referred to the Committee on Homeland Security and Governmental Affairs:

S. RES. 474

Whereas Joyce Rechtschaffen, an accomplished environmental lawyer, joined the staff of Senator Joseph I. Lieberman upon his entry into the Senate in 1989 and served as his legislative assistant and counsel for environmental issues for almost 10 years;

Whereas, during her tenure in Senator Lieberman's office, Joyce Rechtschaffen contributed greatly to the protection of the Nation's environment, most significantly through important contributions to the landmark Clean Air Act Amendments of 1990, ceaseless efforts to protect the Arctic National Wildlife Refuge, and innovative proposals to stem the harmful effects of greenhouse gasses;

Whereas, in 1999, upon Senator Lieberman becoming the Ranking Member on the committee known at the time as the Committee on Governmental Affairs, Joyce Rechtschaffen took on the new challenge of serving as Democratic Staff Director of that committee;

Whereas during her more than 7 years in that position, Joyce Rechtschaffen worked tirelessly to advance the work of the Committee on Governmental Affairs, and its current successor, the Committee on Homeland Security and Governmental Affairs, and of the Nation;

Whereas Joyce Rechtschaffen has played a leading role in every accomplishment of the Committee on Homeland Security and Governmental Affairs since 1999, from the 2002 creation of the Department of Homeland Security, to the establishment of the National Commission on Terrorist Attacks Upon the United States (commonly known as the ''9/11 Commission'') that same year, to the 2004 reorganization of the United States intelligence community, and to the 2006 investigation into the governmental response to Hurricane Katrina, among many other accomplishments;

Whereas Joyce Rechtschaffen has shown the same focus and dedication to all of the work of the Committee on Homeland Security and Governmental Affairs no matter how significant the issue at hand;

Whereas Joyce Rechtschaffen has been a model manager, staffer, employee, and colleague to all who have worked with her;

Whereas Joyce Rechtschaffen has worked tirelessly and selflessly for the Committee on Homeland Security and Governmental Affairs, and its predecessor, the Committee on Governmental Affairs, these past 7 years, often at great personal sacrifice; and

Whereas Joyce Rechtschaffen has been a model of integrity, intelligence, compassion, and commitment to building a better United States and has shown herself to be the very best and brightest of both civil and Congressional service: Now therefore, be it

Resolved, That the Committee on Homeland Security and Governmental Affairs of the Senate thanks Joyce Rechtschaffen for her years of work for and dedication to the Committee on Homeland Security and Governmental Affairs and wishes her every success in her future endeavors.

SENATE RESOLUTION 475—PROCLAIMING THE WEEK OF MAY 21 THROUGH MAY 27, 2006, AS ''NATIONAL PUBLIC WORKS WEEK''

Mr. INHOFE (for himself and Mr. JEFFORDS) submitted the following resolution; which was considered and agreed to:

S. RES. 475

Whereas public works infrastructure, facilities, and services are of vital importance to the health, safety, and well-being of the people of the United States;

Whereas those facilities and services could not be provided without the dedicated efforts of public works professionals, engineers, and administrators who represent State and local governments throughout the United States;

Whereas those individuals design, build, operate, and maintain the transportation systems, water supply infrastructure, sewage and refuse disposal systems, public buildings, and other structures and facilities that are vital to the citizens and communities of the United States; and

Whereas it is in the interest of the public for citizens and civic leaders to understand the role that public infrastructure plays in—

(1) protecting the environment;

(2) improving public health and safety;

(3) contributing to economic vitality; and

(4) enhancing the quality of life of every community of the United States: Now, therefore, be it

Resolved, That the Senate—

(1) proclaims the week of May 21 through May 27, 2006, as ''National Public Works Week'';

(2) recognizes and celebrates the important contributions that public works professionals make every day to improve—

(A) the public infrastructure of the United States; and

(B) the communities that those professionals serve; and

(3) urges citizens and communities throughout the United States to join with representatives of the Federal Government and the American Public Works Association in activities and ceremonies that are designed—

(A) to pay tribute to the public works professionals of the Nation; and

(B) to recognize the substantial contributions that public works professionals make to the Nation.

SENATE CONCURRENT RESOLUTION 94—EXPRESSING THE SENSE OF CONGRESS THAT THE NEEDS OF CHILDREN AND YOUTH AFFECTED OR DISPLACED BY DISASTERS ARE UNIQUE AND SHOULD BE GIVEN SPECIAL CONSIDERATION IN PLANNING, RESPONDING, AND RECOVERING FROM SUCH DISASTERS IN THE UNITED STATES

Mr. COCHRAN (for himself and Ms. LANDRIEU) submitted the following concurrent resolution; which was referred to the Committee on Homeland Security and Governmental Affairs:

Mr. COCHRAN. Mr. President, the hurricanes of last summer brought new demands on all of our nation's rescue resources. The needs of children, particularly young children and their families, are unique and not a part of local and national recovery plans. Mental health, physical needs, day care, education, and family separation continue to be needs that for communities to address.

The National Center for Rural Early Childhood Learning Initiatives and the non-profit Save the Children, continue to lead the focused on the special needs of children. While assessing damages and recording destroyed facilities, the Rural Early Childhood center and Save the Children, with assistance from others, also developed a plan for future disasters.

Today I am introducing a Senate concurrent resolution that expresses the sense of the Senate that the Federal Emergency Management Agency should consider the unique needs of children and consider the recent experiences, suggestions and solutions of organizations and research centers. We ought to support the incorporation of child-specific needs and concerns into the National Response Plan. The Senator from Louisiana, Ms. LANDRIEU, is cosponsoring this resolution. We invite all Senators to join us.

S. CON. RES. 94

Whereas major disasters resulting in Presidential disaster declarations in the United States have increased from an average of 38 per year in the 1980s, to 46 per year in the 1990s, to 52 per year during the first half of this decade;

Whereas the occurrence of major disasters in the United States is expected to continue to increase in the foreseeable future;

Whereas the number of people in the United States affected by disasters each year is a staggering 2,000,000 to 3,000,000 as measured by the Federal Emergency Management Agency (even outside of truly catastrophic events as occurred on the Gulf Coast in 2005);

Whereas 5,192 children were reported missing or displaced to the National Center for Missing & Exploited Children as a result of Hurricanes Katrina and Rita, and it took 6 ½ months to reunite the last child separated from her family;

Whereas the most serious of such cases were those 45 children arriving at shelters separated from parents or guardians with no adult supervision and it took more than 1 month to resolve all of those cases;

Whereas 1,100 schools were closed immediately following Hurricane Katrina and 372,000 schoolchildren were initially unable to attend school in New Orleans and the Gulf Coast due to the hurricane;

Whereas in Mississippi 7 percent and in Louisiana 21 percent of elementary schools and secondary schools remained closed 6 months after Hurricane Katrina;

Whereas more than 400,000 children under the age of 5 live in or have evacuated from counties or parishes that have been declared disaster areas by the Federal Emergency Management Agency;

Whereas the numbers of licensed child care facilities in areas affected by Hurricanes Katrina and Rita declined by 4 percent (54 facilities) in Mississippi and by 25 percent (356 facilities) in Louisiana after the storms;

Whereas children are known to benefit from rapid mental health programming following disasters to mitigate longer term impacts;

Whereas the existing system of disaster management in the United States is the purview of Federal, State, and local government emergency management organizations and the disaster management programs and activities of these organizations are not mandated nor are able to fully respond to the unique needs of children;

Whereas Federal, State, and local government emergency management professionals lack the technical knowledge, support, and contacts to address the unique needs of children that need to be incorporated into such professionals' disaster management programs and activities; and

Whereas existing legislative constraints on Federal disaster response and recovery aid programs restrict disaster officials from responding to the specific needs of children in a disaster and there is no government liaison or program concerning children's issues in disasters: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the needs of children and youth affected by major disasters are unique and should be given special consideration in planning, responding, and recovering to major disasters; and

(2) the Federal Emergency Management Agency should consult with appropriate child-focused non-governmental organizations and public university national research centers with experience in addressing the needs of children in major disasters to address the needs of children and youth in disaster preparedness, response, recovery, and mitigation, including by—

(A) incorporating suggestions from such organizations on children's issues into the National Response Plan;

(B) seeking the recommendations of such organizations on how to address the needs of children in emergency shelters, trailer parks, and transitional housing sites;

(C) jointly developing child-, family-, early childhood service-, and school-focused disaster preparedness materials to support understanding of the impact of disasters on children and strategies to mitigate them; and

(D) jointly developing risk assessment tools for communities to use in determining children's specific disaster risks.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3925. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans

and through modernization of the health insurance marketplace; which was ordered to lie on the table.

SA 3926. Mr. NELSON of Nebraska submitted an amendment intended to be proposed by him to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3927. Mr. DORGAN (for himself, Ms. SNOWE, Mr. KENNEDY, Mr. MCCAIN, and Ms. STABENOW) submitted an amendment intended to be proposed by him to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3928. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3929. Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3930. Mr. COBURN (for himself, Mr. BROWNBACK, and Mr. GRAHAM) submitted an amendment intended to be proposed by him to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3931. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3932. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3933. Mr. GREGG submitted an amendment intended to be proposed to amendment SA 3924 submitted by Ms. SNOWE (for herself, Mr. BYRD, Mr. TALENT, and Mr. DOMENICI) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3934. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3899 submitted by Mr. DURBIN (for himself, Mrs. LINCOLN, Mr. REID, Mr. BAUCUS, Mr. KENNEDY, Mrs. CLINTON, Mr. KERRY, Mr. BINGAMAN, Ms. CANTWELL, Mr. PRYOR, Mr. HARKIN, Mr. OBAMA, Mr. LAUTENBERG, Mr. SCHUMER, Mr. KOHL, Mr. LIEBERMAN, Mr. DODD, Mr. DAYTON, Mr. JOHNSON, Mr. MENENDEZ, Mrs. BOXER, Mr. NELSON of Florida, Ms. MIKULSKI, Ms. STABENOW, Mr. CARPER, and Mr. ROCKEFELLER) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3935. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3925 submitted by Mr. KENNEDY and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3936. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3919 submitted by Mr. DODD and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3937. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3918 submitted by Mr. DODD (for himself and Mr. MENENDEZ) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3938. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3916 submitted by Mr. REID (for himself, Mrs. CLINTON, Mrs. MURRAY, and Mr. MENENDEZ) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3939. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3912 submitted by Mr. HARKIN and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3940. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3913 submitted by Mr. HARKIN and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3941. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3907 submitted by Mr. BAUCUS and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3942. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3900 submitted by Mr. CARPER (for himself and Mrs. FEINSTEIN) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3943. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3866 submitted by Mr. SMITH and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3944. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3892 submitted by Ms. COLLINS (for herself and Mr. Bingaman) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3945. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3880 submitted by Mr. KENNEDY and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3946. Mr. NELSON of Nebraska submitted an amendment intended to be proposed to amendment SA 3924 submitted by Ms. SNOWE (for herself, Mr. BYRD, Mr. TALENT, and Mr. DOMENICI) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3947. Mr. NELSON, of Nebraska submitted an amendment intended to be proposed to amendment SA 3926 submitted by Mr. NELSON of Nebraska and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3948. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 3926 submitted by Mr. NELSON of Nebraska and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3949. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3900 submitted by Mr. CARPER (for himself and Mrs. FEINSTEIN) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3950. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3866 submitted by Mr. SMITH and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3951. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3892 submitted by Ms. COLLINS (for herself and Mr. BINGAMAN) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3952. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3880 submitted by Mr. KENNEDY and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3953. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3907 submitted by Mr. BAUCUS and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3954. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3919 submitted by Mr. DODD and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3955. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3913 submitted by Mr. HARKIN and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3956. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3916 submitted by Mr. REID (for himself, Mrs. CLINTON, Mrs. MURRAY, and Mr. MENENDEZ) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3957. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3918 submitted by Mr. DODD (for himself and Mr. MENENDEZ) and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3958. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3925 submitted by Mr. KENNEDY and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

SA 3959. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3912 submitted by Mr. HARKIN and intended to be proposed to the bill S. 1955, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3925. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. LIMITATION ON APPLICATION OF CERTAIN PROVISIONS RELATING TO DIABETES.

Notwithstanding any other provision of this Act (or an amendment made by this Act), any provision of this Act (or amendment) that has the effect of—

(1) increasing premiums for health insurance coverage for individuals with diabetes;

(2) permitting a health insurance issuer to deny coverage for medical items or services needed to treat, mitigate, or cure diabetes; or

(3) limiting the ability of a State to enforce State laws that prohibit premium increases or denials of coverage described in paragraphs (1) or (2);

shall not apply and shall not be enforced.

At the appropriate place, insert the following:

SEC. ___. LIMITATION ON APPLICATION OF CERTAIN PROVISIONS RELATING TO CANCER.

Notwithstanding any other provision of this Act (or an amendment made by this Act), any provision of this Act (or amendment) that has the effect of—

(1) increasing premiums for health insurance coverage for individuals with cancer;

(2) permitting a health insurance issuer to deny coverage for medical items or services needed to treat, mitigate, or cure cancer; or

(3) limiting the ability of a State to enforce State laws that prohibit premium increases or denials of coverage described in paragraphs (1) or (2);

shall not apply and shall not be enforced.

At the appropriate place, insert the following:

SEC. ___. LIMITATION ON APPLICATION OF CERTAIN PROVISIONS RELATING TO CARDIOVASCULAR DISEASE.

Notwithstanding any other provision of this Act (or an amendment made by this Act), any provision of this Act (or amendment) that has the effect of—

(1) increasing premiums for health insurance coverage for individuals with cardiovascular disease;

(2) permitting a health insurance issuer to deny coverage for medical items or services

needed to treat, mitigate, or cure cardiovascular disease; or

(3) limiting the ability of a State to enforce State laws that prohibit premium increases or denials of coverage described in paragraphs (1) or (2);

shall not apply and shall not be enforced.

At the appropriate place, insert the following:

SEC. ___. LIMITATION ON APPLICATION OF CERTAIN PROVISIONS RELATING TO MENTAL ILLNESS.

Notwithstanding any other provision of this Act (or an amendment made by this Act), any provision of this Act (or amendment) that has the effect of—

(1) increasing premiums for health insurance coverage for individuals with a mental illness;

(2) permitting a health insurance issuer to deny coverage for medical items or services needed to treat, mitigate, or cure a mental illness; or

(3) limiting the ability of a State to enforce State laws that prohibit premium increases or denials of coverage described in paragraphs (1) or (2);

shall not apply and shall not be enforced.

At the appropriate place, insert the following:

SEC. ___. LIMITATION ON APPLICATION OF CERTAIN PROVISIONS RELATING TO BRAIN INJURY.

Notwithstanding any other provision of this Act (or an amendment made by this Act), any provision of this Act (or amendment) that has the effect of—

(1) increasing premiums for health insurance coverage for individuals with a brain injury;

(2) permitting a health insurance issuer to deny coverage for medical items or services needed to treat, mitigate, or cure a brain injury; or

(3) limiting the ability of a State to enforce State laws that prohibit premium increases or denials of coverage described in paragraphs (1) or (2);

shall not apply and shall not be enforced.

SA 3926. Mr. NELSON of Nebraska submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

On page 1 of the amendment, strike all after the part heading and insert the following:

"SEC. 2921. DEFINITIONS.

''In this part:

''(1) ADOPTING STATE.—The term 'adopting State' means a State that has enacted a law providing that small group and large group health insurers in such State may offer and sell products in accordance with the List of Required Benefits and the Terms of Application as provided for in section 2922(b)

''(2) ELIGIBLE INSURER.—The term 'eligible insurer' means a health insurance issuer that is licensed in a nonadopting State and that—

''(A) notifies the Secretary, not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage consistent with the List of Required Benefits and Terms of Application in a nonadopting State;

''(B) notifies the insurance department of a nonadopting State (or other applicable State agency), not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage in that State consistent with the List of Required Benefits and Terms of Application, and provides with such notice a copy of any insurance policy that it intends to offer in the State, its most recent annual and quarterly financial reports, and any other information required to be filed with the insurance department of the State (or other State agency) by the Secretary in regulations; and

''(C) includes in the terms of the health insurance coverage offered in nonadopting States (including in the terms of any individual certificates that may be offered to individuals in connection with such group health coverage) and filed with the State pursuant to subparagraph (B), a description in the insurer's contract of the List of Required Benefits and a description of the Terms of Application, including a description of the benefits to be provided, and that adherence to such standards is included as a term of such contract.

''(3) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' means any coverage issued in the small group or large group health insurance markets, including with respect to small business health plans, except that such term shall not include excepted benefits (as defined in section 2791(c)).

''(4) LIST OF REQUIRED BENEFITS.—The term 'List of Required Benefits' means the List issued under section 2922(a).

''(5) NONADOPTING STATE.—The term 'nonadopting State' means a State that is not an adopting State.

''(6) STATE LAW.—The term 'State law' means all laws, decisions, rules, regulations, or other State actions (including actions by a State agency) having the effect of law, of any State.

''(7) STATE PROVIDER FREEDOM OF CHOICE LAW.—The term 'State Provider Freedom of Choice Law' means a State law requiring that a health insurance issuer, with respect to health insurance coverage, not discriminate with respect to participation, reimbursement, or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law.

''(8) TERMS OF APPLICATION.—The term 'Terms of Application' means terms provided under section 2922(a).

"SEC. 2922. OFFERING AFFORDABLE PLANS.

''(a) LIST OF REQUIRED BENEFITS.—Not later than 3 months after the date of enactment of this title, the Secretary, in consultation with the National Association of Insurance Commissioners, shall issue by interim final rule a list (to be known as the 'List of Required Benefits') of covered benefits, services, or categories of providers that are required to be provided by health insurance issuers, in each of the small group and large group markets, in at least 26 States as a result of the application of State covered benefit, service, and category of provider mandate laws. With respect to plans sold to or through small business health plans, the List of Required Benefits applicable to the small group market shall apply.

''(b) TERMS OF APPLICATION.—

''(1) STATE WITH MANDATES.—With respect to a State that has a covered benefit, service, or category of provider mandate in effect that is covered under the List of Required Benefits under subsection (a), such State mandate shall, subject to paragraph (3) (concerning uniform application), apply to a coverage plan or plan in, as applicable, the small group or large group market or through a small business health plan in such State.

''(2) STATES WITHOUT MANDATES.—With respect to a State that does not have a covered benefit, service, or category of provider mandate in effect that is covered under the List of Required Benefits under subsection (a), such mandate shall not apply, as applicable, to a coverage plan or plan in the small group or large group market or through a small business health plan in such State.

''(3) UNIFORM APPLICATION OF LAWS.—

''(A) IN GENERAL.—With respect to a State described in paragraph (1), in applying a covered benefit, service, or category of provider mandate that is on the List of Required Benefits under subsection (a) the State shall permit a coverage plan or plan offered in the small group or large group market or through a small business health plan in such State to apply such benefit, service, or category of provider coverage in a manner consistent with the manner in which such coverage is applied under one of the three most heavily subscribed national health plans offered under the Federal Employee Health Benefits Program under chapter 89 of title 5, United States Code (as determined by the Secretary in consultation with the Director of the Office of Personnel Management), and consistent with the Publication of Benefit Applications under subsection (c). In the event a covered benefit, service, or category of provider appearing in the List of Required Benefits is not offered in one of the three most heavily subscribed national health plans offered under the Federal Employees Health Benefits Program, such covered benefit, service, or category of provider requirement shall be applied in a manner consistent with the manner in which such coverage is offered in the remaining most heavily subscribed plan of the remaining Federal Employees Health Benefits Program plans, as determined by the Secretary, in consultation with the Director of the Office of Personnel Management.

''(B) EXCEPTION REGARDING STATE PROVIDER FREEDOM OF CHOICE LAWS.—Notwithstanding subparagraph (A), in the event a category of provider mandate is included in the List of Covered Benefits, any State Provider Freedom of Choice Law (as defined in section 2921(7)) that is in effect in any State in which such category of provider mandate is in effect shall not be preempted, with respect to that category of provider, by this part.

''(c) PUBLICATION OF BENEFIT APPLICATIONS.—Not later than 3 months after the date of enactment of this title, and on the first day of every calendar year thereafter, the Secretary, in consultation with the Director of the Office of Personnel Management, shall publish in the Federal Register a description of such covered benefits, services, and categories of providers covered in that calendar year by each of the three most heavily subscribed nationally available Federal Employee Health Benefits Plan options which are also included on the List of Required Benefits.

''(d) EFFECTIVE DATES.—

''(1) SMALL BUSINESS HEALTH PLANS.—With respect to health insurance provided to participating employers of small business health plans, the requirements of this part (concerning lower cost plans) shall apply beginning on the date that is 12 months after the date of enactment of this title.

''(2) NON-ASSOCIATION COVERAGE.—With respect to health insurance provided to groups or individuals other than participating employers of small business health plans, the requirements of this part shall apply beginning on the date that is 15 months after the date of enactment of this title.

''(e) UPDATING OF LIST OF REQUIRED BENEFITS.—Not later than 2 years after the date

on which the list of required benefits is issued under subsection (a), and every 2 years thereafter, the Secretary, in consultation with the National Association of Insurance Commissioners, shall update the list based on changes in the laws and regulations of the States. The Secretary shall issue the updated list by regulation, and such updated list shall be effective upon the first plan year following the issuance of such regulation.''.

SA 3927. Mr. DORGAN (for himself, Ms. SNOWE, Mr. KENNEDY, Mr. MCCAIN, and Ms. STABENOW) submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—IMPORTATION OF PRESCRIPTION DRUGS

SEC. ___1. SHORT TITLE.

This title may be cited as the ''Pharmaceutical Market Access and Drug Safety Act of 2006''.

SEC. ___2. FINDINGS.

Congress finds that—

(1) Americans unjustly pay up to 5 times more to fill their prescriptions than consumers in other countries;

(2) the United States is the largest market for pharmaceuticals in the world, yet American consumers pay the highest prices for brand pharmaceuticals in the world;

(3) a prescription drug is neither safe nor effective to an individual who cannot afford it;

(4) allowing and structuring the importation of prescription drugs to ensure access to safe and affordable drugs approved by the Food and Drug Administration will provide a level of safety to American consumers that they do not currently enjoy;

(5) American seniors alone will spend $1,800,000,000,000 on pharmaceuticals over the next 10 years; and

(6) allowing open pharmaceutical markets could save American consumers at least $38,000,000,000 each year.

SEC. ___3. REPEAL OF CERTAIN SECTION REGARDING IMPORTATION OF PRESCRIPTION DRUGS.

Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.) is amended by striking section 804.

SEC. ___4. IMPORTATION OF PRESCRIPTION DRUGS; WAIVER OF CERTAIN IMPORT RESTRICTIONS.

(a) IN GENERAL.—Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.), as amended by section ___3, is further amended by inserting after section 803 the following:

''SEC. 804. COMMERCIAL AND PERSONAL IMPORTATION OF PRESCRIPTION DRUGS.

''(a) IMPORTATION OF PRESCRIPTION DRUGS.—

''(1) IN GENERAL.—In the case of qualifying drugs imported or offered for import into the United States from registered exporters or by registered importers—

''(A) the limitation on importation that is established in section 801(d)(1) is waived; and

''(B) the standards referred to in section 801(a) regarding admission of the drugs are subject to subsection (g) of this section (including with respect to qualifying drugs to which section 801(d)(1) does not apply).

''(2) IMPORTERS.—A qualifying drug may not be imported under paragraph (1) unless—

''(A) the drug is imported by a pharmacy, group of pharmacies, or a wholesaler that is a registered importer; or

''(B) the drug is imported by an individual for personal use or for the use of a family member of the individual (not for resale) from a registered exporter.

''(3) RULE OF CONSTRUCTION.—This section shall apply only with respect to a drug that is imported or offered for import into the United States—

''(A) by a registered importer; or

''(B) from a registered exporter to an individual.

''(4) DEFINITIONS.—

''(A) REGISTERED EXPORTER; REGISTERED IMPORTER.—For purposes of this section:

''(i) The term 'registered exporter' means an exporter for which a registration under subsection (b) has been approved and is in effect.

''(ii) The term 'registered importer' means a pharmacy, group of pharmacies, or a wholesaler for which a registration under subsection (b) has been approved and is in effect.

''(iii) The term 'registration condition' means a condition that must exist for a registration under subsection (b) to be approved.

''(B) QUALIFYING DRUG.—For purposes of this section, the term 'qualifying drug' means a drug for which there is a corresponding U.S. label drug.

''(C) U.S. LABEL DRUG.—For purposes of this section, the term 'U.S. label drug' means a prescription drug that—

''(i) with respect to a qualifying drug, has the same active ingredient or ingredients, route of administration, dosage form, and strength as the qualifying drug;

''(ii) with respect to the qualifying drug, is manufactured by or for the person that manufactures the qualifying drug;

''(iii) is approved under section 505(c); and

''(iv) is not—

''(I) a controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802);

''(II) a biological product, as defined in section 351 of the Public Health Service Act (42 U.S.C. 262), including—

''(aa) a therapeutic DNA plasmid product;

''(bb) a therapeutic synthetic peptide product;

''(cc) a monoclonal antibody product for in vivo use; and

''(dd) a therapeutic recombinant DNA-derived product;

''(III) an infused drug, including a peritoneal dialysis solution;

''(IV) an injected drug;

''(V) a drug that is inhaled during surgery;

''(VI) a drug that is the listed drug referred to in 2 or more abbreviated new drug applications under which the drug is commercially marketed; or

''(VII) a sterile opthlamic drug intended for topical use on or in the eye.

''(D) OTHER DEFINITIONS.—For purposes of this section:

''(i)(I) The term 'exporter' means a person that is in the business of exporting a drug to individuals in the United States from Canada or from a permitted country designated by the Secretary under subclause (II), or that, pursuant to submitting a registration under subsection (b), seeks to be in such business.

''(II) The Secretary shall designate a permitted country under subparagraph (E) (other than Canada) as a country from which an exporter may export a drug to individuals in the United States if the Secretary determines that—

''(aa) the country has statutory or regulatory standards that are equivalent to the standards in the United States and Canada with respect to—

''(AA) the training of pharmacists;

''(BB) the practice of pharmacy; and

''(CC) the protection of the privacy of personal medical information; and

''(bb) the importation of drugs to individuals in the United States from the country will not adversely affect public health.

''(ii) The term 'importer' means a pharmacy, a group of pharmacies, or a wholesaler that is in the business of importing a drug into the United States or that, pursuant to submitting a registration under subsection (b), seeks to be in such business.

''(iii) The term 'pharmacist' means a person licensed by a State to practice pharmacy, including the dispensing and selling of prescription drugs.

''(iv) The term 'pharmacy' means a person that—

''(I) is licensed by a State to engage in the business of selling prescription drugs at retail; and

''(II) employs 1 or more pharmacists.

''(v) The term 'prescription drug' means a drug that is described in section 503(b)(1).

''(vi) The term 'wholesaler'—

''(I) means a person licensed as a wholesaler or distributor of prescription drugs in the United States under section 503(e)(2)(A); and

''(II) does not include a person authorized to import drugs under section 801(d)(1).

''(E) PERMITTED COUNTRY.—The term 'permitted country' means—

''(i) Australia;

''(ii) Canada;

''(iii) a member country of the European Union, but does not include a member country with respect to which—

''(I) the country's Annex to the Treaty of Accession to the European Union 2003 includes a transitional measure for the regulation of human pharmaceutical products that has not expired; or

''(II) the Secretary determines that the requirements described in subclauses (I) and (II) of clause (vii) will not be met by the date on which such transitional measure for the regulation of human pharmaceutical products expires;

''(iv) Japan;

''(v) New Zealand;

''(vi) Switzerland; and

''(vii) a country in which the Secretary determines the following requirements are met:

''(I) The country has statutory or regulatory requirements—

''(aa) that require the review of drugs for safety and effectiveness by an entity of the government of the country;

''(bb) that authorize the approval of only those drugs that have been determined to be safe and effective by experts employed by or acting on behalf of such entity and qualified by scientific training and experience to evaluate the safety and effectiveness of drugs on the basis of adequate and well-controlled investigations, including clinical investigations, conducted by experts qualified by scientific training and experience to evaluate the safety and effectiveness of drugs;

''(cc) that require the methods used in, and the facilities and controls used for the manufacture, processing, and packing of drugs in the country to be adequate to preserve their identity, quality, purity, and strength;

''(dd) for the reporting of adverse reactions to drugs and procedures to withdraw approval and remove drugs found not to be safe or effective; and

''(ee) that require the labeling and promotion of drugs to be in accordance with the approval of the drug.

''(II) The valid marketing authorization system in the country is equivalent to the systems in the countries described in clauses (i) through (vi).

''(III) The importation of drugs to the United States from the country will not adversely affect public health.

''(b) REGISTRATION OF IMPORTERS AND EXPORTERS.—

''(1) REGISTRATION OF IMPORTERS AND EXPORTERS.—A registration condition is that the importer or exporter involved (referred to in this subsection as a 'registrant') submits to the Secretary a registration containing the following:

''(A)(i) In the case of an exporter, the name of the exporter and an identification of all places of business of the exporter that relate to qualifying drugs, including each warehouse or other facility owned or controlled by, or operated for, the exporter.

''(ii) In the case of an importer, the name of the importer and an identification of the places of business of the importer at which the importer initially receives a qualifying drug after importation (which shall not exceed 3 places of business except by permission of the Secretary).

''(B) Such information as the Secretary determines to be necessary to demonstrate that the registrant is in compliance with registration conditions under—

''(i) in the case of an importer, subsections (c), (d), (e), (g), and (j) (relating to the sources of imported qualifying drugs; the inspection of facilities of the importer; the payment of fees; compliance with the standards referred to in section 801(a); and maintenance of records and samples); or

''(ii) in the case of an exporter, subsections (c), (d), (f), (g), (h), (i), and (j) (relating to the sources of exported qualifying drugs; the inspection of facilities of the exporter and the marking of compliant shipments; the payment of fees; and compliance with the standards referred to in section 801(a); being licensed as a pharmacist; conditions for individual importation; and maintenance of records and samples).

''(C) An agreement by the registrant that the registrant will not under subsection (a) import or export any drug that is not a qualifying drug.

''(D) An agreement by the registrant to—

''(i) notify the Secretary of a recall or withdrawal of a qualifying drug distributed in a permitted country that the registrant has exported or imported, or intends to export or import, to the United States under subsection (a);

''(ii) provide for the return to the registrant of such drug; and

''(iii) cease, or not begin, the exportation or importation of such drug unless the Secretary has notified the registrant that exportation or importation of such drug may proceed.

''(E) An agreement by the registrant to ensure and monitor compliance with each registration condition, to promptly correct any noncompliance with such a condition, and to promptly report to the Secretary any such noncompliance.

''(F) A plan describing the manner in which the registrant will comply with the agreement under subparagraph (E).

''(G) An agreement by the registrant to enforce a contract under subsection (c)(3)(B) against a party in the chain of custody of a qualifying drug with respect to the authority of the Secretary under clauses (ii) and (iii) of that subsection.

''(H) An agreement by the registrant to notify the Secretary not more than 30 days before the registrant intends to make the change, of—

''(i) any change that the registrant intends to make regarding information provided under subparagraph (A) or (B); and

''(ii) any change that the registrant intends to make in the compliance plan under subparagraph (F).

''(I) In the case of an exporter—

''(i) An agreement by the exporter that a qualifying drug will not under subsection (a) be exported to any individual not authorized pursuant to subsection (a)(2)(B) to be an importer of such drug.

''(ii) An agreement to post a bond, payable to the Treasury of the United States that is equal in value to the lesser of—

''(I) the value of drugs exported by the exporter to the United States in a typical 4-week period over the course of a year under this section; or

''(II) $1,000,000;

''(iii) An agreement by the exporter to comply with applicable provisions of Canadian law, or the law of the permitted country designated under subsection (a)(4)(D)(i)(II) in which the exporter is located, that protect the privacy of personal information with respect to each individual importing a prescription drug from the exporter under subsection (a)(2)(B).

''(iv) An agreement by the exporter to report to the Secretary—

''(I) not later than August 1 of each fiscal year, the total price and the total volume of drugs exported to the United States by the exporter during the 6-month period from January 1 through June 30 of that year; and

''(II) not later than January 1 of each fiscal year, the total price and the total volume of drugs exported to the United States by the exporter during the previous fiscal year.

''(J) In the case of an importer, an agreement by the importer to report to the Secretary—

''(i) not later than August 1 of each fiscal year, the total price and the total volume of drugs imported to the United States by the importer during the 6-month period from January 1 through June 30 of that fiscal year; and

''(ii) not later than January 1 of each fiscal year, the total price and the total volume of drugs imported to the United States by the importer during the previous fiscal year.

''(K) Such other provisions as the Secretary may require by regulation to protect the public health while permitting—

''(i) the importation by pharmacies, groups of pharmacies, and wholesalers as registered importers of qualifying drugs under subsection (a); and

''(ii) importation by individuals of qualifying drugs under subsection (a).

''(2) APPROVAL OR DISAPPROVAL OF REGISTRATION.—

''(A) IN GENERAL.—Not later than 90 days after the date on which a registrant submits to the Secretary a registration under paragraph (1), the Secretary shall notify the registrant whether the registration is approved or is disapproved. The Secretary shall disapprove a registration if there is reason to believe that the registrant is not in compliance with one or more registration conditions, and shall notify the registrant of such reason. In the case of a disapproved registration, the Secretary shall subsequently notify the registrant that the registration is approved if the Secretary determines that the registrant is in compliance with such conditions.

''(B) CHANGES IN REGISTRATION INFORMATION.—Not later than 30 days after receiving a notice under paragraph (1)(H) from a registrant, the Secretary shall determine whether the change involved affects the approval of the registration of the registrant under paragraph (1), and shall inform the registrant of the determination.

''(3) PUBLICATION OF CONTACT INFORMATION FOR REGISTERED EXPORTERS.—Through the Internet website of the Food and Drug Administration and a toll-free telephone number, the Secretary shall make readily available to the public a list of registered exporters, including contact information for the exporters. Promptly after the approval of a registration submitted under paragraph (1), the Secretary shall update the Internet website and the information provided through the toll-free telephone number accordingly.

''(4) SUSPENSION AND TERMINATION.—

''(A) SUSPENSION.—With respect to the effectiveness of a registration submitted under paragraph (1):

''(i) Subject to clause (ii), the Secretary may suspend the registration if the Secretary determines, after notice and opportunity for a hearing, that the registrant has failed to maintain substantial compliance with a registration condition.

''(ii) If the Secretary determines that, under color of the registration, the exporter has exported a drug or the importer has imported a drug that is not a qualifying drug, or a drug that does not comply with subsection (g)(2)(A) or (g)(4), or has exported a qualifying drug to an individual in violation of subsection (i)(2)(F), the Secretary shall immediately suspend the registration. A suspension under the preceding sentence is not subject to the provision by the Secretary of prior notice, and the Secretary shall provide to the registrant an opportunity for a hearing not later than 10 days after the date on which the registration is suspended.

''(iii) The Secretary may reinstate the registration, whether suspended under clause (i) or (ii), if the Secretary determines that the registrant has demonstrated that further violations of registration conditions will not occur.

''(B) TERMINATION.—The Secretary, after notice and opportunity for a hearing, may terminate the registration under paragraph (1) of a registrant if the Secretary determines that the registrant has engaged in a pattern or practice of violating 1 or more registration conditions, or if on 1 or more occasions the Secretary has under subparagraph (A)(ii) suspended the registration of the registrant. The Secretary may make the termination permanent, or for a fixed period of not less than 1 year. During the period in which the registration is terminated, any registration submitted under paragraph (1) by the registrant, or a person that is a partner in the export or import enterprise, or a principal officer in such enterprise, and any registration prepared with the assistance of the registrant or such a person, has no legal effect under this section.

''(5) DEFAULT OF BOND.—A bond required to be posted by an exporter under paragraph (1)(I)(ii) shall be defaulted and paid to the Treasury of the United States if, after opportunity for an informal hearing, the Secretary determines that the exporter has—

''(A) exported a drug to the United States that is not a qualifying drug or that is not in compliance with subsection (g)(2)(A), (g)(4), or (i); or

''(B) failed to permit the Secretary to conduct an inspection described under subsection (d).

''(c) SOURCES OF QUALIFYING DRUGS.—A registration condition is that the exporter or importer involved agrees that a qualifying drug will under subsection (a) be exported or imported into the United States only if there is compliance with the following:

''(1) The drug was manufactured in an establishment—

''(A) required to register under subsection (h) or (i) of section 510; and

''(B)(i) inspected by the Secretary; or

''(ii) for which the Secretary has elected to rely on a satisfactory report of a good manufacturing practice inspection of the establishment from a permitted country whose regulatory system the Secretary recognizes as equivalent under a mutual recognition agreement, as provided for under section 510(i)(3), section 803, or part 26 of title 21, Code of Federal Regulations (or any corresponding successor rule or regulation).

''(2) The establishment is located in any country, and the establishment manufactured the drug for distribution in the United States or for distribution in 1 or more of the permitted countries (without regard to whether in addition the drug is manufactured for distribution in a foreign country that is not a permitted country).

''(3) The exporter or importer obtained the drug—

''(A) directly from the establishment; or

''(B) directly from an entity that, by contract with the exporter or importer—

''(i) provides to the exporter or importer a statement (in such form and containing such information as the Secretary may require) that, for the chain of custody from the establishment, identifies each prior sale, purchase, or trade of the drug (including the date of the transaction and the names and addresses of all parties to the transaction);

''(ii) agrees to permit the Secretary to inspect such statements and related records to determine their accuracy;

''(iii) agrees, with respect to the qualifying drugs involved, to permit the Secretary to inspect warehouses and other facilities, including records, of the entity for purposes of determining whether the facilities are in compliance with any standards under this Act that are applicable to facilities of that type in the United States; and

''(iv) has ensured, through such contractual relationships as may be necessary, that the Secretary has the same authority regarding other parties in the chain of custody from the establishment that the Secretary has under clauses (ii) and (iii) regarding such entity.

''(4)(A) The foreign country from which the importer will import the drug is a permitted country; or

''(B) The foreign country from which the exporter will export the drug is the permitted country in which the exporter is located.

''(5) During any period in which the drug was not in the control of the manufacturer of the drug, the drug did not enter any country that is not a permitted country.

''(6) The exporter or importer retains a sample of each lot of the drug sufficient for testing by the Secretary.

''(d) INSPECTION OF FACILITIES; MARKING OF SHIPMENTS.—

''(1) INSPECTION OF FACILITIES.—A registration condition is that, for the purpose of assisting the Secretary in determining whether the exporter involved is in compliance with all other registration conditions—

''(A) the exporter agrees to permit the Secretary—

''(i) to conduct onsite inspections, including monitoring on a day-to-day basis, of places of business of the exporter that relate to qualifying drugs, including each warehouse or other facility owned or controlled by, or operated for, the exporter;

''(ii) to have access, including on a day-to-day basis, to—

''(I) records of the exporter that relate to the export of such drugs, including financial records; and

''(II) samples of such drugs;

''(iii) to carry out the duties described in paragraph (3); and

''(iv) to carry out any other functions determined by the Secretary to be necessary regarding the compliance of the exporter; and

''(B) the Secretary has assigned 1 or more employees of the Secretary to carry out the functions described in this subsection for the Secretary randomly, but not less than 12 times annually, on the premises of places of businesses referred to in subparagraph (A)(i), and such an assignment remains in effect on a continuous basis.

''(2) MARKING OF COMPLIANT SHIPMENTS.—A registration condition is that the exporter involved agrees to affix to each shipping container of qualifying drugs exported under subsection (a) such markings as the Secretary determines to be necessary to identify the shipment as being in compliance with all registration conditions. Markings under the preceding sentence shall—

''(A) be designed to prevent affixation of the markings to any shipping container that is not authorized to bear the markings; and

''(B) include anticounterfeiting or track-and-trace technologies, taking into account the economic and technical feasibility of those technologies.

''(3) CERTAIN DUTIES RELATING TO EXPORTERS.—Duties of the Secretary with respect to an exporter include the following:

''(A) Inspecting, randomly, but not less than 12 times annually, the places of business of the exporter at which qualifying drugs are stored and from which qualifying drugs are shipped.

''(B) During the inspections under subparagraph (A), verifying the chain of custody of a statistically significant sample of qualifying drugs from the establishment in which the drug was manufactured to the exporter, which shall be accomplished or supplemented by the use of anticounterfeiting or track-and-trace technologies, taking into account the economic and technical feasibility of those technologies, except that a drug that lacks such technologies from the point of manufacture shall not for that reason be excluded from importation by an exporter.

''(C) Randomly reviewing records of exports to individuals for the purpose of determining whether the drugs are being imported by the individuals in accordance with the conditions under subsection (i). Such reviews shall be conducted in a manner that will result in a statistically significant determination of compliance with all such conditions.

''(D) Monitoring the affixing of markings under paragraph (2).

''(E) Inspecting as the Secretary determines is necessary the warehouses and other facilities, including records, of other parties in the chain of custody of qualifying drugs.

''(F) Determining whether the exporter is in compliance with all other registration conditions.

''(4) PRIOR NOTICE OF SHIPMENTS.—A registration condition is that, not less than 8 hours and not more than 5 days in advance of the time of the importation of a shipment of qualifying drugs, the importer involved agrees to submit to the Secretary a notice with respect to the shipment of drugs to be imported or offered for import into the United States under subsection (a). A notice under the preceding sentence shall include—

''(A) the name and complete contact information of the person submitting the notice;

''(B) the name and complete contact information of the importer involved;

''(C) the identity of the drug, including the established name of the drug, the quantity of the drug, and the lot number assigned by the manufacturer;

''(D) the identity of the manufacturer of the drug, including the identity of the establishment at which the drug was manufactured;

''(E) the country from which the drug is shipped;

''(F) the name and complete contact information for the shipper of the drug;

''(G) anticipated arrival information, including the port of arrival and crossing location within that port, and the date and time;

''(H) a summary of the chain of custody of the drug from the establishment in which the drug was manufactured to the importer;

''(I) a declaration as to whether the Secretary has ordered that importation of the drug from the permitted country cease under subsection (g)(2)(C) or (D); and

''(J) such other information as the Secretary may require by regulation.

''(5) MARKING OF COMPLIANT SHIPMENTS.—A registration condition is that the importer involved agrees, before wholesale distribution (as defined in section 503(e)) of a qualifying drug that has been imported under subsection (a), to affix to each container of such drug such markings or other technology as the Secretary determines necessary to identify the shipment as being in compliance with all registration conditions, except that the markings or other technology shall not be required on a drug that bears comparable, compatible markings or technology from the manufacturer of the drug. Markings or other technology under the preceding sentence shall—

''(A) be designed to prevent affixation of the markings or other technology to any container that is not authorized to bear the markings; and

''(B) shall include anticounterfeiting or track-and-trace technologies, taking into account the economic and technical feasibility of such technologies.

''(6) CERTAIN DUTIES RELATING TO IMPORTERS.—Duties of the Secretary with respect to an importer include the following:

''(A) Inspecting, randomly, but not less than 12 times annually, the places of business of the importer at which a qualifying drug is initially received after importation.

''(B) During the inspections under subparagraph (A), verifying the chain of custody of a statistically significant sample of qualifying drugs from the establishment in which the drug was manufactured to the importer, which shall be accomplished or supplemented by the use of anticounterfeiting or track-and-trace technologies, taking into account the economic and technical feasibility of those technologies, except that a drug that lacks such technologies from the point of manufacture shall not for that reason be excluded from importation by an importer.

''(C) Reviewing notices under paragraph (4).

''(D) Inspecting as the Secretary determines is necessary the warehouses and other facilities, including records of other parties in the chain of custody of qualifying drugs.

''(E) Determining whether the importer is in compliance with all other registration conditions.

''(e) IMPORTER FEES.—

''(1) REGISTRATION FEE.—A registration condition is that the importer involved pays to the Secretary a fee of $10,000 due on the date on which the importer first submits the registration to the Secretary under subsection (b).

''(2) INSPECTION FEE.—A registration condition is that the importer involved pays a fee to the Secretary in accordance with this subsection. Such fee shall be paid not later than October 1 and April 1 of each fiscal year in the amount provided for under paragraph (3).

''(3) AMOUNT OF INSPECTION FEE.—

''(A) AGGREGATE TOTAL OF FEES.—Not later than 30 days before the start of each fiscal year, the Secretary, in consultation with the Secretary of Homeland Security and the Secretary of the Treasury, shall establish an aggregate total of fees to be collected under paragraph (2) for importers for that fiscal

year that is sufficient, and not more than necessary, to pay the costs for that fiscal year of administering this section with respect to registered importers, including the costs associated with—

''(i) inspecting the facilities of registered importers, and of other entities in the chain of custody of a qualifying drug as necessary, under subsection (d)(6);

''(ii) developing, implementing, and operating under such subsection an electronic system for submission and review of the notices required under subsection (d)(4) with respect to shipments of qualifying drugs under subsection (a) to assess compliance with all registration conditions when such shipments are offered for import into the United States; and

''(iii) inspecting such shipments as necessary, when offered for import into the United States to determine if such a shipment should be refused admission under subsection (g)(5).

''(B) LIMITATION.—Subject to subparagraph (C), the aggregate total of fees collected under paragraph (2) for a fiscal year shall not exceed 2.5 percent of the total price of qualifying drugs imported during that fiscal year into the United States by registered importers under subsection (a).

''(C) TOTAL PRICE OF DRUGS.—

''(i) ESTIMATE.—For the purposes of complying with the limitation described in subparagraph (B) when establishing under subparagraph (A) the aggregate total of fees to be collected under paragraph (2) for a fiscal year, the Secretary shall estimate the total price of qualifying drugs imported into the United States by registered importers during that fiscal year by adding the total price of qualifying drugs imported by each registered importer during the 6-month period from January 1 through June 30 of the previous fiscal year, as reported to the Secretary by each registered importer under subsection (b)(1)(J).

''(ii) CALCULATION.—Not later than March 1 of the fiscal year that follows the fiscal year for which the estimate under clause (i) is made, the Secretary shall calculate the total price of qualifying drugs imported into the United States by registered importers during that fiscal year by adding the total price of qualifying drugs imported by each registered importer during that fiscal year, as reported to the Secretary by each registered importer under subsection (b)(1)(J).

''(iii) ADJUSTMENT.—If the total price of qualifying drugs imported into the United States by registered importers during a fiscal year as calculated under clause (ii) is less than the aggregate total of fees collected under paragraph (2) for that fiscal year, the Secretary shall provide for a pro-rata reduction in the fee due from each registered importer on April 1 of the subsequent fiscal year so that the limitation described in subparagraph (B) is observed.

''(D) INDIVIDUAL IMPORTER FEE.—Subject to the limitation described in subparagraph (B), the fee under paragraph (2) to be paid on October 1 and April 1 by an importer shall be an amount that is proportional to a reasonable estimate by the Secretary of the semiannual share of the importer of the volume of qualifying drugs imported by importers under subsection (a).

''(4) USE OF FEES.—

''(A) IN GENERAL.—Subject to appropriations Acts, fees collected by the Secretary under paragraphs (1) and (2) shall be credited to the appropriation account for salaries and expenses of the Food and Drug Administration until expended (without fiscal year limitation), and the Secretary may, in consultation with the Secretary of Homeland Security and the Secretary of the Treasury, transfer some proportion of such fees to the appropriation account for salaries and expenses of the Bureau of Customs and Border Protection until expended (without fiscal year limitation).

''(B) SOLE PURPOSE.—Fees collected by the Secretary under paragraphs (1) and (2) are only available to the Secretary and, if transferred, to the Secretary of Homeland Security, and are for the sole purpose of paying the costs referred to in paragraph (3)(A).

''(5) COLLECTION OF FEES.—In any case where the Secretary does not receive payment of a fee assessed under paragraph (1) or (2) within 30 days after it is due, such fee shall be treated as a claim of the United States Government subject to subchapter II of chapter 37 of title 31, United States Code.

''(f) EXPORTER FEES.—

''(1) REGISTRATION FEE.—A registration condition is that the exporter involved pays to the Secretary a fee of $10,000 due on the date on which the exporter first submits that registration to the Secretary under subsection (b).

''(2) INSPECTION FEE.—A registration condition is that the exporter involved pays a fee to the Secretary in accordance with this subsection. Such fee shall be paid not later than October 1 and April 1 of each fiscal year in the amount provided for under paragraph (3).

''(3) AMOUNT OF INSPECTION FEE.—

''(A) AGGREGATE TOTAL OF FEES.—Not later than 30 days before the start of each fiscal year, the Secretary, in consultation with the Secretary of Homeland Security and the Secretary of the Treasury, shall establish an aggregate total of fees to be collected under paragraph (2) for exporters for that fiscal year that is sufficient, and not more than necessary, to pay the costs for that fiscal year of administering this section with respect to registered exporters, including the costs associated with—

''(i) inspecting the facilities of registered exporters, and of other entities in the chain of custody of a qualifying drug as necessary, under subsection (d)(3);

''(ii) developing, implementing, and operating under such subsection a system to screen marks on shipments of qualifying drugs under subsection (a) that indicate compliance with all registration conditions, when such shipments are offered for import into the United States; and

''(iii) screening such markings, and inspecting such shipments as necessary, when offered for import into the United States to determine if such a shipment should be refused admission under subsection (g)(5).

''(B) LIMITATION.—Subject to subparagraph (C), the aggregate total of fees collected under paragraph (2) for a fiscal year shall not exceed 2.5 percent of the total price of qualifying drugs imported during that fiscal year into the United States by registered exporters under subsection (a).

''(C) TOTAL PRICE OF DRUGS.—

''(i) ESTIMATE.—For the purposes of complying with the limitation described in subparagraph (B) when establishing under subparagraph (A) the aggregate total of fees to be collected under paragraph (2) for a fiscal year, the Secretary shall estimate the total price of qualifying drugs imported into the United States by registered exporters during that fiscal year by adding the total price of qualifying drugs exported by each registered exporter during the 6-month period from January 1 through June 30 of the previous fiscal year, as reported to the Secretary by each registered exporter under subsection (b)(1)(I)(iv).

''(ii) CALCULATION.—Not later than March 1 of the fiscal year that follows the fiscal year for which the estimate under clause (i) is made, the Secretary shall calculate the total price of qualifying drugs imported into the United States by registered exporters during that fiscal year by adding the total price of qualifying drugs exported by each registered exporter during that fiscal year, as reported to the Secretary by each registered exporter under subsection (b)(1)(I)(iv).

''(iii) ADJUSTMENT.—If the total price of qualifying drugs imported into the United States by registered exporters during a fiscal year as calculated under clause (ii) is less than the aggregate total of fees collected under paragraph (2) for that fiscal year, the Secretary shall provide for a pro-rata reduction in the fee due from each registered exporter on April 1 of the subsequent fiscal year so that the limitation described in subparagraph (B) is observed.

''(D) INDIVIDUAL EXPORTER FEE.—Subject to the limitation described in subparagraph (B), the fee under paragraph (2) to be paid on October 1 and April 1 by an exporter shall be an amount that is proportional to a reasonable estimate by the Secretary of the semiannual share of the exporter of the volume of qualifying drugs exported by exporters under subsection (a).

''(4) USE OF FEES.—

''(A) IN GENERAL.—Subject to appropriations Acts, fees collected by the Secretary under paragraphs (1) and (2) shall be credited to the appropriation account for salaries and expenses of the Food and Drug Administration until expended (without fiscal year limitation), and the Secretary may, in consultation with the Secretary of Homeland Security and the Secretary of the Treasury, transfer some proportion of such fees to the appropriation account for salaries and expenses of the Bureau of Customs and Border Protection until expended (without fiscal year limitation).

''(B) SOLE PURPOSE.—Fees collected by the Secretary under paragraphs (1) and (2) are only available to the Secretary and, if transferred, to the Secretary of Homeland Security, and are for the sole purpose of paying the costs referred to in paragraph (3)(A).

''(5) COLLECTION OF FEES.—In any case where the Secretary does not receive payment of a fee assessed under paragraph (1) or (2) within 30 days after it is due, such fee shall be treated as a claim of the United States Government subject to subchapter II of chapter 37 of title 31, United States Code.

''(g) COMPLIANCE WITH SECTION 801(a).—

''(1) IN GENERAL.—A registration condition is that each qualifying drug exported under subsection (a) by the registered exporter involved or imported under subsection (a) by the registered importer involved is in compliance with the standards referred to in section 801(a) regarding admission of the drug into the United States, subject to paragraphs (2), (3), and (4).

''(2) SECTION 505; APPROVAL STATUS.—

''(A) IN GENERAL.—A qualifying drug that is imported or offered for import under subsection (a) shall comply with the conditions established in the approved application under section 505(b) for the U.S. label drug as described under this subsection.

''(B) NOTICE BY MANUFACTURER; GENERAL PROVISIONS.—

''(i) IN GENERAL.—The person that manufactures a qualifying drug that is, or will be, introduced for commercial distribution in a permitted country shall in accordance with this paragraph submit to the Secretary a notice that—

''(I) includes each difference in the qualifying drug from a condition established in the approved application for the U.S. label drug beyond—

''(aa) the variations provided for in the application; and

''(bb) any difference in labeling (except ingredient labeling); or

''(II) states that there is no difference in the qualifying drug from a condition established in the approved application for the U.S. label drug beyond—

''(aa) the variations provided for in the application; and

''(bb) any difference in labeling (except ingredient labeling).

''(ii) INFORMATION IN NOTICE.—A notice under clause (i)(I) shall include the information that the Secretary may require under section 506A, any additional information the Secretary may require (which may include data on bioequivalence if such data are not required under section 506A), and, with respect to the permitted country that approved the qualifying drug for commercial distribution, or with respect to which such approval is sought, include the following:

''(I) The date on which the qualifying drug with such difference was, or will be, introduced for commercial distribution in the permitted country.

''(II) Information demonstrating that the person submitting the notice has also notified the government of the permitted country in writing that the person is submitting to the Secretary a notice under clause (i)(I), which notice describes the difference in the qualifying drug from a condition established in the approved application for the U.S. label drug.

''(III) The information that the person submitted or will submit to the government of the permitted country for purposes of obtaining approval for commercial distribution of the drug in the country which, if in a language other than English, shall be accompanied by an English translation verified to be complete and accurate, with the name, address, and a brief statement of the qualifications of the person that made the translation.

''(iii) CERTIFICATIONS.—The chief executive officer and the chief medical officer of the manufacturer involved shall each certify in the notice under clause (i) that—

''(I) the information provided in the notice is complete and true; and

''(II) a copy of the notice has been provided to the Federal Trade Commission and to the State attorneys general.

''(iv) FEE.—If a notice submitted under clause (i) includes a difference that would, under section 506A, require the submission of a supplemental application if made as a change to the U.S. label drug, the person that submits the notice shall pay to the Secretary a fee in the same amount as would apply if the person were paying a fee pursuant to section 736(a)(1)(A)(ii). Subject to appropriations Acts, fees collected by the Secretary under the preceding sentence are available only to the Secretary and are for the sole purpose of paying the costs of reviewing notices submitted under clause (i).

''(v) TIMING OF SUBMISSION OF NOTICES.—

''(I) PRIOR APPROVAL NOTICES.—A notice under clause (i) to which subparagraph (C) applies shall be submitted to the Secretary not later than 120 days before the qualifying drug with the difference is introduced for commercial distribution in a permitted country, unless the country requires that distribution of the qualifying drug with the difference begin less than 120 days after the country requires the difference.

''(II) OTHER APPROVAL NOTICES.—A notice under clause (i) to which subparagraph (D) applies shall be submitted to the Secretary not later than the day on which the qualifying drug with the difference is introduced for commercial distribution in a permitted country.

''(III) OTHER NOTICES.—A notice under clause (i) to which subparagraph (E) applies shall be submitted to the Secretary on the date that the qualifying drug is first introduced for commercial distribution in a permitted country and annually thereafter.

''(vi) REVIEW BY SECRETARY.—

''(I) IN GENERAL.—In this paragraph, the difference in a qualifying drug that is submitted in a notice under clause (i) from the U.S. label drug shall be treated by the Secretary as if it were a manufacturing change to the U.S. label drug under section 506A.

''(II) STANDARD OF REVIEW.—Except as provided in subclause (III), the Secretary shall review and approve or disapprove the difference in a notice submitted under clause (i), if required under section 506A, using the safe and effective standard for approving or disapproving a manufacturing change under section 506A.

''(III) BIOEQUIVALENCE.—If the Secretary would approve the difference in a notice submitted under clause (i) using the safe and effective standard under section 506A and if the Secretary determines that the qualifying drug is not bioequivalent to the U.S. label drug, the Secretary may—

''(aa) include in the labeling provided under paragraph (3) a prominent advisory that the qualifying drug is safe and effective but is not bioequivalent to the U.S. label drug if the Secretary determines that such an advisory is necessary for health care practitioners and patients to use the qualifying drug safely and effectively; or

''(bb) decline to approve the difference if the Secretary determines that the availability of both the qualifying drug and the U.S. label drug would pose a threat to the public health.

''(IV) REVIEW BY THE SECRETARY.—The Secretary shall review and approve or disapprove the difference in a notice submitted under clause (i), if required under section 506A, not later than 120 days after the date on which the notice is submitted.

''(V) ESTABLISHMENT INSPECTION.—If review of such difference would require an inspection of the establishment in which the qualifying drug is manufactured—

''(aa) such inspection by the Secretary shall be authorized; and

''(bb) the Secretary may rely on a satisfactory report of a good manufacturing practice inspection of the establishment from a permitted country whose regulatory system the Secretary recognizes as equivalent under a mutual recognition agreement, as provided under section 510(i)(3), section 803, or part 26 of title 21, Code of Federal Regulations (or any corresponding successor rule or regulation).

''(vii) PUBLICATION OF INFORMATION ON NOTICES.—

''(I) IN GENERAL.—Through the Internet website of the Food and Drug Administration and a toll-free telephone number, the Secretary shall readily make available to the public a list of notices submitted under clause (i).

''(II) CONTENTS.—The list under subclause (I) shall include the date on which a notice is submitted and whether—

''(aa) a notice is under review;

''(bb) the Secretary has ordered that importation of the qualifying drug from a permitted country cease; or

''(cc) the importation of the drug is permitted under subsection (a).

''(III) UPDATE.—The Secretary shall promptly update the Internet website with any changes to the list.

''(C) NOTICE; DRUG DIFFERENCE REQUIRING PRIOR APPROVAL.—In the case of a notice under subparagraph (B)(i) that includes a difference that would, under section 506A(c) or (d)(3)(B)(i), require the approval of a supplemental application before the difference could be made to the U.S. label drug the following shall occur:

''(i) Promptly after the notice is submitted, the Secretary shall notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general that the notice has been submitted with respect to the qualifying drug involved.

''(ii) If the Secretary has not made a determination whether such a supplemental application regarding the U.S. label drug would be approved or disapproved by the date on which the qualifying drug involved is to be introduced for commercial distribution in a permitted country, the Secretary shall—

''(I) order that the importation of the qualifying drug involved from the permitted country not begin until the Secretary completes review of the notice; and

''(II) promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of the order.

''(iii) If the Secretary determines that such a supplemental application regarding the U.S. label drug would not be approved, the Secretary shall—

''(I) order that the importation of the qualifying drug involved from the permitted country cease, or provide that an order under clause (ii), if any, remains in effect;

''(II) notify the permitted country that approved the qualifying drug for commercial distribution of the determination; and

''(III) promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of the determination.

''(iv) If the Secretary determines that such a supplemental application regarding the U.S. label drug would be approved, the Secretary shall—

''(I) vacate the order under clause (ii), if any;

''(II) consider the difference to be a variation provided for in the approved application for the U.S. label drug;

''(III) permit importation of the qualifying drug under subsection (a); and

''(IV) promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of the determination.

''(D) NOTICE; DRUG DIFFERENCE NOT REQUIRING PRIOR APPROVAL.—In the case of a notice under subparagraph (B)(i) that includes a difference that would, under section 506A(d)(3)(B)(ii), not require the approval of a supplemental application before the difference could be made to the U.S. label drug the following shall occur:

''(i) During the period in which the notice is being reviewed by the Secretary, the authority under this subsection to import the qualifying drug involved continues in effect.

''(ii) If the Secretary determines that such a supplemental application regarding the U.S. label drug would not be approved, the Secretary shall—

''(I) order that the importation of the qualifying drug involved from the permitted country cease;

''(II) notify the permitted country that approved the qualifying drug for commercial distribution of the determination; and

''(III) promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of the determination.

''(iii) If the Secretary determines that such a supplemental application regarding the U.S. label drug would be approved, the difference shall be considered to be a variation provided for in the approved application for the U.S. label drug.

''(E) NOTICE; DRUG DIFFERENCE NOT REQUIRING APPROVAL; NO DIFFERENCE.—In the case of a notice under subparagraph (B)(i) that includes a difference for which, under section 506A(d)(1)(A), a supplemental application

would not be required for the difference to be made to the U.S. label drug, or that states that there is no difference, the Secretary—

''(i) shall consider such difference to be a variation provided for in the approved application for the U.S. label drug;

''(ii) may not order that the importation of the qualifying drug involved cease; and

''(iii) shall promptly notify registered exporters and registered importers.

''(F) DIFFERENCES IN ACTIVE INGREDIENT, ROUTE OF ADMINISTRATION, DOSAGE FORM, OR STRENGTH.—

''(i) IN GENERAL.—A person who manufactures a drug approved under section 505(b) shall submit an application under section 505(b) for approval of another drug that is manufactured for distribution in a permitted country by or for the person that manufactures the drug approved under section 505(b) if—

''(I) there is no qualifying drug in commercial distribution in permitted countries whose combined population represents at least 50 percent of the total population of all permitted countries with the same active ingredient or ingredients, route of administration, dosage form, and strength as the drug approved under section 505(b); and

''(II) each active ingredient of the other drug is related to an active ingredient of the drug approved under section 505(b), as defined in clause (v).

''(ii) APPLICATION UNDER SECTION 505(b).—The application under section 505(b) required under clause (i) shall—

''(I) request approval of the other drug for the indication or indications for which the drug approved under section 505(b) is labeled;

''(II) include the information that the person submitted to the government of the permitted country for purposes of obtaining approval for commercial distribution of the other drug in that country, which if in a language other than English, shall be accompanied by an English translation verified to be complete and accurate, with the name, address, and a brief statement of the qualifications of the person that made the translation;

''(III) include a right of reference to the application for the drug approved under section 505(b); and

''(IV) include such additional information as the Secretary may require.

''(iii) TIMING OF SUBMISSION OF APPLICATION.—An application under section 505(b) required under clause (i) shall be submitted to the Secretary not later than the day on which the information referred to in clause (ii)(II) is submitted to the government of the permitted country.

''(iv) NOTICE OF DECISION ON APPLICATION.—The Secretary shall promptly notify registered exporters, registered importers, the Federal Trade Commission, and the State attorneys general of a determination to approve or to disapprove an application under section 505(b) required under clause (i).

''(v) RELATED ACTIVE INGREDIENTS.—For purposes of clause (i)(II), 2 active ingredients are related if they are—

''(I) the same; or

''(II) different salts, esters, or complexes of the same moiety.

''(3) SECTION 502; LABELING.—

''(A) IMPORTATION BY REGISTERED IMPORTER.—

''(i) IN GENERAL.—In the case of a qualifying drug that is imported or offered for import by a registered importer, such drug shall be considered to be in compliance with section 502 and the labeling requirements under the approved application for the U.S. label drug if the qualifying drug bears—

''(I) a copy of the labeling approved for the U.S. label drug under section 505, without regard to whether the copy bears any trademark involved;

''(II) the name of the manufacturer and location of the manufacturer;

''(III) the lot number assigned by the manufacturer;

''(IV) the name, location, and registration number of the importer; and

''(V) the National Drug Code number assigned to the qualifying drug by the Secretary.

''(ii) REQUEST FOR COPY OF THE LABELING.—The Secretary shall provide such copy to the registered importer involved, upon request of the importer.

''(iii) REQUESTED LABELING.—The labeling provided by the Secretary under clause (ii) shall—

''(I) include the established name, as defined in section 502(e)(3), for each active ingredient in the qualifying drug;

''(II) not include the proprietary name of the U.S. label drug or any active ingredient thereof;

''(III) if required under paragraph (2)(B)(vi)(III), a prominent advisory that the qualifying drug is safe and effective but not bioequivalent to the U.S. label drug; and

''(IV) if the inactive ingredients of the qualifying drug are different from the inactive ingredients for the U.S. label drug, include—

''(aa) a prominent notice that the ingredients of the qualifying drug differ from the ingredients of the U.S. label drug and that the qualifying drug must be dispensed with an advisory to people with allergies about this difference and a list of ingredients; and

''(bb) a list of the ingredients of the qualifying drug as would be required under section 502(e).

''(B) IMPORTATION BY INDIVIDUAL.—

''(i) IN GENERAL.—In the case of a qualifying drug that is imported or offered for import by a registered exporter to an individual, such drug shall be considered to be in compliance with section 502 and the labeling requirements under the approved application for the U.S. label drug if the packaging and labeling of the qualifying drug complies with all applicable regulations promulgated under sections 3 and 4 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.) and the labeling of the qualifying drug includes—

''(I) directions for use by the consumer;

''(II) the lot number assigned by the manufacturer;

''(III) the name and registration number of the exporter;

''(IV) if required under paragraph (2)(B)(vi)(III), a prominent advisory that the drug is safe and effective but not bioequivalent to the U.S. label drug;

''(V) if the inactive ingredients of the drug are different from the inactive ingredients for the U.S. label drug—

''(aa) a prominent advisory that persons with an allergy should check the ingredient list of the drug because the ingredients of the drug differ from the ingredients of the U.S. label drug; and

''(bb) a list of the ingredients of the drug as would be required under section 502(e); and

''(VI) a copy of any special labeling that would be required by the Secretary had the U.S. label drug been dispensed by a pharmacist in the United States, without regard to whether the special labeling bears any trademark involved.

''(ii) PACKAGING.—A qualifying drug offered for import to an individual by an exporter under this section that is packaged in a unit-of-use container (as those items are defined in the United States Pharmacopeia and National Formulary) shall not be repackaged, provided that—

''(I) the packaging complies with all applicable regulations under sections 3 and 4 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.); or

''(II) the consumer consents to waive the requirements of such Act, after being informed that the packaging does not comply with such Act and that the exporter will provide the drug in packaging that is compliant at no additional cost.

''(iii) REQUEST FOR COPY OF SPECIAL LABELING AND INGREDIENT LIST.—The Secretary shall provide to the registered exporter involved a copy of the special labeling, the advisory, and the ingredient list described under clause (i), upon request of the exporter.

''(iv) REQUESTED LABELING AND INGREDIENT LIST.—The labeling and ingredient list provided by the Secretary under clause (iii) shall—

''(I) include the established name, as defined in section 502(e)(3), for each active ingredient in the drug; and

''(II) not include the proprietary name of the U.S. label drug or any active ingredient thereof.

''(4) SECTION 501; ADULTERATION.—A qualifying drug that is imported or offered for import under subsection (a) shall be considered to be in compliance with section 501 if the drug is in compliance with subsection (c).

''(5) STANDARDS FOR REFUSING ADMISSION.—A drug exported under subsection (a) from a registered exporter or imported by a registered importer may be refused admission into the United States if 1 or more of the following applies:

''(A) The drug is not a qualifying drug.

''(B) A notice for the drug required under paragraph (2)(B) has not been submitted to the Secretary.

''(C) The Secretary has ordered that importation of the drug from the permitted country cease under paragraph (2)(C) or (D).

''(D) The drug does not comply with paragraph (3) or (4).

''(E) The shipping container appears damaged in a way that may affect the strength, quality, or purity of the drug.

''(F) The Secretary becomes aware that—

''(i) the drug may be counterfeit;

''(ii) the drug may have been prepared, packed, or held under insanitary conditions; or

''(iii) the methods used in, or the facilities or controls used for, the manufacturing, processing, packing, or holding of the drug do not conform to good manufacturing practice.

''(G) The Secretary has obtained an injunction under section 302 that prohibits the distribution of the drug in interstate commerce.

''(H) The Secretary has under section 505(e) withdrawn approval of the drug.

''(I) The manufacturer of the drug has instituted a recall of the drug.

''(J) If the drug is imported or offered for import by a registered importer without submission of a notice in accordance with subsection (d)(4).

''(K) If the drug is imported or offered for import from a registered exporter to an individual and 1 or more of the following applies:

''(i) The shipping container for such drug does not bear the markings required under subsection (d)(2).

''(ii) The markings on the shipping container appear to be counterfeit.

''(iii) The shipping container or markings appear to have been tampered with.

''(h) LICENSING AS PHARMACIST.—A registration condition is that the exporter involved agrees that a qualifying drug will be exported to an individual only if the Secretary has verified that—

''(1) the exporter is authorized under the law of the permitted country in which the exporter is located to dispense prescription drugs; and

''(2) the exporter employs persons that are licensed under the law of the permitted country in which the exporter is located to dispense prescription drugs in sufficient number to dispense safely the drugs exported by the exporter to individuals, and the exporter assigns to those persons responsibility for dispensing such drugs to individuals.

''(i) INDIVIDUALS; CONDITIONS FOR IMPORTATION.—

''(1) IN GENERAL.—For purposes of subsection (a)(2)(B), the importation of a qualifying drug by an individual is in accordance with this subsection if the following conditions are met:

''(A) The drug is accompanied by a copy of a prescription for the drug, which prescription—

''(i) is valid under applicable Federal and State laws; and

''(ii) was issued by a practitioner who, under the law of a State of which the individual is a resident, or in which the individual receives care from the practitioner who issues the prescription, is authorized to administer prescription drugs.

''(B) The drug is accompanied by a copy of the documentation that was required under the law or regulations of the permitted country in which the exporter is located, as a condition of dispensing the drug to the individual.

''(C) The copies referred to in subparagraphs (A)(i) and (B) are marked in a manner sufficient—

''(i) to indicate that the prescription, and the equivalent document in the permitted country in which the exporter is located, have been filled; and

''(ii) to prevent a duplicative filling by another pharmacist.

''(D) The individual has provided to the registered exporter a complete list of all drugs used by the individual for review by the individuals who dispense the drug.

''(E) The quantity of the drug does not exceed a 90-day supply.

''(F) The drug is not an ineligible subpart H drug. For purposes of this section, a prescription drug is an 'ineligible subpart H drug' if the drug was approved by the Secretary under subpart H of part 314 of title 21, Code of Federal Regulations (relating to accelerated approval), with restrictions under section 520 of such part to assure safe use, and the Secretary has published in the Federal Register a notice that the Secretary has determined that good cause exists to prohibit the drug from being imported pursuant to this subsection.

''(2) NOTICE REGARDING DRUG REFUSED ADMISSION.—If a registered exporter ships a drug to an individual pursuant to subsection (a)(2)(B) and the drug is refused admission to the United States, a written notice shall be sent to the individual and to the exporter that informs the individual and the exporter of such refusal and the reason for the refusal.

''(j) MAINTENANCE OF RECORDS AND SAMPLES.—

''(1) IN GENERAL.—A registration condition is that the importer or exporter involved shall—

''(A) maintain records required under this section for not less than 2 years; and

''(B) maintain samples of each lot of a qualifying drug required under this section for not less than 2 years.

''(2) PLACE OF RECORD MAINTENANCE.—The records described under paragraph (1) shall be maintained—

''(A) in the case of an importer, at the place of business of the importer at which the importer initially receives the qualifying drug after importation; or

''(B) in the case of an exporter, at the facility from which the exporter ships the qualifying drug to the United States.

''(k) DRUG RECALLS.—

''(1) MANUFACTURERS.—A person that manufactures a qualifying drug imported from a permitted country under this section shall promptly inform the Secretary—

''(A) if the drug is recalled or withdrawn from the market in a permitted country;

''(B) how the drug may be identified, including lot number; and

''(C) the reason for the recall or withdrawal.

''(2) SECRETARY.—With respect to each permitted country, the Secretary shall—

''(A) enter into an agreement with the government of the country to receive information about recalls and withdrawals of qualifying drugs in the country; or

''(B) monitor recalls and withdrawals of qualifying drugs in the country using any information that is available to the public in any media.

''(3) NOTICE.—The Secretary may notify, as appropriate, registered exporters, registered importers, wholesalers, pharmacies, or the public of a recall or withdrawal of a qualifying drug in a permitted country.

''(l) DRUG LABELING AND PACKAGING.—

''(1) IN GENERAL.—When a qualifying drug that is imported into the United States by an importer under subsection (a) is dispensed by a pharmacist to an individual, the pharmacist shall provide that the packaging and labeling of the drug complies with all applicable regulations promulgated under sections 3 and 4 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.) and shall include with any other labeling provided to the individual the following:

''(A) The lot number assigned by the manufacturer.

''(B) The name and registration number of the importer.

''(C) If required under paragraph (2)(B)(vi)(III) of subsection (g), a prominent advisory that the drug is safe and effective but not bioequivalent to the U.S. label drug.

''(D) If the inactive ingredients of the drug are different from the inactive ingredients for the U.S. label drug—

''(i) a prominent advisory that persons with allergies should check the ingredient list of the drug because the ingredients of the drug differ from the ingredients of the U.S. label drug; and

''(ii) a list of the ingredients of the drug as would be required under section 502(e).

''(2) PACKAGING.—A qualifying drug that is packaged in a unit-of-use container (as those terms are defined in the United States Pharmacopeia and National Formulary) shall not be repackaged, provided that—

''(A) the packaging complies with all applicable regulations under sections 3 and 4 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 et seq.); or

''(B) the consumer consents to waive the requirements of such Act, after being informed that the packaging does not comply with such Act and that the pharmacist will provide the drug in packaging that is compliant at no additional cost.

''(m) CHARITABLE CONTRIBUTIONS.—Notwithstanding any other provision of this section, this section does not authorize the importation into the United States of a qualifying drug donated or otherwise supplied for free or at nominal cost by the manufacturer of the drug to a charitable or humanitarian organization, including the United Nations and affiliates, or to a government of a foreign country.

''(n) UNFAIR AND DISCRIMINATORY ACTS AND PRACTICES.—

''(1) IN GENERAL.—It is unlawful for a manufacturer, directly or indirectly (including by being a party to a licensing agreement or other agreement), to—

''(A) discriminate by charging a higher price for a prescription drug sold to a registered exporter or other person in a permitted country that exports a qualifying drug to the United States under this section than the price that is charged, inclusive of rebates or other incentives to the permitted country or other person, to another person that is in the same country and that does not export a qualifying drug into the United States under this section;

''(B) discriminate by charging a higher price for a prescription drug sold to a registered importer or other person that distributes, sells, or uses a qualifying drug imported into the United States under this section than the price that is charged to another person in the United States that does not import a qualifying drug under this section, or that does not distribute, sell, or use such a drug;

''(C) discriminate by denying, restricting, or delaying supplies of a prescription drug to a registered exporter or other person in a permitted country that exports a qualifying drug to the United States under this section or to a registered importer or other person that distributes, sells, or uses a qualifying drug imported into the United States under this section;

''(D) discriminate by publicly, privately, or otherwise refusing to do business with a registered exporter or other person in a permitted country that exports a qualifying drug to the United States under this section or with a registered importer or other person that distributes, sells, or uses a qualifying drug imported into the United States under this section;

''(E) knowingly fail to submit a notice under subsection (g)(2)(B)(i), knowingly fail to submit such a notice on or before the date specified in subsection (g)(2)(B)(v) or as otherwise required under subsection (e)(3), (4), and (5) of section ___4 of the Pharmaceutical Market Access and Drug Safety Act of 2006, knowingly submit such a notice that makes a materially false, fictitious, or fraudulent statement, or knowingly fail to provide promptly any information requested by the Secretary to review such a notice;

''(F) knowingly fail to submit an application required under subsection (g)(2)(F), knowingly fail to submit such an application on or before the date specified in subsection (g)(2)(F)(ii), knowingly submit such an application that makes a materially false, fictitious, or fraudulent statement, or knowingly fail to provide promptly any information requested by the Secretary to review such an application;

''(G) cause there to be a difference (including a difference in active ingredient, route of administration, dosage form, strength, formulation, manufacturing establishment, manufacturing process, or person that manufactures the drug) between a prescription drug for distribution in the United States and the drug for distribution in a permitted country;

''(H) refuse to allow an inspection authorized under this section of an establishment that manufactures a qualifying drug that is, or will be, introduced for commercial distribution in a permitted country;

''(I) fail to conform to the methods used in, or the facilities used for, the manufacturing, processing, packing, or holding of a qualifying drug that is, or will be, introduced for commercial distribution in a permitted country to good manufacturing practice under this Act;

''(J) become a party to a licensing agreement or other agreement related to a qualifying drug that fails to provide for compliance with all requirements of this section with respect to such drug;

''(K) enter into a contract that restricts, prohibits, or delays the importation of a qualifying drug under this section;

''(L) engage in any other action to restrict, prohibit, or delay the importation of a qualifying drug under this section; or

''(M) engage in any other action that the Federal Trade Commission determines to discriminate against a person that engages or attempts to engage in the importation of a qualifying drug under this section.

''(2) REFERRAL OF POTENTIAL VIOLATIONS.—The Secretary shall promptly refer to the Federal Trade Commission each potential violation of subparagraph (E), (F), (G), (H), or (I) of paragraph (1) that becomes known to the Secretary.

''(3) AFFIRMATIVE DEFENSE.—

''(A) DISCRIMINATION.—It shall be an affirmative defense to a charge that a manufacturer has discriminated under subparagraph (A), (B), (C), (D), or (M) of paragraph (1) that the higher price charged for a prescription drug sold to a person, the denial, restriction, or delay of supplies of a prescription drug to a person, the refusal to do business with a person, or other discriminatory activity against a person, is not based, in whole or in part, on—

''(i) the person exporting or importing a qualifying drug into the United States under this section; or

''(ii) the person distributing, selling, or using a qualifying drug imported into the United States under this section.

''(B) DRUG DIFFERENCES.—It shall be an affirmative defense to a charge that a manufacturer has caused there to be a difference described in subparagraph (G) of paragraph (1) that—

''(i) the difference was required by the country in which the drug is distributed;

''(ii) the Secretary has determined that the difference was necessary to improve the safety or effectiveness of the drug;

''(iii) the person manufacturing the drug for distribution in the United States has given notice to the Secretary under subsection (g)(2)(B)(i) that the drug for distribution in the United States is not different from a drug for distribution in permitted countries whose combined population represents at least 50 percent of the total population of all permitted countries; or

''(iv) the difference was not caused, in whole or in part, for the purpose of restricting importation of the drug into the United States under this section.

''(4) EFFECT OF SUBSECTION.—

''(A) SALES IN OTHER COUNTRIES.—This subsection applies only to the sale or distribution of a prescription drug in a country if the manufacturer of the drug chooses to sell or distribute the drug in the country. Nothing in this subsection shall be construed to compel the manufacturer of a drug to distribute or sell the drug in a country.

''(B) DISCOUNTS TO INSURERS, HEALTH PLANS, PHARMACY BENEFIT MANAGERS, AND COVERED ENTITIES.—Nothing in this subsection shall be construed to—

''(i) prevent or restrict a manufacturer of a prescription drug from providing discounts to an insurer, health plan, pharmacy benefit manager in the United States, or covered entity in the drug discount program under section 340B of the Public Health Service Act (42 U.S.C. 256b) in return for inclusion of the drug on a formulary;

''(ii) require that such discounts be made available to other purchasers of the prescription drug; or

''(iii) prevent or restrict any other measures taken by an insurer, health plan, or pharmacy benefit manager to encourage consumption of such prescription drug.

''(C) CHARITABLE CONTRIBUTIONS.—Nothing in this subsection shall be construed to—

''(i) prevent a manufacturer from donating a prescription drug, or supplying a prescription drug at nominal cost, to a charitable or humanitarian organization, including the United Nations and affiliates, or to a government of a foreign country; or

''(ii) apply to such donations or supplying of a prescription drug.

''(5) ENFORCEMENT.—

''(A) UNFAIR OR DECEPTIVE ACT OR PRACTICE.—A violation of this subsection shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

''(B) ACTIONS BY THE COMMISSION.—The Federal Trade Commission—

''(i) shall enforce this subsection in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this section; and

''(ii) may seek monetary relief threefold the damages sustained, in addition to any other remedy available to the Federal Trade Commission under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

''(6) ACTIONS BY STATES.—

''(A) IN GENERAL.—

''(i) CIVIL ACTIONS.—In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State have been adversely affected by any manufacturer that violates paragraph (1), the attorney general of a State may bring a civil action on behalf of the residents of the State, and persons doing business in the State, in a district court of the United States of appropriate jurisdiction to—

''(I) enjoin that practice;

''(II) enforce compliance with this subsection;

''(III) obtain damages, restitution, or other compensation on behalf of residents of the State and persons doing business in the State, including threefold the damages; or

''(IV) obtain such other relief as the court may consider to be appropriate.

''(ii) NOTICE.—

''(I) IN GENERAL.—Before filing an action under clause (i), the attorney general of the State involved shall provide to the Federal Trade Commission—

''(aa) written notice of that action; and

''(bb) a copy of the complaint for that action.

''(II) EXEMPTION.—Subclause (I) shall not apply with respect to the filing of an action by an attorney general of a State under this paragraph, if the attorney general determines that it is not feasible to provide the notice described in that subclause before filing of the action. In such case, the attorney general of a State shall provide notice and a copy of the complaint to the Federal Trade Commission at the same time as the attorney general files the action.

''(B) INTERVENTION.—

''(i) IN GENERAL.—On receiving notice under subparagraph (A)(ii), the Federal Trade Commission shall have the right to intervene in the action that is the subject of the notice.

''(ii) EFFECT OF INTERVENTION.—If the Federal Trade Commission intervenes in an action under subparagraph (A), it shall have the right—

''(I) to be heard with respect to any matter that arises in that action; and

''(II) to file a petition for appeal.

''(C) CONSTRUCTION.—For purposes of bringing any civil action under subparagraph (A), nothing in this subsection shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

''(i) conduct investigations;

''(ii) administer oaths or affirmations; or

''(iii) compel the attendance of witnesses or the production of documentary and other evidence.

''(D) ACTIONS BY THE COMMISSION.—In any case in which an action is instituted by or on behalf of the Federal Trade Commission for a violation of paragraph (1), a State may not, during the pendency of that action, institute an action under subparagraph (A) for the same violation against any defendant named in the complaint in that action.

''(E) VENUE.—Any action brought under subparagraph (A) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

''(F) SERVICE OF PROCESS.—In an action brought under subparagraph (A), process may be served in any district in which the defendant—

''(i) is an inhabitant; or

''(ii) may be found.

''(G) MEASUREMENT OF DAMAGES.—In any action under this paragraph to enforce a cause of action under this subsection in which there has been a determination that a defendant has violated a provision of this subsection, damages may be proved and assessed in the aggregate by statistical or sampling methods, by the computation of illegal overcharges or by such other reasonable system of estimating aggregate damages as the court in its discretion may permit without the necessity of separately proving the individual claim of, or amount of damage to, persons on whose behalf the suit was brought.

''(H) EXCLUSION ON DUPLICATIVE RELIEF.—The district court shall exclude from the amount of monetary relief awarded in an action under this paragraph brought by the attorney general of a State any amount of monetary relief which duplicates amounts which have been awarded for the same injury.

''(7) EFFECT ON ANTITRUST LAWS.—Nothing in this subsection shall be construed to modify, impair, or supersede the operation of the antitrust laws. For the purpose of this subsection, the term 'antitrust laws' has the meaning given it in the first section of the Clayton Act, except that it includes section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair methods of competition.

''(8) MANUFACTURER.—In this subsection, the term 'manufacturer' means any entity, including any affiliate or licensee of that entity, that is engaged in—

''(A) the production, preparation, propagation, compounding, conversion, or processing of a prescription drug, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis; or

''(B) the packaging, repackaging, labeling, relabeling, or distribution of a prescription drug.''.

(b) PROHIBITED ACTS.—The Federal Food, Drug, and Cosmetic Act is amended—

(1) in section 301 (21 U.S.C. 331), by striking paragraph (aa) and inserting the following:

''(aa)(1) The sale or trade by a pharmacist, or by a business organization of which the pharmacist is a part, of a qualifying drug that under section 804(a)(2)(A) was imported by the pharmacist, other than—

''(A) a sale at retail made pursuant to dispensing the drug to a customer of the pharmacist or organization; or

''(B) a sale or trade of the drug to a pharmacy or a wholesaler registered to import drugs under section 804.

''(2) The sale or trade by an individual of a qualifying drug that under section 804(a)(2)(B) was imported by the individual.

''(3) The making of a materially false, fictitious, or fraudulent statement or representation, or a material omission, in a notice under clause (i) of section 804(g)(2)(B) or in an application required under section 804(g)(2)(F), or the failure to submit such a notice or application.

''(4) The importation of a drug in violation of a registration condition or other requirement under section 804, the falsification of any record required to be maintained, or provided to the Secretary, under such section, or the violation of any registration condition or other requirement under such section.''; and

(2) in section 303(a) (21 U.S.C. 333(a)), by striking paragraph (6) and inserting the following:

''(6) Notwithstanding subsection (a), any person that knowingly violates section 301(i)(2) or (3) or section 301(aa)(4) shall be imprisoned not more than 10 years, or fined in accordance with title 18, United States Code, or both.''.

(c) AMENDMENT OF CERTAIN PROVISIONS.—

(1) IN GENERAL.—Section 801 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381) is amended by striking subsection (g) and inserting the following:

''(g) With respect to a prescription drug that is imported or offered for import into the United States by an individual who is not in the business of such importation, that is not shipped by a registered exporter under section 804, and that is refused admission under subsection (a), the Secretary shall notify the individual that—

''(1) the drug has been refused admission because the drug was not a lawful import under section 804;

''(2) the drug is not otherwise subject to a waiver of the requirements of subsection (a);

''(3) the individual may under section 804 lawfully import certain prescription drugs from exporters registered with the Secretary under section 804; and

''(4) the individual can find information about such importation, including a list of registered exporters, on the Internet website of the Food and Drug Administration or through a toll-free telephone number required under section 804.''.

(2) ESTABLISHMENT REGISTRATION.—Section 510(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360(i)) is amended in paragraph (1) by inserting after ''import into the United States'' the following: '', including a drug that is, or may be, imported or offered for import into the United States under section 804,''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date that is 90 days after the date of enactment of this title.

(d) EXHAUSTION.—

(1) IN GENERAL.—Section 271 of title 35, United States Code, is amended—

(A) by redesignating subsections (h) and (i) as (i) and (j), respectively; and

(B) by inserting after subsection (g) the following:

''(h) It shall not be an act of infringement to use, offer to sell, or sell within the United States or to import into the United States any patented invention under section 804 of the Federal Food, Drug, and Cosmetic Act that was first sold abroad by or under authority of the owner or licensee of such patent.''.

(2) RULE OF CONSTRUCTION.—Nothing in the amendment made by paragraph (1) shall be construed to affect the ability of a patent owner or licensee to enforce their patent, subject to such amendment.

(e) EFFECT OF SECTION 804.—

(1) IN GENERAL.—Section 804 of the Federal Food, Drug, and Cosmetic Act, as added by subsection (a), shall permit the importation of qualifying drugs (as defined in such section 804) into the United States without regard to the status of the issuance of implementing regulations—

(A) from exporters registered under such section 804 on the date that is 90 days after the date of enactment of this title; and

(B) from permitted countries, as defined in such section 804, by importers registered under such section 804 on the date that is 1 year after the date of enactment of this title.

(2) REVIEW OF REGISTRATION BY CERTAIN EXPORTERS.—

(A) REVIEW PRIORITY.—In the review of registrations submitted under subsection (b) of such section 804, registrations submitted by entities in Canada that are significant exporters of prescription drugs to individuals in the United States as of the date of enactment of this title will have priority during the 90 day period that begins on such date of enactment.

(B) PERIOD FOR REVIEW.—During such 90-day period, the reference in subsection (b)(2)(A) of such section 804 to 90 days (relating to approval or disapproval of registrations) is, as applied to such entities, deemed to be 30 days.

(C) LIMITATION.—That an exporter in Canada exports, or has exported, prescription drugs to individuals in the United States on or before the date that is 90 days after the date of enactment of this title shall not serve as a basis, in whole or in part, for disapproving a registration under such section 804 from the exporter.

(D) FIRST YEAR LIMIT ON NUMBER OF EXPORTERS.—During the 1-year period beginning on the date of enactment of this title, the Secretary of Health and Human Services (referred to in this section as the ''Secretary'') may limit the number of registered exporters under such section 804 to not less than 50, so long as the Secretary gives priority to those exporters with demonstrated ability to process a high volume of shipments of drugs to individuals in the United States.

(E) SECOND YEAR LIMIT ON NUMBER OF EXPORTERS.—During the 1-year period beginning on the date that is 1 year after the date of enactment of this title, the Secretary may limit the number of registered exporters under such section 804 to not less than 100, so long as the Secretary gives priority to those exporters with demonstrated ability to process a high volume of shipments of drugs to individuals in the United States.

(F) FURTHER LIMIT ON NUMBER OF EXPORTERS.—During any 1-year period beginning on a date that is 2 or more years after the date of enactment of this title, the Secretary may limit the number of registered exporters under such section 804 to not less than 25 more than the number of such exporters during the previous 1-year period, so long as the Secretary gives priority to those exporters with demonstrated ability to process a high volume of shipments of drugs to individuals in the United States.

(3) LIMITS ON NUMBER OF IMPORTERS.—

(A) FIRST YEAR LIMIT ON NUMBER OF IMPORTERS.—During the 1-year period beginning on the date that is 1 year after the date of enactment of this title, the Secretary may limit the number of registered importers under such section 804 to not less than 100 (of which at least a significant number shall be groups of pharmacies, to the extent feasible given the applications submitted by such groups), so long as the Secretary gives priority to those importers with demonstrated ability to process a high volume of shipments of drugs imported into the United States.

(B) SECOND YEAR LIMIT ON NUMBER OF IMPORTERS.—During the 1-year period beginning on the date that is 2 years after the date of enactment of this title, the Secretary may limit the number of registered importers under such section 804 to not less than 200 (of which at least a significant number shall be groups of pharmacies, to the extent feasible given the applications submitted by such groups), so long as the Secretary gives priority to those importers with demonstrated ability to process a high volume of shipments of drugs into the United States.

(C) FURTHER LIMIT ON NUMBER OF IMPORTERS.—During any 1-year period beginning on a date that is 3 or more years after the date of enactment of this title, the Secretary may limit the number of registered importers under such section 804 to not less than 50 more (of which at least a significant number shall be groups of pharmacies, to the extent feasible given the applications submitted by such groups) than the number of such importers during the previous 1-year period, so long as the Secretary gives priority to those importers with demonstrated ability to process a high volume of shipments of drugs to the United States.

(4) NOTICES FOR DRUGS FOR IMPORT FROM CANADA.—The notice with respect to a qualifying drug introduced for commercial distribution in Canada as of the date of enactment of this title that is required under subsection (g)(2)(B)(i) of such section 804 shall be submitted to the Secretary not later than 30 days after the date of enactment of this title if—

(A) the U.S. label drug (as defined in such section 804) for the qualifying drug is 1 of the 100 prescription drugs with the highest dollar volume of sales in the United States based on the 12 calendar month period most recently completed before the date of enactment of this title; or

(B) the notice is a notice under subsection (g)(2)(B)(i)(II) of such section 804.

(5) NOTICE FOR DRUGS FOR IMPORT FROM OTHER COUNTRIES.—The notice with respect to a qualifying drug introduced for commercial distribution in a permitted country other than Canada as of the date of enactment of this title that is required under subsection (g)(2)(B)(i) of such section 804 shall be submitted to the Secretary not later than 180 days after the date of enactment of this title if—

(A) the U.S. label drug for the qualifying drug is 1 of the 100 prescription drugs with the highest dollar volume of sales in the United States based on the 12 calendar month period that is first completed on the date that is 120 days after the date of enactment of this title; or

(B) the notice is a notice under subsection (g)(2)(B)(i)(II) of such section 804.

(6) NOTICE FOR OTHER DRUGS FOR IMPORT.—

(A) GUIDANCE ON SUBMISSION DATES.—The Secretary shall by guidance establish a series of submission dates for the notices under subsection (g)(2)(B)(i) of such section 804 with respect to qualifying drugs introduced for commercial distribution as of the date of enactment of this title and that are not required to be submitted under paragraph (4) or (5).

(B) CONSISTENT AND EFFICIENT USE OF RESOURCES.—The Secretary shall establish the dates described under subparagraph (A) so that such notices described under subparagraph (A) are submitted and reviewed at a rate that allows consistent and efficient use of the resources and staff available to the

Secretary for such reviews. The Secretary may condition the requirement to submit such a notice, and the review of such a notice, on the submission by a registered exporter or a registered importer to the Secretary of a notice that such exporter or importer intends to import such qualifying drug to the United States under such section 804.

(C) PRIORITY FOR DRUGS WITH HIGHER SALES.—The Secretary shall establish the dates described under subparagraph (A) so that the Secretary reviews the notices described under such subparagraph with respect to qualifying drugs with higher dollar volume of sales in the United States before the notices with respect to drugs with lower sales in the United States.

(7) NOTICES FOR DRUGS APPROVED AFTER EFFECTIVE DATE.—The notice required under subsection (g)(2)(B)(i) of such section 804 for a qualifying drug first introduced for commercial distribution in a permitted country (as defined in such section 804) after the date of enactment of this title shall be submitted to and reviewed by the Secretary as provided under subsection (g)(2)(B) of such section 804, without regard to paragraph (4), (5), or (6).

(8) REPORT.—Beginning with fiscal year 2006, not later than 90 days after the end of each fiscal year during which the Secretary reviews a notice referred to in paragraph (4), (5), or (6), the Secretary shall submit a report to Congress concerning the progress of the Food and Drug Administration in reviewing the notices referred to in paragraphs (4), (5), and (6).

(9) USER FEES.—

(A) EXPORTERS.—When establishing an aggregate total of fees to be collected from exporters under subsection (f)(2) of such section 804, the Secretary shall, under subsection (f)(3)(C)(i) of such section 804, estimate the total price of drugs imported under subsection (a) of such section 804 into the United States by registered exporters during fiscal year 2006 to be $1,000,000,000.

(B) IMPORTERS.—When establishing an aggregate total of fees to be collected from importers under subsection (e)(2) of such section 804, the Secretary shall, under subsection (e)(3)(C)(i) of such section 804, estimate the total price of drugs imported under subsection (a) of such section 804 into the United States by registered importers during—

(i) fiscal year 2006 to be $1,000,000,000; and

(ii) fiscal year 2007 to be $10,000,000,000.

(C) FISCAL YEAR 2007 ADJUSTMENT.—

(i) REPORTS.—Not later than February 20, 2007, registered importers shall report to the Secretary the total price and the total volume of drugs imported to the United States by the importer during the 4-month period from October 1, 2006, through January 31, 2007.

(ii) REESTIMATE.—Notwithstanding subsection (e)(3)(C)(ii) of such section 804 or subparagraph (B), the Secretary shall reestimate the total price of qualifying drugs imported under subsection (a) of such section 804 into the United States by registered importers during fiscal year 2007. Such reestimate shall be equal to—

(I) the total price of qualifying drugs imported by each importer as reported under clause (i); multiplied by

(II) 3.

(iii) ADJUSTMENT.—The Secretary shall adjust the fee due on April 1, 2007, from each importer so that the aggregate total of fees collected under subsection (e)(2) for fiscal year 2007 does not exceed the total price of qualifying drugs imported under subsection (a) of such section 804 into the United States by registered importers during fiscal year 2007 as reestimated under clause (ii).

(D) FAILURE TO PAY FEES.—Notwithstanding any other provision of this section, the Secretary may prohibit a registered importer or exporter that is required to pay user fees under subsection (e) or (f) of such section 804 and that fails to pay such fees within 30 days after the date on which it is due, from importing or offering for importation a qualifying drug under such section 804 until such fee is paid.

(E) ANNUAL REPORT.—

(i) FOOD AND DRUG ADMINISTRATION.—Beginning with fiscal year 2006, not later than 180 days after the end of each fiscal year during which fees are collected under subsection (e), (f), or (g)(2)(B)(iv) of such section 804, the Secretary shall prepare and submit to the House of Representatives and the Senate a report on the implementation of the authority for such fees during such fiscal year and the use, by the Food and Drug Administration, of the fees collected for the fiscal year for which the report is made and credited to the Food and Drug Administration.

(ii) CUSTOMS AND BORDER CONTROL.—Beginning with fiscal year 2006, not later than 180 days after the end of each fiscal year during which fees are collected under subsection (e) or (f) of such section 804, the Secretary of Homeland Security, in consultation with the Secretary of the Treasury, shall prepare and submit to the House of Representatives and the Senate a report on the use, by the Bureau of Customs and Border Protection, of the fees, if any, transferred by the Secretary to the Bureau of Customs and Border Protection for the fiscal year for which the report is made.

(10) SPECIAL RULE REGARDING IMPORTATION BY INDIVIDUALS.—

(A) IN GENERAL.—Notwithstanding any provision of this title (or an amendment made by this title), the Secretary shall designate additional countries from which an individual may import a qualifying drug into the United States under such section 804 if any action implemented by the Government of Canada has the effect of limiting or prohibiting the importation of qualifying drugs into the United States from Canada.

(B) TIMING AND CRITERIA.—The Secretary shall designate such additional countries under subparagraph (A)—

(i) not later than 6 months after the date of the action by the Government of Canada described under such subparagraph; and

(ii) using the criteria described under subsection (a)(4)(D)(i)(II) of such section 804.

(f) IMPLEMENTATION OF SECTION 804.—

(1) INTERIM RULE.—The Secretary may promulgate an interim rule for implementing section 804 of the Federal Food, Drug, and Cosmetic Act, as added by subsection (a) of this section.

(2) NO NOTICE OF PROPOSED RULEMAKING.—The interim rule described under paragraph (1) may be developed and promulgated by the Secretary without providing general notice of proposed rulemaking.

(3) FINAL RULE.—Not later than 1 year after the date on which the Secretary promulgates an interim rule under paragraph (1), the Secretary shall, in accordance with procedures under section 553 of title 5, United States Code, promulgate a final rule for implementing such section 804, which may incorporate by reference provisions of the interim rule provided for under paragraph (1), to the extent that such provisions are not modified.

(g) CONSUMER EDUCATION.—The Secretary shall carry out activities that educate consumers—

(1) with regard to the availability of qualifying drugs for import for personal use from an exporter registered with and approved by the Food and Drug Administration under section 804 of the Federal Food, Drug, and Cosmetic Act, as added by this section, including information on how to verify whether an exporter is registered and approved by use of the Internet website of the Food and Drug Administration and the toll-free telephone number required by this title;

(2) that drugs that consumers attempt to import from an exporter that is not registered with and approved by the Food and Drug Administration can be seized by the United States Customs Service and destroyed, and that such drugs may be counterfeit, unapproved, unsafe, or ineffective;

(3) with regard to the suspension and termination of any registration of a registered importer or exporter under such section 804; and

(4) with regard to the availability at domestic retail pharmacies of qualifying drugs imported under such section 804 by domestic wholesalers and pharmacies registered with and approved by the Food and Drug Administration.

(h) EFFECT ON ADMINISTRATION PRACTICES.—Notwithstanding any provision of this title (and the amendments made by this title), nothing in this title (or the amendments made by this title) shall be construed to change, limit, or restrict the practices of the Food and Drug Administration or the Bureau of Customs and Border Protection in effect on January 1, 2004, with respect to the importation of prescription drugs into the United States by an individual, on the person of such individual, for personal use.

(i) REPORT TO CONGRESS.—The Federal Trade Commission shall, on an annual basis, submit to Congress a report that describes any action taken during the period for which the report is being prepared to enforce the provisions of section 804(n) of the Federal Food, Drug, and Cosmetic Act (as added by this title), including any pending investigations or civil actions under such section.

SEC. ___5. DISPOSITION OF CERTAIN DRUGS DENIED ADMISSION INTO UNITED STATES.

(a) IN GENERAL.—Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.), as amended by section ___3, is further amended by adding at the end the following section:

"SEC. 805. DISPOSITION OF CERTAIN DRUGS DENIED ADMISSION.

''(a) IN GENERAL.—The Secretary of Homeland Security shall deliver to the Secretary a shipment of drugs that is imported or offered for import into the United States if—

''(1) the shipment has a declared value of less than $10,000; and

''(2)(A) the shipping container for such drugs does not bear the markings required under section 804(d)(2); or

''(B) the Secretary has requested delivery of such shipment of drugs.

''(b) NO BOND OR EXPORT.—Section 801(b) does not authorize the delivery to the owner or consignee of drugs delivered to the Secretary under subsection (a) pursuant to the execution of a bond, and such drugs may not be exported.

''(c) DESTRUCTION OF VIOLATIVE SHIPMENT.—The Secretary shall destroy a shipment of drugs delivered by the Secretary of Homeland Security to the Secretary under subsection (a) if—

''(1) in the case of drugs that are imported or offered for import from a registered exporter under section 804, the drugs are in violation of any standard described in section 804(g)(5); or

''(2) in the case of drugs that are not imported or offered for import from a registered exporter under section 804, the drugs are in violation of a standard referred to in section 801(a) or 801(d)(1).

''(d) CERTAIN PROCEDURES.—

''(1) IN GENERAL.—The delivery and destruction of drugs under this section may be

carried out without notice to the importer, owner, or consignee of the drugs except as required by section 801(g) or section 804(i)(2). The issuance of receipts for the drugs, and recordkeeping activities regarding the drugs, may be carried out on a summary basis.

''(2) OBJECTIVE OF PROCEDURES.—Procedures promulgated under paragraph (1) shall be designed toward the objective of ensuring that, with respect to efficiently utilizing Federal resources available for carrying out this section, a substantial majority of shipments of drugs subject to described in subsection (c) are identified and destroyed.

''(e) EVIDENCE EXCEPTION.—Drugs may not be destroyed under subsection (c) to the extent that the Attorney General of the United States determines that the drugs should be preserved as evidence or potential evidence with respect to an offense against the United States.

''(f) RULE OF CONSTRUCTION.—This section may not be construed as having any legal effect on applicable law with respect to a shipment of drugs that is imported or offered for import into the United States and has a declared value equal to or greater than $10,000.''.

(b) PROCEDURES.—Procedures for carrying out section 805 of the Federal Food, Drug, and Cosmetic Act, as added by subsection (a), shall be established not later than 90 days after the date of the enactment of this title.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 90 days after the date of enactment of this title.

SEC. ___6. WHOLESALE DISTRIBUTION OF DRUGS; STATEMENTS REGARDING PRIOR SALE, PURCHASE, OR TRADE.

(a) STRIKING OF EXEMPTIONS; APPLICABILITY TO REGISTERED EXPORTERS.—Section 503(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353(e)) is amended—

(1) in paragraph (1)—

(A) by striking ''and who is not the manufacturer or an authorized distributor of record of such drug'';

(B) by striking ''to an authorized distributor of record or''; and

(C) by striking subparagraph (B) and inserting the following:

''(B) The fact that a drug subject to subsection (b) is exported from the United States does not with respect to such drug exempt any person that is engaged in the business of the wholesale distribution of the drug from providing the statement described in subparagraph (A) to the person that receives the drug pursuant to the export of the drug.

''(C)(i) The Secretary shall by regulation establish requirements that supersede subparagraph (A) (referred to in this subparagraph as 'alternative requirements') to identify the chain of custody of a drug subject to subsection (b) from the manufacturer of the drug throughout the wholesale distribution of the drug to a pharmacist who intends to sell the drug at retail if the Secretary determines that the alternative requirements, which may include standardized anti-counterfeiting or track-and-trace technologies, will identify such chain of custody or the identity of the discrete package of the drug from which the drug is dispensed with equal or greater certainty to the requirements of subparagraph (A), and that the alternative requirements are economically and technically feasible.

''(ii) When the Secretary promulgates a final rule to establish such alternative requirements, the final rule in addition shall, with respect to the registration condition established in clause (i) of section 804(c)(3)(B), establish a condition equivalent to the alternative requirements, and such equivalent condition may be met in lieu of the registration condition established in such clause (i).'';

(2) in paragraph (2)(A), by adding at the end the following: ''The preceding sentence may not be construed as having any applicability with respect to a registered exporter under section 804.''; and

(3) in paragraph (3), by striking ''and subsection (d)—'' in the matter preceding subparagraph (A) and all that follows through ''the term 'wholesale distribution' means'' in subparagraph (B) and inserting the following: ''and subsection (d), the term 'wholesale distribution' means''.

(b) CONFORMING AMENDMENT.—Section 503(d) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353(d)) is amended by adding at the end the following:

''(4) Each manufacturer of a drug subject to subsection (b) shall maintain at its corporate offices a current list of the authorized distributors of record of such drug.

''(5) For purposes of this subsection, the term 'authorized distributors of record' means those distributors with whom a manufacturer has established an ongoing relationship to distribute such manufacturer's products.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by paragraphs (1) and (3) of subsection (a) and by subsection (b) shall take effect on January 1, 2010.

(2) DRUGS IMPORTED BY REGISTERED IMPORTERS UNDER SECTION 804.—Notwithstanding paragraph (1), the amendments made by paragraphs (1) and (3) of subsection (a) and by subsection (b) shall take effect on the date that is 90 days after the date of enactment of this title with respect to qualifying drugs imported under section 804 of the Federal Food, Drug, and Cosmetic Act, as added by section ___4.

(3) HIGH-RISK DRUGS.—

(A) IN GENERAL.—Notwithstanding paragraph (1), the Secretary of Health and Human Services (referred to in this section as the ''Secretary'') may apply the amendments made by paragraphs (1) and (3) of subsection (a) and by subsection (b) before January 1, 2010, with respect to a prescription drug if the Secretary—

(i) determines that the drug is at high risk for being counterfeited; and

(ii) publishes the determination and the basis for the determination in the Federal Register.

(B) PEDIGREE NOT REQUIRED.—Notwithstanding a determination under subparagraph (A) with respect to a prescription drug, the amendments described in such subparagraph shall not apply with respect to a wholesale distribution of such drug if the drug is distributed by the manufacturer of the drug to a person that distributes the drug to a retail pharmacy for distribution to the consumer or patient, with no other intervening transactions.

(C) LIMITATION.—The Secretary may make the determination under subparagraph (A) with respect to not more than 50 drugs before January 1, 2010.

(4) EFFECT WITH RESPECT TO REGISTERED EXPORTERS.—The amendment made by subsection (a)(2) shall take effect on the date that is 90 days after the date of enactment of this title.

(5) ALTERNATIVE REQUIREMENTS.—The Secretary shall issue regulations to establish the alternative requirements, referred to in the amendment made by subsection (a)(1), that take effect not later than—

(A) January 1, 2008, with respect to a prescription drug determined under paragraph (3)(A) to be at high risk for being counterfeited; and

(B) January 1, 2010, with respect to all other prescription drugs.

(6) INTERMEDIATE REQUIREMENTS.—With respect to the prescription drugs described under paragraph (5)(B), the Secretary shall by regulation require the use of standardized anti-counterfeiting or track-and-trace technologies on such prescription drugs at the case and pallet level effective not later than January 1, 2008.

(7) ADDITIONAL REQUIREMENTS.—

(A) IN GENERAL.—Notwithstanding any other provision of this section, the Secretary shall, not later than January 1, 2007, require that the packaging of any prescription drug incorporates—

(i) overt optically variable counterfeit-resistant technologies that—

(I) are visible to the naked eye, providing for visual identification of product authenticity without the need for readers, microscopes, lighting devices, or scanners;

(II) are similar to that used by the Bureau of Engraving and Printing to secure United States currency;

(III) are manufactured and distributed in a highly secure, tightly controlled environment; and

(IV) incorporate additional layers of nonvisible convert security features up to and including forensic capability, as described in subparagraph (B); or

(ii) technologies that have a function of security comparable to that described in clause (i), as determined by the Secretary.

(B) STANDARDS FOR PACKAGING.—For the purpose of making it more difficult to counterfeit the packaging of drugs subject to this paragraph, the manufacturers of such drugs shall incorporate the technologies described in subparagraph (A) into at least 1 additional element of the physical packaging of the drugs, including blister packs, shrink wrap, package labels, package seals, bottles, and boxes.

SEC. ___7. INTERNET SALES OF PRESCRIPTION DRUGS.

(a) IN GENERAL.—Chapter V of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351 et seq.) is amended by inserting after section 503A the following:

''SEC. 503B. INTERNET SALES OF PRESCRIPTION DRUGS.

''(a) REQUIREMENTS REGARDING INFORMATION ON INTERNET SITE.—

''(1) IN GENERAL.—A person may not dispense a prescription drug pursuant to a sale of the drug by such person if—

''(A) the purchaser of the drug submitted the purchase order for the drug, or conducted any other part of the sales transaction for the drug, through an Internet site;

''(B) the person dispenses the drug to the purchaser by mailing or shipping the drug to the purchaser; and

''(C) such site, or any other Internet site used by such person for purposes of sales of a prescription drug, fails to meet each of the requirements specified in paragraph (2), other than a site or pages on a site that—

''(i) are not intended to be accessed by purchasers or prospective purchasers; or

''(ii) provide an Internet information location tool within the meaning of section 231(e)(5) of the Communications Act of 1934 (47 U.S.C. 231(e)(5)).

''(2) REQUIREMENTS.—With respect to an Internet site, the requirements referred to in subparagraph (C) of paragraph (1) for a person to whom such paragraph applies are as follows:

''(A) Each page of the site shall include either the following information or a link to a page that provides the following information:

''(i) The name of such person.

''(ii) Each State in which the person is authorized by law to dispense prescription drugs.

''(iii) The address and telephone number of each place of business of the person with respect to sales of prescription drugs through the Internet, other than a place of business that does not mail or ship prescription drugs to purchasers.

''(iv) The name of each individual who serves as a pharmacist for prescription drugs that are mailed or shipped pursuant to the site, and each State in which the individual is authorized by law to dispense prescription drugs.

''(v) If the person provides for medical consultations through the site for purposes of providing prescriptions, the name of each individual who provides such consultations; each State in which the individual is licensed or otherwise authorized by law to provide such consultations or practice medicine; and the type or types of health professions for which the individual holds such licenses or other authorizations.

''(B) A link to which paragraph (1) applies shall be displayed in a clear and prominent place and manner, and shall include in the caption for the link the words 'licensing and contact information'.

''(b) INTERNET SALES WITHOUT APPROPRIATE MEDICAL RELATIONSHIPS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), a person may not dispense a prescription drug, or sell such a drug, if—

''(A) for purposes of such dispensing or sale, the purchaser communicated with the person through the Internet;

''(B) the patient for whom the drug was dispensed or purchased did not, when such communications began, have a prescription for the drug that is valid in the United States;

''(C) pursuant to such communications, the person provided for the involvement of a practitioner, or an individual represented by the person as a practitioner, and the practitioner or such individual issued a prescription for the drug that was purchased;

''(D) the person knew, or had reason to know, that the practitioner or the individual referred to in subparagraph (C) did not, when issuing the prescription, have a qualifying medical relationship with the patient; and

''(E) the person received payment for the dispensing or sale of the drug.

For purposes of subparagraph (E), payment is received if money or other valuable consideration is received.

''(2) EXCEPTIONS.—Paragraph (1) does not apply to—

''(A) the dispensing or selling of a prescription drug pursuant to telemedicine practices sponsored by—

''(i) a hospital that has in effect a provider agreement under title XVIII of the Social Security Act (relating to the Medicare program); or

''(ii) a group practice that has not fewer than 100 physicians who have in effect provider agreements under such title; or

''(B) the dispensing or selling of a prescription drug pursuant to practices that promote the public health, as determined by the Secretary by regulation.

''(3) QUALIFYING MEDICAL RELATIONSHIP.—

''(A) IN GENERAL.—With respect to issuing a prescription for a drug for a patient, a practitioner has a qualifying medical relationship with the patient for purposes of this section if—

''(i) at least one in-person medical evaluation of the patient has been conducted by the practitioner; or

''(ii) the practitioner conducts a medical evaluation of the patient as a covering practitioner.

''(B) IN-PERSON MEDICAL EVALUATION.—A medical evaluation by a practitioner is an in-person medical evaluation for purposes of this section if the practitioner is in the physical presence of the patient as part of conducting the evaluation, without regard to whether portions of the evaluation are conducted by other health professionals.

''(C) COVERING PRACTITIONER.—With respect to a patient, a practitioner is a covering practitioner for purposes of this section if the practitioner conducts a medical evaluation of the patient at the request of a practitioner who has conducted at least one in-person medical evaluation of the patient and is temporarily unavailable to conduct the evaluation of the patient. A practitioner is a covering practitioner without regard to whether the practitioner has conducted any in-person medical evaluation of the patient involved.

''(4) RULES OF CONSTRUCTION.—

''(A) INDIVIDUALS REPRESENTED AS PRACTITIONERS.—A person who is not a practitioner (as defined in subsection (e)(1)) lacks legal capacity under this section to have a qualifying medical relationship with any patient.

''(B) STANDARD PRACTICE OF PHARMACY.—Paragraph (1) may not be construed as prohibiting any conduct that is a standard practice in the practice of pharmacy.

''(C) APPLICABILITY OF REQUIREMENTS.—Paragraph (3) may not be construed as having any applicability beyond this section, and does not affect any State law, or interpretation of State law, concerning the practice of medicine.

''(c) ACTIONS BY STATES.—

''(1) IN GENERAL.—Whenever an attorney general of any State has reason to believe that the interests of the residents of that State have been or are being threatened or adversely affected because any person has engaged or is engaging in a pattern or practice that violates section 301(l), the State may bring a civil action on behalf of its residents in an appropriate district court of the United States to enjoin such practice, to enforce compliance with such section (including a nationwide injunction), to obtain damages, restitution, or other compensation on behalf of residents of such State, to obtain reasonable attorneys fees and costs if the State prevails in the civil action, or to obtain such further and other relief as the court may deem appropriate.

''(2) NOTICE.—The State shall serve prior written notice of any civil action under paragraph (1) or (5)(B) upon the Secretary and provide the Secretary with a copy of its complaint, except that if it is not feasible for the State to provide such prior notice, the State shall serve such notice immediately upon instituting such action. Upon receiving a notice respecting a civil action, the Secretary shall have the right—

''(A) to intervene in such action;

''(B) upon so intervening, to be heard on all matters arising therein; and

''(C) to file petitions for appeal.

''(3) CONSTRUCTION.—For purposes of bringing any civil action under paragraph (1), nothing in this chapter shall prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

''(4) VENUE; SERVICE OF PROCESS.—Any civil action brought under paragraph (1) in a district court of the United States may be brought in the district in which the defendant is found, is an inhabitant, or transacts business or wherever venue is proper under section 1391 of title 28, United States Code. Process in such an action may be served in any district in which the defendant is an inhabitant or in which the defendant may be found.

''(5) ACTIONS BY OTHER STATE OFFICIALS.—

''(A) Nothing contained in this section shall prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any civil or criminal statute of such State.

''(B) In addition to actions brought by an attorney general of a State under paragraph (1), such an action may be brought by officers of such State who are authorized by the State to bring actions in such State on behalf of its residents.

''(d) EFFECT OF SECTION.—This section shall not apply to a person that is a registered exporter under section 804.

''(e) GENERAL DEFINITIONS.—For purposes of this section:

''(1) The term 'practitioner' means a practitioner referred to in section 503(b)(1) with respect to issuing a written or oral prescription.

''(2) The term 'prescription drug' means a drug that is described in section 503(b)(1).

''(3) The term 'qualifying medical relationship', with respect to a practitioner and a patient, has the meaning indicated for such term in subsection (b).

''(f) INTERNET-RELATED DEFINITIONS.—

''(1) IN GENERAL.—For purposes of this section:

''(A) The term 'Internet' means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the transmission control protocol/internet protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.

''(B) The term 'link', with respect to the Internet, means one or more letters, words, numbers, symbols, or graphic items that appear on a page of an Internet site for the purpose of serving, when activated, as a method for executing an electronic command—

''(i) to move from viewing one portion of a page on such site to another portion of the page;

''(ii) to move from viewing one page on such site to another page on such site; or

''(iii) to move from viewing a page on one Internet site to a page on another Internet site.

''(C) The term 'page', with respect to the Internet, means a document or other file accessed at an Internet site.

''(D)(i) The terms 'site' and 'address', with respect to the Internet, mean a specific location on the Internet that is determined by Internet Protocol numbers. Such term includes the domain name, if any.

''(ii) The term 'domain name' means a method of representing an Internet address without direct reference to the Internet Protocol numbers for the address, including methods that use designations such as '.com', '.edu', '.gov', '.net', or '.org'.

''(iii) The term 'Internet Protocol numbers' includes any successor protocol for determining a specific location on the Internet.

''(2) AUTHORITY OF SECRETARY.—The Secretary may by regulation modify any definition under paragraph (1) to take into account changes in technology.

''(g) INTERACTIVE COMPUTER SERVICE; ADVERTISING.—No provider of an interactive computer service, as defined in section 230(f)(2) of the Communications Act of 1934 (47 U.S.C. 230(f)(2)), or of advertising services shall be liable under this section for dispensing or selling prescription drugs in violation of this section on account of another person's selling or dispensing such drugs, provided that the provider of the interactive computer service or of advertising services does not own or exercise corporate control over such person.''.

(b) INCLUSION AS PROHIBITED ACT.—Section 301 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331) is amended by inserting after paragraph (k) the following:

''(l) The dispensing or selling of a prescription drug in violation of section 503B.''.

(c) INTERNET SALES OF PRESCRIPTION DRUGS; CONSIDERATION BY SECRETARY OF PRACTICES AND PROCEDURES FOR CERTIFICATION OF LEGITIMATE BUSINESSES.—In carrying out section 503B of the Federal Food, Drug, and Cosmetic Act (as added by subsection (a) of this section), the Secretary of Health and Human Services shall take into consideration the practices and procedures of public or private entities that certify that businesses selling prescription drugs through Internet sites are legitimate businesses, including practices and procedures regarding disclosure formats and verification programs.

(d) REPORTS REGARDING INTERNET-RELATED VIOLATIONS OF FEDERAL AND STATE LAWS ON DISPENSING OF DRUGS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (referred to in this subsection as the ''Secretary'') shall, pursuant to the submission of an application meeting the criteria of the Secretary, make an award of a grant or contract to the National Clearinghouse on Internet Prescribing (operated by the Federation of State Medical Boards) for the purpose of—

(A) identifying Internet sites that appear to be in violation of Federal or State laws concerning the dispensing of drugs;

(B) reporting such sites to State medical licensing boards and State pharmacy licensing boards, and to the Attorney General and the Secretary, for further investigation; and

(C) submitting, for each fiscal year for which the award under this subsection is made, a report to the Secretary describing investigations undertaken with respect to violations described in subparagraph (A).

(2) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out paragraph (1), there is authorized to be appropriated $100,000 for each of the fiscal years 2006 through 2008.

(e) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) take effect 90 days after the date of enactment of this title, without regard to whether a final rule to implement such amendments has been promulgated by the Secretary of Health and Human Services under section 701(a) of the Federal Food, Drug, and Cosmetic Act. The preceding sentence may not be construed as affecting the authority of such Secretary to promulgate such a final rule.

SEC. ___8. PROHIBITING PAYMENTS TO UNREGISTERED FOREIGN PHARMACIES.

(a) IN GENERAL.—Section 303 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333) is amended by adding at the end the following:

''(g) RESTRICTED TRANSACTIONS.—

''(1) IN GENERAL.—The introduction of restricted transactions into a payment system or the completion of restricted transactions using a payment system is prohibited.

''(2) PAYMENT SYSTEM.—

''(A) IN GENERAL.—The term 'payment system' means a system used by a person described in subparagraph (B) to effect a credit transaction, electronic fund transfer, or money transmitting service that may be used in connection with, or to facilitate, a restricted transaction, and includes—

''(i) a credit card system;

''(ii) an international, national, regional, or local network used to effect a credit transaction, an electronic fund transfer, or a money transmitting service; and

''(iii) any other system that is centrally managed and is primarily engaged in the transmission and settlement of credit transactions, electronic fund transfers, or money transmitting services.

''(B) PERSONS DESCRIBED.—A person referred to in subparagraph (A) is—

''(i) a creditor;

''(ii) a credit card issuer;

''(iii) a financial institution;

''(iv) an operator of a terminal at which an electronic fund transfer may be initiated;

''(v) a money transmitting business; or

''(vi) a participant in an international, national, regional, or local network used to effect a credit transaction, electronic fund transfer, or money transmitting service.

''(3) RESTRICTED TRANSACTION.—The term 'restricted transaction' means a transaction or transmittal, on behalf of an individual who places an unlawful drug importation request to any person engaged in the operation of an unregistered foreign pharmacy, of—

''(A) credit, or the proceeds of credit, extended to or on behalf of the individual for the purpose of the unlawful drug importation request (including credit extended through the use of a credit card);

''(B) an electronic fund transfer or funds transmitted by or through a money transmitting business, or the proceeds of an electronic fund transfer or money transmitting service, from or on behalf of the individual for the purpose of the unlawful drug importation request;

''(C) a check, draft, or similar instrument which is drawn by or on behalf of the individual for the purpose of the unlawful drug importation request and is drawn on or payable at or through any financial institution; or

''(D) the proceeds of any other form of financial transaction (identified by the Board by regulation) that involves a financial institution as a payor or financial intermediary on behalf of or for the benefit of the individual for the purpose of the unlawful drug importation request.

''(4) UNLAWFUL DRUG IMPORTATION REQUEST.—The term 'unlawful drug importation request' means the request, or transmittal of a request, made to an unregistered foreign pharmacy for a prescription drug by mail (including a private carrier), facsimile, phone, or electronic mail, or by a means that involves the use, in whole or in part, of the Internet.

''(5) UNREGISTERED FOREIGN PHARMACY.—The term 'unregistered foreign pharmacy' means a person in a country other than the United States that is not a registered exporter under section 804.

''(6) OTHER DEFINITIONS.—

''(A) CREDIT; CREDITOR; CREDIT CARD.—The terms 'credit', 'creditor', and 'credit card' have the meanings given the terms in section 103 of the Truth in Lending Act (15 U.S.C. 1602).

''(B) ACCESS DEVICE; ELECTRONIC FUND TRANSFER.—The terms 'access device' and 'electronic fund transfer'—

''(i) have the meaning given the term in section 903 of the Electronic Fund Transfer Act (15 U.S.C. 1693a); and

''(ii) the term 'electronic fund transfer' also includes any fund transfer covered under Article 4A of the Uniform Commercial Code, as in effect in any State.

''(C) FINANCIAL INSTITUTION.—The term 'financial institution'—

''(i) has the meaning given the term in section 903 of the Electronic Transfer Fund Act (15 U.S.C. 1693a); and

''(ii) includes a financial institution (as defined in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809)).

''(D) MONEY TRANSMITTING BUSINESS; MONEY TRANSMITTING SERVICE.—The terms 'money transmitting business' and 'money transmitting service' have the meaning given the terms in section 5330(d) of title 31, United States Code.

''(E) BOARD.—The term 'Board' means the Board of Governors of the Federal Reserve System.

''(7) POLICIES AND PROCEDURES REQUIRED TO PREVENT RESTRICTED TRANSACTIONS.—

''(A) REGULATIONS.—The Board shall promulgate regulations requiring—

''(i) an operator of a credit card system;

''(ii) an operator of an international, national, regional, or local network used to effect a credit transaction, an electronic fund transfer, or a money transmitting service;

''(iii) an operator of any other payment system that is centrally managed and is primarily engaged in the transmission and settlement of credit transactions, electronic transfers or money transmitting services where at least one party to the transaction or transfer is an individual; and

''(iv) any other person described in paragraph (2)(B) and specified by the Board in such regulations,

to establish policies and procedures that are reasonably designed to prevent the introduction of a restricted transaction into a payment system or the completion of a restricted transaction using a payment system.

''(B) REQUIREMENTS FOR POLICIES AND PROCEDURES.—In promulgating regulations under subparagraph (A), the Board shall—

''(i) identify types of policies and procedures, including nonexclusive examples, that shall be considered to be reasonably designed to prevent the introduction of restricted transactions into a payment system or the completion of restricted transactions using a payment system; and

''(ii) to the extent practicable, permit any payment system, or person described in paragraph (2)(B), as applicable, to choose among alternative means of preventing the introduction or completion of restricted transactions.

''(C) NO LIABILITY FOR BLOCKING OR REFUSING TO HONOR RESTRICTED TRANSACTION.—

''(i) IN GENERAL.—A payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, and any participant in such payment system that prevents or otherwise refuses to honor transactions in an effort to implement the policies and procedures required under this subsection or to otherwise comply with this subsection shall not be liable to any party for such action.

''(ii) COMPLIANCE.—A person described in paragraph (2)(B) meets the requirements of this subsection if the person relies on and complies with the policies and procedures of a payment system of which the person is a member or in which the person is a participant, and such policies and procedures of the payment system comply with the requirements of the regulations promulgated under subparagraph (A).

''(D) ENFORCEMENT.—

''(i) IN GENERAL.—This section shall be enforced by the Federal functional regulators and the Federal Trade Commission under applicable law in the manner provided in section 505(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)).

''(ii) FACTORS TO BE CONSIDERED.—In considering any enforcement action under this subsection against a payment system or person described in paragraph (2)(B), the Federal functional regulators and the Federal Trade Commission shall consider the following factors:

''(I) The extent to which the payment system or person knowingly permits restricted transactions.

''(II) The history of the payment system or person in connection with permitting restricted transactions.

''(III) The extent to which the payment system or person has established and is maintaining policies and procedures in compliance with regulations prescribed under this subsection.

''(8) TRANSACTIONS PERMITTED.—A payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, is authorized to engage in transactions with foreign pharmacies in connection with investigating violations or potential violations of any rule or requirement adopted by the payment system or person in connection with complying with paragraph (7). A payment system, or such a person, and its agents and employees shall not be found to be in violation of, or liable under, any Federal, State or other law by virtue of engaging in any such transaction.

''(9) RELATION TO STATE LAWS.—No requirement, prohibition, or liability may be imposed on a payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, under the laws of any state with respect to any payment transaction by an individual because the payment transaction involves a payment to a foreign pharmacy.

''(10) TIMING OF REQUIREMENTS.—A payment system, or a person described in paragraph (2)(B) that is subject to a regulation issued under this subsection, must adopt policies and procedures reasonably designed to comply with any regulations required under paragraph (7) within 60 days after such regulations are issued in final form.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the day that is 90 days after the date of enactment of this title.

(c) IMPLEMENTATION.—The Board of Governors of the Federal Reserve System shall promulgate regulations as required by subsection (g)(7) of section 303 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333), as added by subsection (a), not later than 90 days after the date of enactment of this title.

SEC. ___9. IMPORTATION EXEMPTION UNDER CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT.

Section 1006(a)(2) of the Controlled Substances Import and Export Act (21 U.S.C. 956(a)(2)) is amended by striking ''not import the controlled substance into the United States in an amount that exceeds 50 dosage units of the controlled substance.'' and inserting ''import into the United States not more than 10 dosage units combined of all such controlled substances.''.

SA 3928. Mr. ENSIGN submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

In part II of subtitle A of title XXIX of the Public Health Services Act, as added by section 201 of the amendment, at the end of section 2921 insert the following:

''SEC. 29___. LIMITATION ON APPLICATION OF CERTAIN BENEFIT, SERVICE, OR PROVIDER MANDATES.

''Notwithstanding any other provision of this title, a specific mandate regarding a covered benefit, service, or category of provider, other than a mandate applicable as provided for under a basic option or an enhanced option (as such terms are defined for purposes of this title) under this title, shall not apply with respect to health insurance coverage provided by a health insurance issuer if the application of such specific mandate to such coverage would, based on applicable standards of actuarial practice, result in an increase in premiums of at least 1 percent.

SA 3929. Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the appropriate place in subtitle B of title XXIX of the Public Health Service Act, as added by section 301 of the bill, insert the following:

SEC. ___. CONGRESSIONAL APPROVAL OF STANDARDS.

Notwithstanding any other provision of this subtitle, the harmonized standards certified by the Secretary under this section shall not take effect with respect to any State until the date that is 18 months after Congress has adopted a Concurrent Resolution that provides for the approval of such standards. The preceding sentence shall apply to any modifications or amendments to such harmonized standards as may be made by the Secretary.

SA 3930. Mr. COBURN (for himself, Mr. BROWNBACK, and Mr. GRAHAM) submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

In section 801(b) of the Employee Retirement Income Security Act of 1974, as added by section 101(a) of the amendment, strike paragraph (1) and insert the following:

''(1) is organized and maintained in good faith, with a constitution and bylaws specifically stating its purpose and providing for periodic meetings on at least an annual basis, as a bona fide trade association, a bona fide industry association (including a rural electric cooperative association or a rural telephone cooperative association), a bona fide professional association, a convention or association of churches (within the meaning of section 170(b)(1)(A)(i) of the Internal Revenue Code of 1986), or a bona fide chamber of commerce (or similar bona fide business association, including a corporation or similar organization that operates on a cooperative basis (within the meaning of section 1381 of the Internal Revenue Code of 1986)), for substantial purposes other than that of obtaining medical care, except that for purposes of this part, any such association, convention or association, or chamber shall not be required to comply with certain benefit requirements of this part if such compliance is prohibited by the bona fide religious or cultural beliefs of the association, convention or association, or chamber;''.

SA 3931. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. RULE OF CONSTRUCTION RELATING TO PREGNANCY.

Nothing in this Act (or an amendment made by this Act) shall be construed to—

(1) limit the application of section 701(k) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(k)), commonly referred to as the Pregnancy Discrimination Act;

(2) limit the application of section 701(d)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(d)(3)) or section 2701(d)(3) of the Public Health Service Act (42 U.S.C. 300gg(d)(3)), relating to prohibiting the use of pregnancy as a preexisting condition; and

(3) limit the application of section 711 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185) or section 2704 of the Public Health Service Act (42 U.S.C. 300gg-4), relating to benefits for mothers and newborns;

to small business health plans and other health insurance coverage to which this Act (or amendments) apply.

SA 3932. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike title III and insert the following:

TITLE III—HARMONIZATION OF HEALTH INSURANCE STANDARDS

SEC. 301. HEALTH INSURANCE STANDARDS HARMONIZATION.

Title XXIX of the Public Health Service Act (as added by section 201) is amended by adding at the end the following:

''Subtitle B—Standards Harmonization

''SEC. 2931. DEFINITIONS.

''In this subtitle:

''(1) ADOPTING STATE.—The term 'adopting State' means a State that has enacted the harmonized standards adopted under this subtitle in their entirety and as the exclusive laws of the State that relate to the harmonized standards.

''(2) ELIGIBLE INSURER.—The term 'eligible insurer' means a health insurance issuer that is licensed in a nonadopting State and that—

''(A) notifies the Secretary, not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage consistent with the harmonized standards in a nonadopting State;

''(B) notifies the insurance department of a nonadopting State (or other State agency), not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage in that State consistent with the harmonized standards published pursuant to section 2933(d), and provides with such notice a copy of any insurance policy that it intends to offer in the State, its most recent

annual and quarterly financial reports, and any other information required to be filed with the insurance department of the State (or other State agency) by the Secretary in regulations; and

''(C) includes in the terms of the health insurance coverage offered in nonadopting States (including in the terms of any individual certificates that may be offered to individuals in connection with such health coverage) and filed with the State pursuant to subparagraph (B), a description of the harmonized standards published pursuant to section 2933(g)(2) and an affirmation that such standards are a term of the contract.

''(3) HARMONIZED STANDARDS.—The term 'harmonized standards' means the standards certified by the Secretary under section 2933(d).

''(4) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' means any coverage issued in the health insurance market, except that such term shall not include excepted benefits (as defined in section 2791(c).

''(5) NONADOPTING STATE.—The term 'nonadopting State' means a State that fails to enact, within 18 months of the date on which the Secretary certifies the harmonized standards under this subtitle, the harmonized standards in their entirety and as the exclusive laws of the State that relate to the harmonized standards.

''(6) STATE LAW.—The term 'State law' means all laws, decisions, rules, regulations, or other State actions (including actions by a State agency) having the effect of law, of any State.

''SEC. 2932. STATE FLEXIBILITY RELATING TO HEALTH INSURANCE LAWS.

''(a) EFFECTIVENESS OF SUBTITLE.—

''(1) IN GENERAL.—The provisions of this subtitle shall take effect unless, not later than 3 years after the date of the enactment of this subtitle, an adequate number of the States (as defined in paragraph (2) have enacted harmonized laws and regulations governing the provision of health insurance within the State.

''(2) ADEQUATE NUMBER OF THE STATES.—For purposes of paragraph (1), an adequate number of the States is, with respect to the date that is 3 years after the date of enactment of this subtitle, the number of States necessary to ensure that at least 75 percent of the health insurance premium volume of the United States is covered under health insurance coverage to which this subtitle applies.

''(b) HARMONIZATION REQUIRED.—States shall be deemed to have enacted harmonized laws and regulations necessary to satisfy subsection (a)(1) if an adequate number of States as provided for in subsection (a)(2) establish harmonized State health insurance laws in those areas and insuch a manner as described in section 2933(b)(1).

''(c) DETERMINATION.—

''(1) NAIC DETERMINATION.—At the end of the 3-year period beginning on the date of the enactment of this subtitle, the National Association of Insurance Commissioners (hereafter in this subtitle referred to as the 'NAIC') shall determine, in consultation with the insurance commissioners or chief insurance regulatory officials of the States, whether the harmonization required by subsection (b) has been achieved.

''(2) APPLICATION OF HARMONIZED STANDARD UNDER SECTION 2933.—If the NAIC determines under paragraph (1) that the harmonization required under subsection (b) has not occurred, the provisions of section 2933, and the harmonized standards under this section, take effect as provided for in this subtitle.

''(3) JUDICIAL REVIEW.—The appropriate United States district court shall have exclusive jurisdiction over any challenge to the NAIC's determination under this section and such court shall apply the standards set forth in section 706 of title 5, United States Code, when reviewing any such challenge.

''(d) CONTINUED APPLICATION.—If, at any time, the harmonization required by subsection (b) no longer exists, the provisions of this subtitle shall take effect 2 years after the date on which such harmonization ceases to exist, unless the harmonization required by such subsection is satisfied before the expiration of that 2-year period.

''SEC. 2933. HARMONIZED STANDARDS.

''(a) BOARD.—

''(1) ESTABLISHMENT.—Not later than 3 months after the date of enactment of this title, the Secretary, in consultation with the NAIC, shall establish the Health Insurance Consensus Standards Board (referred to in this subtitle as the 'Board') to develop recommendations that harmonize inconsistent State health insurance laws in accordance with the procedures described in subsection (b).

''(2) COMPOSITION.—

''(A) IN GENERAL.—The Board shall be composed of the following voting members to be appointed by the Secretary after considering the recommendations of professional organizations representing the entities and constituencies described in this paragraph:

''(i) Four State insurance commissioners as recommended by the National Association of Insurance Commissioners, of which 2 shall be Democrats and 2 shall be Republicans, and of which one shall be designated as the chairperson and one shall be designated as the vice chairperson.

''(ii) Four representatives of State government, two of which shall be governors of States and two of which shall be State legislators, and two of which shall be Democrats and two of which shall be Republicans.

''(iii) Four representatives of health insurers, of which one shall represent insurers that offer coverage in the small group market, one shall represent insurers that offer coverage in the large group market, one shall represent insurers that offer coverage in the individual market, and one shall represent carriers operating in a regional market.

''(iv) Two representatives of insurance agents and brokers.

''(v) Two independent representatives of the American Academy of Actuaries who have familiarity with the actuarial methods applicable to health insurance.

''(B) EX OFFICIO MEMBER.—A representative of the Secretary shall serve as an ex officio member of the Board.

''(3) ADVISORY PANEL.—The Secretary shall establish an advisory panel to provide advice to the Board, and shall appoint its members after considering the recommendations of professional organizations representing the entities and constituencies identified in this paragraph:

''(A) Two representatives of small business health plans.

''(B) Two representatives of employers, of which one shall represent small employers and one shall represent large employers.

''(C) Two representatives of consumer organizations.

''(D) Two representatives of health care providers.

''(4) QUALIFICATIONS.—The membership of the Board shall include individuals with national recognition for their expertise in health finance and economics, actuarial science, health plans, providers of health services, and other related fields, who provide a mix of different professionals, broad geographic representation, and a balance between urban and rural representatives.

''(5) ETHICAL DISCLOSURE.—The Secretary shall establish a system for public disclosure by members of the Board of financial and other potential conflicts of interest relating to such members. Members of the Board shall be treated as employees of Congress for purposes of applying title I of the Ethics in Government Act of 1978 (Public Law 95–521).

''(6) DIRECTOR AND STAFF.—Subject to such review as the Secretary deems necessary to assure the efficient administration of the Board, the chair and vice-chair of the Board may—

''(A) employ and fix the compensation of an Executive Director (subject to the approval of the Comptroller General) and such other personnel as may be necessary to carry out its duties (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service);

''(B) seek such assistance and support as may be required in the performance of its duties from appropriate Federal departments and agencies;

''(C) enter into contracts or make other arrangements, as may be necessary for the conduct of the work of the Board (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5));

''(D) make advance, progress, and other payments which relate to the work of the Board;

''(E) provide transportation and subsistence for persons serving without compensation; and

''(F) prescribe such rules as it deems necessary with respect to the internal organization and operation of the Board.

''(7) TERMS.—The members of the Board shall serve for the duration of the Board. Vacancies in the Board shall be filled as needed in a manner consistent with the composition described in paragraph (2).

''(b) DEVELOPMENT OF HARMONIZED STANDARDS.—

''(1) IN GENERAL.—In accordance with the process described in subsection (c), the Board shall identify and recommend nationally harmonized standards for each of the following process categories:

''(A) FORM FILING AND RATE FILING.—Form and rate filing standards shall be established which promote speed to market and include the following defined areas for States that require such filings:

''(i) Procedures for form and rate filing pursuant to a streamlined administrative filing process.

''(ii) Timeframes for filings to be reviewed by a State if review is required before they are deemed approved.

''(iii) Timeframes for an eligible insurer to respond to State requests following its review.

''(iv) A process for an eligible insurer to self-certify.

''(v) State development of form and rate filing templates that include only non-preempted State law and Federal law requirements for eligible insurers with timely updates.

''(vi) Procedures for the resubmission of forms and rates.

''(vii) Disapproval rationale of a form or rate filing based on material omissions or violations of non-preempted State law or Federal law with violations cited and explained.

''(viii) For States that may require a hearing, a rationale for hearings based on violations of non-preempted State law or insurer requests.

''(B) MARKET CONDUCT REVIEW.—Market conduct review standards shall be developed which provide for the following:

''(i) Mandatory participation in national databases.

''(ii) The confidentiality of examination materials.

''(iii) The identification of the State agency with primary responsibility for examinations.

''(iv) Consultation and verification of complaint data with the eligible insurer prior to State actions.

''(v) Consistency of reporting requirements with the recordkeeping and administrative practices of the eligible insurer.

''(vi) Examinations that seek to correct material errors and harmful business practices rather than infrequent errors.

''(vii) Transparency and publishing of the State's examination standards.

''(viii) Coordination of market conduct analysis.

''(ix) Coordination and nonduplication between State examinations of the same eligible insurer.

''(x) Rationale and protocols to be met before a full examination is conducted.

''(xi) Requirements on examiners prior to beginning examinations such as budget planning and work plans.

''(xii) Consideration of methods to limit examiners' fees such as caps, competitive bidding, or other alternatives.

''(xiii) Reasonable fines and penalties for material errors and harmful business practices.

''(C) PROMPT PAYMENT OF CLAIMS.—The Board shall establish prompt payment standards for eligible insurers based on standards similar to those applicable to the Social Security Act as set forth in section 1842(c)(2) of such Act (42 U.S.C. 1395u(c)(2)). Such prompt payment standards shall be consistent with the timing and notice requirements of the claims procedure rules to be specified under subparagraph (D), and shall include appropriate exceptions such as for fraud, nonpayment of premiums, or late submission of claims.

''(D) INTERNAL REVIEW.—The Board shall establish standards for claims procedures for eligible insurers that are consistent with the requirements relating to initial claims for benefits and appeals of claims for benefits under the Employee Retirement Income Security Act of 1974 as set forth in section 503 of such Act (29 U.S.C. 1133) and the regulations thereunder.

''(2) RECOMMENDATIONS.—The Board shall recommend harmonized standards for each element of the categories described in subparagraph (A) through (D) of paragraph (1) within each such market. Notwithstanding the previous sentence, the Board shall not recommend any harmonized standards that disrupt, expand, or duplicate the benefit, service, or provider mandate standards provided in the Benefit Choice Standards pursuant to section 2922(a).

''(c) PROCESS FOR IDENTIFYING HARMONIZED STANDARDS.—

''(1) IN GENERAL.—The Board shall develop recommendations to harmonize inconsistent State insurance laws with respect to each of the process categories described in subparagraphs (A) through (D) of subsection (b)(1).

''(2) REQUIREMENTS.—In adopting standards under this section, the Board shall consider the following:

''(A) Any model acts or regulations of the National Association of Insurance Commissioners in each of the process categories described in subparagraphs (A) through (D) of subsection (b)(1).

''(B) Substantially similar standards followed by a plurality of States, as reflected in existing State laws, relating to the specific process categories described in subparagraphs (A) through (D) of subsection (b)(1).

''(C) Any Federal law requirement related to specific process categories described in subparagraphs (A) through (D) of subsection (b)(1).

''(D) In the case of the adoption of any standard that differs substantially from those referred to in subparagraphs (A), (B), or (C), the Board shall provide evidence to the Secretary that such standard is necessary to protect health insurance consumers or promote speed to market or administrative efficiency.

''(E) The criteria specified in clauses (i) through (iii) of subsection (d)(2)(B).

''(d) RECOMMENDATIONS AND CERTIFICATION BY SECRETARY.—

''(1) RECOMMENDATIONS.—Not later than 18 months after the date on which all members of the Board are selected under subsection (a), the Board shall recommend to the Secretary the certification of the harmonized standards identified pursuant to subsection (c).

''(2) CERTIFICATION.—

''(A) IN GENERAL.—Not later than 120 days after receipt of the Board's recommendations under paragraph (1), the Secretary shall certify the recommended harmonized standards as provided for in subparagraph (B), and issue such standards in the form of an interim final regulation.

''(B) CERTIFICATION PROCESS.—The Secretary shall establish a process for certifying the recommended harmonized standard, by category, as recommended by the Board under this section. Such process shall—

''(i) ensure that the certified standards for a particular process area achieve regulatory harmonization with respect to health plans on a national basis;

''(ii) ensure that the approved standards are the minimum necessary, with regard to substance and quantity of requirements, to protect health insurance consumers and maintain a competitive regulatory environment; and

''(iii) ensure that the approved standards will not limit the range of group health plan designs and insurance products, such as catastrophic coverage only plans, health savings accounts, and health maintenance organizations, that might otherwise be available to consumers.

''(3) APPLICATION AND EFFECTIVE DATE.—The standards certified by the Secretary under paragraph (2) shall apply and become effective on the date on which the NAIC makes the determination described in section 2932(c)(2).

''(e) TERMINATION.—The Board shall terminate and be dissolved after making the recommendations to the Secretary pursuant to subsection (d)(1).

''(f) ONGOING REVIEW.—Not earlier than 3 years after the termination of the Board under subsection (e), and not earlier than every 3 years thereafter, the Secretary, in consultation with the National Association of Insurance Commissioners and the entities and constituencies represented on the Board and the Advisory Panel, shall prepare and submit to the appropriate committees of Congress a report that assesses the effect of the harmonized standards applied under this section on access, cost, and health insurance market functioning. The Secretary may, based on such report and applying the process established for certification under subsection (d)(2)(B), in consultation with the National Association of Insurance Commissioners and the entities and constituencies represented on the Board and the Advisory Panel, update the harmonized standards through notice and comment rulemaking.

''(g) PUBLICATION.—

''(1) LISTING.—The Secretary shall maintain an up to date listing of all harmonized standards certified under this section on the Internet website of the Department of Health and Human Services.

''(2) SAMPLE CONTRACT LANGUAGE.—The Secretary shall publish on the Internet website of the Department of Health and Human Services sample contract language that incorporates the harmonized standards certified under this section, which may be used by insurers seeking to qualify as an eligible insurer. The types of harmonized standards that shall be included in sample contract language are the standards that are relevant to the contractual bargain between the insurer and insured.

''(h) STATE ADOPTION AND ENFORCEMENT.—Not later than 18 months after the certification by the Secretary of harmonized standards under this section, the States may adopt such harmonized standards (and become an adopting State) and, in which case, shall enforce the harmonized standards pursuant to State law.

''SEC. 2934. APPLICATION AND PREEMPTION.

''(a) SUPERCEDING OF STATE LAW.—

''(1) IN GENERAL.—The harmonized standards certified under this subtitle and applied as provided for in section 2933(d)(3), shall supersede any and all State laws of a nonadopting State insofar as such State laws relate to the areas of harmonized standards as applied to an eligible insurer, or health insurance coverage issued by a eligible insurer, including with respect to coverage issued to a small business health plan, in a nonadopting State.

''(2) NONADOPTING STATES.—This subtitle shall supersede any and all State laws of a nonadopting State (whether enacted prior to or after the date of enactment of this title) insofar as they may—

''(A) prohibit an eligible insurer from offering, marketing, or implementing health insurance coverage consistent with the harmonized standards; or

''(B) have the effect of retaliating against or otherwise punishing in any respect an eligible insurer for offering, marketing, or implementing health insurance coverage consistent with the harmonized standards under this subtitle.

''(b) SAVINGS CLAUSE AND CONSTRUCTION.—

''(1) NONAPPLICATION TO ADOPTING STATES.—Subsection (a) shall not apply with respect to adopting States.

''(2) NONAPPLICATION TO CERTAIN INSURERS.—Subsection (a) shall not apply with respect to insurers that do not qualify as eligible insurers who offer health insurance coverage in a nonadopting State.

''(3) NONAPPLICATION WHERE OBTAINING RELIEF UNDER STATE LAW.—Subsection (a)(1) shall not supercede any State law of a nonadopting State to the extent necessary to permit individuals or the insurance department of the State (or other State agency) to obtain relief under State law to require an eligible insurer to comply with the harmonized standards under this subtitle.

''(4) NO EFFECT ON PREEMPTION.—In no case shall this subtitle be construed to limit or affect in any manner the preemptive scope of sections 502 and 514 of the Employee Retirement Income Security Act of 1974. In no case shall this subtitle be construed to create any cause of action under Federal or State law or enlarge or affect any remedy available under the Employee Retirement Income Security Act of 1974.

''(c) EFFECTIVE DATE.—This section shall apply beginning on the date that is 18 months after the date on harmonized standards are certified by the Secretary under this subtitle.

''SEC. 2935. CIVIL ACTIONS AND JURISDICTION.

''(a) IN GENERAL.—The district courts of the United States shall have exclusive jurisdiction over civil actions involving the interpretation of this subtitle.

''(b) ACTIONS.—An eligible insurer may bring an action in the district courts of the United States for injunctive or other equitable relief against any officials or agents of

a nonadopting State in connection with any conduct or action, or proposed conduct or action, by such officials or agents which violates, or which would if undertaken violate, section 2933.

''(c) DIRECT FILING IN COURT OF APPEALS.—At the election of the eligible insurer, an action may be brought under subsection (b) directly in the United States Court of Appeals for the circuit in which the nonadopting State is located by the filing of a petition for review in such Court.

''(d) EXPEDITED REVIEW.—

''(1) DISTRICT COURT.—In the case of an action brought in a district court of the United States under subsection (b), such court shall complete such action, including the issuance of a judgment, prior to the end of the 120-day period beginning on the date on which such action is filed, unless all parties to such proceeding agree to an extension of such period.

''(2) COURT OF APPEALS.—In the case of an action brought directly in a United States Court of Appeal under subsection (c), or in the case of an appeal of an action brought in a district court under subsection (b), such Court shall complete all action on the petition, including the issuance of a judgment, prior to the end of the 60-day period beginning on the date on which such petition is filed with the Court, unless all parties to such proceeding agree to an extension of such period.

''(e) STANDARD OF REVIEW.—A court in an action filed under this section, shall render a judgment based on a review of the merits of all questions presented in such action and shall not defer to any conduct or action, or proposed conduct or action, of a nonadopting State.

''SEC. 2936. AUTHORIZATION OF APPROPRIATIONS; RULE OF CONSTRUCTION.

''(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this subtitle.

''(b) HEALTH SAVINGS ACCOUNTS.—Nothing in this subtitle shall be construed to create any mandates for coverage of any benefits below the deductible levels set for any health savings account-qualified health plan pursuant to section 223 of the Internal Revenue Code of 1986.''.

SA 3933. Mr. GREGG submitted an amendment intended to be proposed to amendment SA 3924 submitted by Ms. SNOWE (for herself, Mr. BYRD, Mr. TALENT, and Mr. DOMENICI) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after the part heading in the amendment and insert the following:

''SEC. 2921. DEFINITIONS.

''In this part:

''(1) ADOPTING STATE.—The term 'adopting State' means a State that has enacted the Benefit Choice Standards in their entirety and as the exclusive laws of the State that relate to benefit, service, and provider mandates in the group and individual insurance markets.

''(2) BENEFIT CHOICE STANDARDS.—The term 'Benefit Choice Standards' means the Standards issued under section 2922.

''(3) ELIGIBLE INSURER.—The term 'eligible insurer' means a health insurance issuer that is licensed in a nonadopting State and that—

''(A) notifies the Secretary, not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage consistent with the Benefit Choice Standards in a nonadopting State;

''(B) notifies the insurance department of a nonadopting State (or other State agency), not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage in that State consistent with the Benefit Choice Standards, and provides with such notice a copy of any insurance policy that it intends to offer in the State, its most recent annual and quarterly financial reports, and any other information required to be filed with the insurance department of the State (or other State agency) by the Secretary in regulations; and

''(C) includes in the terms of the health insurance coverage offered in nonadopting States (including in the terms of any individual certificates that may be offered to individuals in connection with such group health coverage) and filed with the State pursuant to subparagraph (B), a description in the insurer's contract of the Benefit Choice Standards and that adherence to such Standards is included as a term of such contract.

''(4) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' means any coverage issued in the group or individual health insurance markets, except that such term shall not include excepted benefits (as defined in section 2791(c)).

''(5) NONADOPTING STATE.—The term 'nonadopting State' means a State that is not an adopting State.

''(6) SMALL GROUP INSURANCE MARKET.—The term 'small group insurance market' shall have the meaning given the term 'small group market' in section 2791(e)(5).

''(7) STATE LAW.—The term 'State law' means all laws, decisions, rules, regulations, or other State actions (including actions by a State agency) having the effect of law, of any State.

''SEC. 2922. OFFERING AFFORDABLE PLANS.

''(a) BENEFIT CHOICE OPTIONS.—

''(1) DEVELOPMENT.—Not later than 6 months after the date of enactment of this title, the Secretary shall issue, by interim final rule, Benefit Choice Standards that implement the standards provided for in this part.

''(2) BASIC OPTIONS.—The Benefit Choice Standards shall provide that a health insurance issuer in a State, may offer a coverage plan or plan in the small group market, individual market, large group market, or through a small business health plan, that does not comply with one or more mandates regarding covered benefits, services, or category of provider as may be in effect in such State with respect to such market or markets (either prior to or following the date of enactment of this title), if such issuer also offers in such market or markets an enhanced option as provided for in paragraph (3) of the List of Required Benefits option as provided for in paragraph (5).

''(3) ENHANCED OPTION.—A health insurance issuer issuing a basic option as provided for in paragraph (2) shall also offer to purchasers (including, with respect to a small business health plan, the participating employers of such plan) an enhanced option, which shall at a minimum include such covered benefits, services, and categories of providers as are covered by a State employee coverage plan in one of the 5 most populous States as are in effect in the calendar year in which such enhanced option is offered.

''(4) PUBLICATION OF BENEFITS.—Not later than 3 months after the date of enactment of this title, and on the first day of every calendar year thereafter, the Secretary shall publish in the Federal Register such covered benefits, services, and categories of providers covered in that calendar year by the State employee coverage plans in the 5 most populous States.

''(5) LIST OF REQUIRED BENEFITS OPTION.—

''(A) IN GENERAL.—Not later than 3 months after the date of enactment of this title, the Secretary, in consultation with the National Association of Insurance Commissioners, shall issue by interim final rule a list (to be known as the 'List of Required Benefits') of covered benefits, services, or categories of providers that are required to be provided by health insurance issuers, in each of the small group and large group markets, in at least 26 States as a result of the application of State covered benefit, service, and category of provider mandate laws. With respect to plans sold to or through small business health plans, the List of Required Benefits applicable to the small group market shall apply.

''(B) APPLICATION.—The provision of paragraph (2) relating to the offering of a basic option plan under this part shall, in addition to allowing such option to be offered if the enhanced option under paragraph (3) is offered, permit such basic option to be offered if the health insurance issuer also offers an option providing coverage for the List of Required Benefits under subparagraph (A).

''(b) EFFECTIVE DATES.—

''(1) SMALL BUSINESS HEALTH PLANS.—With respect to health insurance provided to participating employers of small business health plans, the requirements of this part (concerning lower cost plans) shall apply beginning on the date that is 12 months after the date of enactment of this title.

''(2) NON-ASSOCIATION COVERAGE.—With respect to health insurance provided to groups or individuals other than participating employers of small business health plans, the requirements of this part shall apply beginning on the date that is 15 months after the date of enactment of this title.''.

SA 3934. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3899 submitted by Mr. DURBIN (for himself, Mrs. LINCOLN, Mr. REID, Mr. BAUCUS, Mr. KENNEDY, Mrs. CLINTON, Mr. KERRY, Mr. BINGAMAN, Ms. CANTWELL, Mr. PRYOR, Mr. HARKIN, Mr. OBAMA, Mr. LAUTENBERG, Mr. SCHUMER, Mr. KOHL, Mr. LIEBERMAN, Mr. DODD, Mr. DAYTON, Mr. JOHNSON, Mr. MENENDEZ, Mrs. BOXER, Mr. NELSON of Florida, Ms. MIKULSKI, Ms. STABENOW, Mr. CARPER, and Mr. ROCKEFELLER) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

On page 34 of the amendment, strike lines 14 through 18, and insert the following:

SEC. 16. EFFECTIVE DATE AND TERMINATION.

(a) EFFECTIVE DATE.—Except as provided in section 10(e), this Act shall take effect on the date of enactment of this Act and shall apply to contracts that take effect with respect to calendar year 2007 and each calendar year thereafter.

(b) TERMINATION.—The provisions of this Act shall not apply and shall be repealed on

the date on which the Director of the Office of Personal Management certifies to Congress that the Director, with respect to a plan year, is unable to contract with a sufficient number of insurance carriers under this Act to provide at least an equal number of State and national health plan choices as are available under the Federal Employees Health Benefits Program under chapter 89 of title 5, United States Code, in such plan year.

SA 3935. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3925 submitted by Mr. KENNEDY and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of diabetes supplies, education, and treatment; and treatments or medical items for individuals with cancer; and treatment or services needed to treat or cure cardiovascular disease.

SA 3936. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3919 submitted by Mr. DODD and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of services for newborns and children, including pediatric and well-child care and immunizations.

SA 3937. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3918 submitted by Mr. DODD (for himself and Mr. MENENDEZ) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of services for beneficiaries participating in clinical trials.

SA 3938. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3916 submitted by Mr. REID (for himself, Mrs. CLINTON, Mrs. MURRAY, and Mr. MENENDEZ) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of prescription contraceptive drugs, or devices as approved by the Food and Drug Administration or generic equivalents approved as substitutable.

SA 3939. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3912 submitted by Mr. HARKIN and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of a preventive service that is recommended by the United States Preventive Services Task Force through a rating of ''A'' or ''B.''

SA 3940. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3913 submitted by Mr. HARKIN and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of obesity screening and counseling.

SA 3941. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3907 submitted by Mr. BAUCUS and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of maternity care or related pre- and post-natal care for women and their infants.

SA 3942. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3900 submitted by Mr. CARPER (for himself and Mrs. FEINSTEIN) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of cancer screenings, including screening for breast, cervical, prostate, uterine, skin, colon, and stomach cancer.

SA 3943. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3866 submitted by Mr. SMITH and intended to be proposed to

the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of Mental Health Parity.

SA 3944. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3892 submitted by Ms. COLLINS (for herself and Mr. BINGAMAN) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of diabetes treatment, education, supplies, and prescription drugs.

SA 3945. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3880 submitted by Mr. KENNEDY and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Strike all after ''SEC.'' in the amendment and insert the following:

___. REVIEW OF HEALTH INSURANCE COVERAGE.

Not later than 4 years after the date of enactment of this Act, the Government Accountability Office shall submit to the appropriate committees of Congress a report on the extent to which health insurance provided to groups and individuals, including health insurance provided to participating employers of small business health plans, includes coverage of medical items and services for the treatment of diabetes.

SA 3946. Mr. NELSON of Nebraska submitted an amendment intended to be proposed to amendment SA 3924 submitted by Ms. SNOWE (for herself, Mr. BYRD, Mr. TALENT, and Mr. DOMENICI) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Beginning on page 1 of the amendment, strike all after the part heading and insert the following:

''SEC. 2921. DEFINITIONS.

''In this part:

''(1) ADOPTING STATE.—The term 'adopting State' means a State that has enacted a law providing that small group, individual, and large group health insurers in such State may offer and sell products in accordance with the List of Required Benefits and the Terms of Application as provided for in section 2922(b)

''(2) ELIGIBLE INSURER.—The term 'eligible insurer' means a health insurance issuer that is licensed in a nonadopting State and that—

''(A) notifies the Secretary, not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage consistent with the List of Required Benefits and Terms of Application in a nonadopting State;

''(B) notifies the insurance department of a nonadopting State (or other applicable State agency), not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage in that State consistent with the List of Required Benefits and Terms of Application, and provides with such notice a copy of any insurance policy that it intends to offer in the State, its most recent annual and quarterly financial reports, and any other information required to be filed with the insurance department of the State (or other State agency) by the Secretary in regulations; and

''(C) includes in the terms of the health insurance coverage offered in nonadopting States (including in the terms of any individual certificates that may be offered to individuals in connection with such group health coverage) and filed with the State pursuant to subparagraph (B), a description in the insurer's contract of the List of Required Benefits and a description of the Terms of Application, including a description of the benefits to be provided, and that adherence to such standards is included as a term of such contract.

''(3) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' means any coverage issued in the small group, individual, or large group health insurance markets, including with respect to small business health plans, except that such term shall not include excepted benefits (as defined in section 2791(c)).

''(4) LIST OF REQUIRED BENEFITS.—The term 'List of Required Benefits' means the List issued under section 2922(a).

''(5) NONADOPTING STATE.—The term 'nonadopting State' means a State that is not an adopting State.

''(6) STATE LAW.—The term 'State law' means all laws, decisions, rules, regulations, or other State actions (including actions by a State agency) having the effect of law, of any State.

''(7) STATE PROVIDER FREEDOM OF CHOICE LAW.—The term 'State Provider Freedom of Choice Law' means a State law requiring that a health insurance issuer, with respect to health insurance coverage, not discriminate with respect to participation, reimbursement, or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law.

''(8) TERMS OF APPLICATION.—The term 'Terms of Application' means terms provided under section 2922(a).

''SEC. 2922. OFFERING AFFORDABLE PLANS.

''(a) LIST OF REQUIRED BENEFITS.—Not later than 3 months after the date of enactment of this title, the Secretary, in consultation with the National Association of Insurance Commissioners, shall issue by interim final rule a list (to be known as the 'List of Required Benefits') of covered benefits, services, or categories of providers that are required to be provided by health insurance issuers, in each of the small group, individual, and large group markets, in at least 26 States as a result of the application of State covered benefit, service, and category of provider mandate laws. With respect to plans sold to or through small business health plans, the List of Required Benefits applicable to the small group market shall apply.

''(b) TERMS OF APPLICATION.—

''(1) STATE WITH MANDATES.—With respect to a State that has a covered benefit, service, or category of provider mandate in effect that is covered under the List of Required Benefits under subsection (a), such State mandate shall, subject to paragraph (3) (concerning uniform application), apply to a coverage plan or plan in, as applicable, the small group, individual, or large group market or through a small business health plan in such State.

''(2) STATES WITHOUT MANDATES.—With respect to a State that does not have a covered benefit, service, or category of provider mandate in effect that is covered under the List of Required Benefits under subsection (a), such mandate shall not apply, as applicable, to a coverage plan or plan in the small group, individual, or large group market or through a small business health plan in such State.

''(3) UNIFORM APPLICATION OF LAWS.—

''(A) IN GENERAL.—With respect to a State described in paragraph (1), in applying a covered benefit, service, or category of provider mandate that is on the List of Required Benefits under subsection (a) the State shall permit a coverage plan or plan offered in the small group, individual, or large group market or through a small business health plan in such State to apply such benefit, service, or category of provider coverage in a manner consistent with the manner in which such coverage is applied under one of the three most heavily subscribed national health plans offered under the Federal Employee Health Benefits Program under chapter 89 of title 5, United States Code (as determined by the Secretary in consultation with the Director of the Office of Personnel Management), and consistent with the Publication of Benefit Applications under subsection (c). In the event a covered benefit, service, or category of provider appearing in the List of Required Benefits is not offered in one of the three most heavily subscribed national health plans offered under the Federal Employees Health Benefits Program, such covered benefit, service, or category of provider requirement shall be applied in a manner consistent with the manner in which such coverage is offered in the remaining most heavily subscribed plan of the remaining Federal Employees Health Benefits Program plans, as determined by the Secretary, in consultation with the Director of the Office of Personnel Management.

''(B) EXCEPTION REGARDING STATE PROVIDER FREEDOM OF CHOICE LAWS.—Notwithstanding

subparagraph (A), in the event a category of provider mandate is included in the List of Covered Benefits, any State Provider Freedom of Choice Law (as defined in section 2921(7)) that is in effect in any State in which such category of provider mandate is in effect shall not be preempted, with respect to that category of provider, by this part.

''(c) PUBLICATION OF BENEFIT APPLICATIONS.—Not later than 3 months after the date of enactment of this title, and on the first day of every calendar year thereafter, the Secretary, in consultation with the Director of the Office of Personnel Management, shall publish in the Federal Register a description of such covered benefits, services, and categories of providers covered in that calendar year by each of the three most heavily subscribed nationally available Federal Employee Health Benefits Plan options which are also included on the List of Required Benefits.

''(d) EFFECTIVE DATES.—

''(1) SMALL BUSINESS HEALTH PLANS.—With respect to health insurance provided to participating employers of small business health plans, the requirements of this part (concerning lower cost plans) shall apply beginning on the date that is 12 months after the date of enactment of this title.

''(2) NON-ASSOCIATION COVERAGE.—With respect to health insurance provided to groups or individuals other than participating employers of small business health plans, the requirements of this part shall apply beginning on the date that is 15 months after the date of enactment of this title.

''(e) UPDATING OF LIST OF REQUIRED BENEFITS.—Not later than 2 years after the date on which the list of required benefits is issued under subsection (a), and every 2 years thereafter, the Secretary, in consultation with the National Association of Insurance Commissioners, shall update the list based on changes in the laws and regulations of the States. The Secretary shall issue the updated list by regulation, and such updated list shall be effective upon the first plan year following the issuance of such regulation.''.

SA 3947. Mr. NELSON of Nebraska submitted an amendment intended to be proposed to amendment SA 3926 submitted by Mr. NELSON of Nebraska and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

Beginning on page 1 of the amendment, strike all after the part heading and insert the following:

''SEC. 2921. DEFINITIONS.

''In this part:

''(1) ADOPTING STATE.—The term 'adopting State' means a State that has enacted a law providing that small group, individual, and large group health insurers in such State may offer and sell products in accordance with the List of Required Benefits and the Terms of Application as provided for in section 2922(b)

''(2) ELIGIBLE INSURER.—The term 'eligible insurer' means a health insurance issuer that is licensed in a nonadopting State and that—

''(A) notifies the Secretary, not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage consistent with the List of Required Benefits and Terms of Application in a nonadopting State;

''(B) notifies the insurance department of a nonadopting State (or other applicable State agency), not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage in that State consistent with the List of Required Benefits and Terms of Application, and provides with such notice a copy of any insurance policy that it intends to offer in the State, its most recent annual and quarterly financial reports, and any other information required to be filed with the insurance department of the State (or other State agency) by the Secretary in regulations; and

''(C) includes in the terms of the health insurance coverage offered in nonadopting States (including in the terms of any individual certificates that may be offered to individuals in connection with such group health coverage) and filed with the State pursuant to subparagraph (B), a description in the insurer's contract of the List of Required Benefits and a description of the Terms of Application, including a description of the benefits to be provided, and that adherence to such standards is included as a term of such contract.

''(3) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' means any coverage issued in the small group, individual, or large group health insurance markets, including with respect to small business health plans, except that such term shall not include excepted benefits (as defined in section 2791(c)).

''(4) LIST OF REQUIRED BENEFITS.—The term 'List of Required Benefits' means the List issued under section 2922(a).

''(5) NONADOPTING STATE.—The term 'nonadopting State' means a State that is not an adopting State.

''(6) STATE LAW.—The term 'State law' means all laws, decisions, rules, regulations, or other State actions (including actions by a State agency) having the effect of law, of any State.

''(7) STATE PROVIDER FREEDOM OF CHOICE LAW.—The term 'State Provider Freedom of Choice Law' means a State law requiring that a health insurance issuer, with respect to health insurance coverage, not discriminate with respect to participation, reimbursement, or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law.

''(8) TERMS OF APPLICATION.—The term 'Terms of Application' means terms provided under section 2922(a).

''SEC. 2922. OFFERING AFFORDABLE PLANS.

''(a) LIST OF REQUIRED BENEFITS.—Not later than 3 months after the date of enactment of this title, the Secretary, in consultation with the National Association of Insurance Commissioners, shall issue by interim final rule a list (to be known as the 'List of Required Benefits') of covered benefits, services, or categories of providers that are required to be provided by health insurance issuers, in each of the small group, individual, and large group markets, in at least 26 States as a result of the application of State covered benefit, service, and category of provider mandate laws. With respect to plans sold to or through small business health plans, the List of Required Benefits applicable to the small group market shall apply.

''(b) TERMS OF APPLICATION.—

''(1) STATE WITH MANDATES.—With respect to a State that has a covered benefit, service, or category of provider mandate in effect that is covered under the List of Required Benefits under subsection (a), such State mandate shall, subject to paragraph (3) (concerning uniform application), apply to a coverage plan or plan in, as applicable, the small group, individual, or large group market or through a small business health plan in such State.

''(2) STATES WITHOUT MANDATES.—With respect to a State that does not have a covered benefit, service, or category of provider mandate in effect that is covered under the List of Required Benefits under subsection (a), such mandate shall not apply, as applicable, to a coverage plan or plan in the small group, individual, or large group market or through a small business health plan in such State.

''(3) UNIFORM APPLICATION OF LAWS.—

''(A) IN GENERAL.—With respect to a State described in paragraph (1), in applying a covered benefit, service, or category of provider mandate that is on the List of Required Benefits under subsection (a) the State shall permit a coverage plan or plan offered in the small group, individual, or large group market or through a small business health plan in such State to apply such benefit, service, or category of provider coverage in a manner consistent with the manner in which such coverage is applied under one of the three most heavily subscribed national health plans offered under the Federal Employee Health Benefits Program under chapter 89 of title 5, United States Code (as determined by the Secretary in consultation with the Director of the Office of Personnel Management), and consistent with the Publication of Benefit Applications under subsection (c). In the event a covered benefit, service, or category of provider appearing in the List of Required Benefits is not offered in one of the three most heavily subscribed national health plans offered under the Federal Employees Health Benefits Program, such covered benefit, service, or category of provider requirement shall be applied in a manner consistent with the manner in which such coverage is offered in the remaining most heavily subscribed plan of the remaining Federal Employees Health Benefits Program plans, as determined by the Secretary, in consultation with the Director of the Office of Personnel Management.

''(B) EXCEPTION REGARDING STATE PROVIDER FREEDOM OF CHOICE LAWS.—Notwithstanding subparagraph (A), in the event a category of provider mandate is included in the List of Covered Benefits, any State Provider Freedom of Choice Law (as defined in section 2921(7)) that is in effect in any State in which such category of provider mandate is in effect shall not be preempted, with respect to that category of provider, by this part.

''(c) PUBLICATION OF BENEFIT APPLICATIONS.—Not later than 3 months after the date of enactment of this title, and on the first day of every calendar year thereafter, the Secretary, in consultation with the Director of the Office of Personnel Management, shall publish in the Federal Register a description of such covered benefits, services, and categories of providers covered in that calendar year by each of the three most heavily subscribed nationally available Federal Employee Health Benefits Plan options which are also included on the List of Required Benefits.

''(d) EFFECTIVE DATES.—

''(1) SMALL BUSINESS HEALTH PLANS.—With respect to health insurance provided to participating employers of small business health plans, the requirements of this part (concerning lower cost plans) shall apply beginning on the date that is 12 months after the date of enactment of this title.

''(2) NON-ASSOCIATION COVERAGE.—With respect to health insurance provided to groups or individuals other than participating employers of small business health plans, the

requirements of this part shall apply beginning on the date that is 15 months after the date of enactment of this title.

''(e) UPDATING OF LIST OF REQUIRED BENEFITS.—Not later than 2 years after the date on which the list of required benefits is issued under subsection (a), and every 2 years thereafter, the Secretary, in consultation with the National Association of Insurance Commissioners, shall update the list based on changes in the laws and regulations of the States. The Secretary shall issue the updated list by regulation, and such updated list shall be effective upon the first plan year following the issuance of such regulation.''.

SA 3948. Ms. SNOWE submitted an amendment intended to be proposed to amendment SA 3926 submitted by Mr. NELSON of Nebraska and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

On page 1 of the amendment, strike all after line 3 and insert the following:

''In this part:

''(1) ADOPTING STATE.—The term 'adopting State' means a State that has enacted a law providing that small group health insurers in such State may offer and sell products in accordance with the List of Required Benefits and the Terms of Application as provided for in section 2922(b)

''(2) ELIGIBLE INSURER.—The term 'eligible insurer' means a health insurance issuer that is licensed in a nonadopting State and that—

''(A) notifies the Secretary, not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage consistent with the List of Required Benefits and Terms of Application in a nonadopting State;

''(B) notifies the insurance department of a nonadopting State (or other applicable State agency), not later than 30 days prior to the offering of coverage described in this subparagraph, that the issuer intends to offer health insurance coverage in that State consistent with the List of Required Benefits and Terms of Application, and provides with such notice a copy of any insurance policy that it intends to offer in the State, its most recent annual and quarterly financial reports, and any other information required to be filed with the insurance department of the State (or other State agency) by the Secretary in regulations; and

''(C) includes in the terms of the health insurance coverage offered in nonadopting States (including in the terms of any individual certificates that may be offered to individuals in connection with such group health coverage) and filed with the State pursuant to subparagraph (B), a description in the insurer's contract of the List of Required Benefits and a description of the Terms of Application, including a description of the benefits to be provided, and that adherence to such standards is included as a term of such contract.

''(3) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' means any coverage issued in the small group insurance markets, including with respect to small business health plans, except that such term shall not include excepted benefits (as defined in section 2791(c)).

''(4) LIST OF REQUIRED BENEFITS.—The term 'List of Required Benefits' means the List issued under section 2922(a).

''(5) NONADOPTING STATE.—The term 'nonadopting State' means a State that is not an adopting State.

''(6) STATE LAW.—The term 'State law' means all laws, decisions, rules, regulations, or other State actions (including actions by a State agency) having the effect of law, of any State.

''(7) STATE PROVIDER FREEDOM OF CHOICE LAW.—The term 'State Provider Freedom of Choice Law' means a State law requiring that a health insurance issuer, with respect to health insurance coverage, not discriminate with respect to participation, reimbursement, or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law.

''(8) TERMS OF APPLICATION.—The term 'Terms of Application' means terms provided under section 2922(a).

''SEC. 2922. OFFERING AFFORDABLE PLANS.

''(a) LIST OF REQUIRED BENEFITS.—Not later than 3 months after the date of enactment of this title, the Secretary, in consultation with the National Association of Insurance Commissioners, shall issue by interim final rule a list (to be known as the 'List of Required Benefits') of covered benefits, services, or categories of providers that are required to be provided by health insurance issuers, in each of the small group markets, in at least 26 States as a result of the application of State covered benefit, service, and category of provider mandate laws. With respect to plans sold to or through small business health plans, the List of Required Benefits applicable to the small group market shall apply.

''(b) TERMS OF APPLICATION.—

''(1) STATE WITH MANDATES.—With respect to a State that has a covered benefit, service, or category of provider mandate in effect that is covered under the List of Required Benefits under subsection (a), such State mandate shall, subject to paragraph (3) (concerning uniform application), apply to a coverage plan or plan in, as applicable, the small group market or through a small business health plan in such State.

''(2) STATES WITHOUT MANDATES.—With respect to a State that does not have a covered benefit, service, or category of provider mandate in effect that is covered under the List of Required Benefits under subsection (a), such mandate shall not apply, as applicable, to a coverage plan or plan in the small group market or through a small business health plan in such State.

''(3) UNIFORM APPLICATION OF LAWS.—

''(A) IN GENERAL.—With respect to a State described in paragraph (1), in applying a covered benefit, service, or category of provider mandate that is on the List of Required Benefits under subsection (a) the State shall permit a coverage plan or plan offered in the small group market or through a small business health plan in such State to apply such benefit, service, or category of provider coverage in a manner consistent with the manner in which such coverage is applied under one of the three most heavily subscribed national health plans offered under the Federal Employee Health Benefits Program under chapter 89 of title 5, United States Code (as determined by the Secretary in consultation with the Director of the Office of Personnel Management), and consistent with the Publication of Benefit Applications under subsection (c). In the event a covered benefit, service, or category of provider appearing in the List of Required Benefits is not offered in one of the three most heavily subscribed national health plans offered under the Federal Employees Health Benefits Program, such covered benefit, service, or category of provider requirement shall be applied in a manner consistent with the manner in which such coverage is offered in the remaining most heavily subscribed plan of the remaining Federal Employees Health Benefits Program plans, as determined by the Secretary, in consultation with the Director of the Office of Personnel Management.

''(B) EXCEPTION REGARDING STATE PROVIDER FREEDOM OF CHOICE LAWS.—Notwithstanding subparagraph (A), in the event a category of provider mandate is included in the List of Covered Benefits, any State Provider Freedom of Choice Law (as defined in section 2921(7)) that is in effect in any State in which such category of provider mandate is in effect shall not be preempted, with respect to that category of provider, by this part.

''(c) PUBLICATION OF BENEFIT APPLICATIONS.—Not later than 3 months after the date of enactment of this title, and on the first day of every calendar year thereafter, the Secretary, in consultation with the Director of the Office of Personnel Management, shall publish in the Federal Register a description of such covered benefits, services, and categories of providers covered in that calendar year by each of the three most heavily subscribed nationally available Federal Employee Health Benefits Plan options which are also included on the List of Required Benefits.

''(d) EFFECTIVE DATES.—

''(1) SMALL BUSINESS HEALTH PLANS.—With respect to health insurance provided to participating employers of small business health plans, the requirements of this part (concerning lower cost plans) shall apply beginning on the date that is 12 months after the date of enactment of this title.

''(2) NON-ASSOCIATION COVERAGE.—With respect to health insurance provided to groups or individuals other than participating employers of small business health plans, the requirements of this part shall apply beginning on the date that is 15 months after the date of enactment of this title.

''(e) UPDATING OF LIST OF REQUIRED BENEFITS.—Not later than 2 years after the date on which the list of required benefits is issued under subsection (a), and every 2 years thereafter, the Secretary, in consultation with the National Association of Insurance Commissioners, shall update the list based on changes in the laws and regulations of the States. The Secretary shall issue the updated list by regulation, and such updated list shall be effective upon the first plan year following the issuance of such regulation.''.

SA 3949. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3900 submitted by Mr. CARPER (for himself and Mrs. FEINSTEIN) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)'' of cancer screenings for breast, cervical, prostate, colon, skin, and stomach cancer.

SA 3950. Mr. ENZI submitted an amendment intended to be proposed to

amendment SA 3866 submitted by Mr. SMITH and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)''. Mental Health Parity

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SA 3951. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3982 submitted by Ms. COLLINS (for herself and Mr. BINGAMAN) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)'' of diabetes treatment, education, supplies, and prescription drugs.

SA 3952. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3880 submitted by Mr. KENNEDY and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)'' of medical items and services for the treatment of diabetes.

SA 3953. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3907 submitted by Mr. BAUCUS and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)''. Cancer screening, including screening for breast, cervical, prostate, uterine, skin, colon and stomach cancer.

SA 3954. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3919 submitted by Mr. DODD and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)''. Services for newborns and children, including pediatric and well-child care and immunizations.

SA 3955. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3913 submitted by Mr. HARKIN and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)''. Obesity screening and counseling.

SA 3956. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3916 submitted by Mr. REID (for himself, Mrs. CLINTON, Mrs. MURRAY, and Mr. MENENDEZ) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)''. Prescription contraceptive drugs, or devices as approved by the Food and Drug Administration or generic equivalents approved as a substitute.

SA 3957. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3918 submitted by Mr. DODD (for himself and Mr. MENENDEZ) and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)''. Services for beneficiaries participating in clinical trials.

SA 3958. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3925 submitted by Mr. KENNEDY and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)''. Diabetes supplies, education and treatment; and treatments or medical items for individuals with cancer, and treatments or services needed to treat or are cardiovascular diseases.

SA 3959. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 3912 submitted by Mr. HARKIN and intended to be proposed to the bill S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace; which was ordered to lie on the table; as follows:

At the end of the amendment, insert before the period the following: '', except that nothing in this section shall be construed to supersede the provisions of section 2922 (regarding coverage requirements)'' of maternity care or related pre- and post-natal care for women and their infants.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, May 17, 2006, at 9:30 a.m. in Room 485 of the Russell Senate Office Building to conduct an oversight hearing on Suicide Prevention Programs and their Application in Indian Country.

Those wishing additional information may contact the Indian Affairs Committee at 224–2251.

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, May 25, 2006, at 9:30 a.m. in Room 485 of the Russell Senate Office Building to conduct an oversight hearing on Indian Education.

Those wishing additional information may contact the Indian Affairs Committee at 224–2251.

SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS

Mr. CRAIG. Mr. President, I would like to announce for the information of

the Senate and the public that a hearing has been scheduled before the Subcommittee on Public Lands and Forests of the Committee on Energy and Natural Resources.

The hearing will be held on Wednesday, May 24th, at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on the following bills: S. 1135, to authorize the exchange of certain land in Grand and Uintah Counties, Utah, and for other purposes; S. 2466, to authorize and direct the exchange and conveyance of certain National Forest land and other land in southeast Arizona; and S. 2567, to maintain the rural heritage of the Eastern Sierra and enhance the region's tourism economy by designating certain public lands as wilderness and certain rivers as wild and scenic rivers in the State of California, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150.

For further information, please contact Frank Gladics at 202–224–2878, Dick Bouts at 202–2247545, or Sara Zecher 202–224–8276.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition and Forestry be authorized to conduct a full committee hearing during the session of the Senate on Thursday, May 11, 2006 at 10:30 a.m. in SD–106, Dirksen Senate Office Building. The purpose of this hearing will be to review the United States Department of Agriculture National Response Plan to detect and control the potential spread of avian influenza into the United States.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 11, 2006, at 9:30 a.m., to hold a closed briefing on Iran's Nuclear Program and the Impact of Potential Sanctions: An Intelligence Community Assessment.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 11, 2006, at 2:30 p.m., to hold a hearing on Nominations.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on May 11, 2006 at 2:30 p.m., to hold a closed hearing.

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

COMMITTEE ON THE JUDICIARY

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, May 11, 2006, at 9:30 a.m., in the Dirksen Senate Office Building Room 226. The agenda is attached.

I. Nominations: Brett Kavanaugh, to be U.S. Circuit Judge for the DC Circuit; Sean F. Cox, to be U.S. District Judge for the Eastern District of Michigan; Thomas L. Ludington, to be U.S. District judge for the Eastern District of Michigan.

II. Bills: S. 2453, National Security Surveillance Act of 2006, Specter; S. 2455, Terrorist Surveillance Act of 2006, De Wine, Graham; S. 2468, A bill to provide standing for civil actions for declaratory and injunctive relief to persons who refrain from electronic communications through fear of being subject to warrantless electronic surveillance for foreign intelligence purposes, and for other purposes, Schumer; S. 2039, Prosecutors and Defenders Incentive Act of 2005, Durbin, Specter, DeWine, Leahy, Kennedy, Feinstein, Feingold, Schumer.

III. Matters: S.J. Res. 1, Marriage Protection Amendment, Allard, Sessions, Kyl, Hatch, Cornyn, Coburn, Brownback, DeWine.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. LOTT. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Thursday, May 11, 2006, for a committee hearing re pending health care related legislation. The hearing will take place in room 418 of the Russell Senate Office Building at 10 a.m.

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

PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that Anne Freeman and Elizabeth Goff of the Committee on Finance be given privileges of the floor for the duration of the deliberation on H.R. 4297, the Tax Increase Prevention and Reconciliation Act of 2005.

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

The Senator from Montana.

Mr. BAUCUS. I ask consent the following fellows, interns, detailees of the Committee on Finance be allowed on the Senate floor for the duration of the debate on the tax relief bill, H.R. 4297: Mary Baker, Tom Louthan, Tiffany Smith, Robin Burgess, Christal Edwards, Laura Kellams, Caroline Ulbrich, Margaret Hathaway, Britt Sandler, and Lauren Shields.

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

UNANIMOUS-CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. MCCONNELL. Mr. President, I ask unanimous consent that immediately following the time for the two leaders on Tuesday, May 16, the Senate proceed to executive session for the consideration of Calendar No. 625, the nomination of Milan Smith, to be United States Circuit Judge for the Ninth Circuit; provided further, that prior to the vote, there be 15 minutes for debate, with 5 minutes for the chairman, 5 minutes for the ranking member, and 5 minutes for Senator SMITH; that at the expiration or yielding back of time, the Senate proceed to a vote on the confirmation of the nomination, with no intervening action or debate; provided further, that following the vote, the President be immediately notified of the Senate's action and the Senate resume legislative session.

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

MEASURE READ THE FIRST TIME—S. 2791

Mr. MCCONNELL. Mr. President, I understand there is a bill at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2791) to amend titles 46 and 49, United States Code, to provide improved maritime, rail, and public transportation security, and for other purposes.

Mr. MCCONNELL. Mr. President, I now ask for its second reading, and in order to place the bill on the calendar under the provisions of rule XIV, I object to my own request.

The PRESIDING OFFICER. Objection is heard.

NATIONAL PUBLIC WORKS WEEK

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. Res. 475 which was submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 475) proclaiming the week of May 21 through May 27, 2006, as ''National Public Works Week''.

There being no objection, the Senate proceeded to consider the resolution.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 475) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 475

Whereas public works infrastructure, facilities, and services are of vital importance to the health, safety, and well-being of the people of the United States;

Whereas those facilities and services could not be provided without the dedicated efforts of public works professionals, engineers, and administrators who represent State and local governments throughout the United States;

Whereas those individuals design, build, operate, and maintain the transportation systems, water supply infrastructure, sewage and refuse disposal systems, public buildings, and other structures and facilities that are vital to the citizens and communities of the United States; and

Whereas it is in the interest of the public for citizens and civic leaders to understand the role that public infrastructure plays in—

(1) protecting the environment;

(2) improving public health and safety;

(3) contributing to economic vitality; and

(4) enhancing the quality of life of every community of the United States: Now, therefore, be it

Resolved, That the Senate—

(1) proclaims the week of May 21 through May 27, 2006, as ''National Public Works Week'';

(2) recognizes and celebrates the important contributions that public works professionals make every day to improve—

(A) the public infrastructure of the United States; and

(B) the communities that those professionals serve; and

(3) urges citizens and communities throughout the United States to join with representatives of the Federal Government and the American Public Works Association in activities and ceremonies that are designed—

(A) to pay tribute to the public works professionals of the Nation; and

(B) to recognize the substantial contributions that public works professionals make to the Nation.

INDIAN YOUTH TELEMENTAL HEALTH DEMONSTRATION PROJECT ACT OF 2006

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 412, S. 2245.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2245) to establish an Indian youth telemental health demonstration project.

There being no objection, the Senate proceeded to consider the bill.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the bill be read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD as if read, without intervening action or debate.

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

The bill (S. 2245) was read the third time and passed, as follows:

S. 2245

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Indian Youth Telemental Health Demonstration Project Act of 2006''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) suicide for Indians and Alaska Natives is 2½ times higher than the national average and the highest for all ethnic groups in the United States, at a rate of more than 16 per 100,000 males of all age groups, and 27.9 per 100,000 for males aged 15 through 24, according to data for 2002;

(2) according to national data for 2002, suicide was the second-leading cause of death for Indians and Alaska Natives aged 15 through 34 and the fourth-leading cause of death for Indians and Alaska Natives aged 10 through 14;

(3) the suicide rates of Indian and Alaska Native males aged 15 through 24 are nearly 4 times greater than suicide rates of Indian and Alaska Native females of that age group;

(4)(A) 90 percent of all teens who die by suicide suffer from a diagnosable mental illness at the time of death; and

(B) more than ½ of the people who commit suicide in Indian Country have never been seen by a mental health provider;

(5) death rates for Indians and Alaska Natives are statistically underestimated;

(6) suicide clustering in Indian Country affects entire tribal communities; and

(7) since 2003, the Indian Health Service has carried out a National Suicide Prevention Initiative to work with Service, tribal, and urban Indian health programs.

(b) PURPOSE.—The purpose of this Act is to authorize the Secretary to carry out a demonstration project to test the use of telemental health services in suicide prevention, intervention, and treatment of Indian youth, including through—

(1) the use of psychotherapy, psychiatric assessments, diagnostic interviews, therapies for mental health conditions predisposing to suicide, and alcohol and substance abuse treatment;

(2) the provision of clinical expertise to, consultation services with, and medical advice and training for frontline health care providers working with Indian youth;

(3) training and related support for community leaders, family members and health and education workers who work with Indian youth;

(4) the development of culturally-relevant educational materials on suicide; and

(5) data collection and reporting.

SEC. 3. DEFINITIONS.

In this Act:

(1) DEMONSTRATION PROJECT.—The term ''demonstration project'' means the Indian youth telemental health demonstration project authorized under section 4(a).

(2) DEPARTMENT.—The term ''Department'' means the Department of Health and Human Services.

(3) INDIAN.—The term ''Indian'' means any individual who is a member of an Indian tribe or is eligible for health services under the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.).

(4) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(6) SERVICE.—The term ''Service'' means the Indian Health Service.

(7) TELEMENTAL HEALTH.—The term ''telemental health'' means the use of electronic information and telecommunications technologies to support long distance mental health care, patient and professional-related education, public health, and health administration.

(8) TRADITIONAL HEALTH CARE PRACTICES.—The term ''traditional health care practices'' means the application by Native healing practitioners of the Native healing sciences (as opposed or in contradistinction to Western healing sciences) that—

(A) embody the influences or forces of innate Tribal discovery, history, description, explanation and knowledge of the states of wellness and illness; and

(B) call upon those influences or forces in the promotion, restoration, preservation, and maintenance of health, well-being, and life's harmony.

(9) TRIBAL ORGANIZATION.—The term ''tribal organization'' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

SEC. 4. INDIAN YOUTH TELEMENTAL HEALTH DEMONSTRATION PROJECT.

(a) AUTHORIZATION.—

(1) IN GENERAL.—The Secretary is authorized to carry out a demonstration project to award grants for the provision of telemental health services to Indian youth who—

(A) have expressed suicidal ideas;

(B) have attempted suicide; or

(C) have mental health conditions that increase or could increase the risk of suicide.

(2) ELIGIBILITY FOR GRANTS.—Grants described in paragraph (1) shall be awarded to Indian tribes and tribal organizations that operate 1 or more facilities—

(A) located in Alaska and part of the Alaska Federal Health Care Access Network;

(B) reporting active clinical telehealth capabilities; or

(C) offering school-based telemental health services relating to psychiatry to Indian youth.

(3) GRANT PERIOD.—The Secretary shall award grants under this section for a period of up to 4 years.

(4) MAXIMUM NUMBER OF GRANTS.—Not more than 5 grants shall be provided under paragraph (1), with priority consideration given to Indian tribes and tribal organizations that—

(A) serve a particular community or geographic area in which there is a demonstrated need to address Indian youth suicide;

(B) enter into collaborative partnerships with Service or other tribal health programs or facilities to provide services under this demonstration project;

(C) serve an isolated community or geographic area which has limited or no access to behavioral health services; or

(D) operate a detention facility at which Indian youth are detained.

(b) USE OF FUNDS.—An Indian tribe or tribal organization shall use a grant received under subsection (a) for the following purposes:

(1) To provide telemental health services to Indian youth, including the provision of—

(A) psychotherapy;

(B) psychiatric assessments and diagnostic interviews, therapies for mental health conditions predisposing to suicide, and treatment; and

(C) alcohol and substance abuse treatment.

(2) To provide clinician-interactive medical advice, guidance and training, assistance in diagnosis and interpretation, crisis counseling and intervention, and related assistance to Service or tribal clinicians and health services providers working with youth being served under the demonstration project.

(3) To assist, educate, and train community leaders, health education professionals and paraprofessionals, tribal outreach workers, and family members who work with the youth receiving telemental health services under the demonstration project, including with identification of suicidal tendencies, crisis intervention and suicide prevention, emergency skill development, and building and expanding networks among those individuals and with State and local health services providers.

(4) To develop and distribute culturally-appropriate community educational materials on—

(A) suicide prevention;

(B) suicide education;

(C) suicide screening;

(D) suicide intervention; and

(E) ways to mobilize communities with respect to the identification of risk factors for suicide.

(5) To conduct data collection and reporting relating to Indian youth suicide prevention efforts.

(c) APPLICATIONS.—To be eligible to receive a grant under subsection (a), an Indian tribe or tribal organization shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

(1) a description of the project that the Indian tribe or tribal organization will carry out using the funds provided under the grant;

(2) a description of the manner in which the project funded under the grant would—

(A) meet the telemental health care needs of the Indian youth population to be served by the project; or

(B) improve the access of the Indian youth population to be served to suicide prevention and treatment services;

(3) evidence of support for the project from the local community to be served by the project;

(4) a description of how the families and leadership of the communities or populations to be served by the project would be involved in the development and ongoing operations of the project;

(5) a plan to involve the tribal community of the youth who are provided services by the project in planning and evaluating the mental health care and suicide prevention efforts provided, in order to ensure the integration of community, clinical, environmental, and cultural components of the treatment; and

(6) a plan for sustaining the project after Federal assistance for the demonstration project has terminated.

(d) TRADITIONAL HEALTH CARE PRACTICES.—The Secretary, acting through the Service, shall ensure that the demonstration project involves the use and promotion of the traditional health care practices of the Indian tribes of the youth to be served.

(e) COLLABORATION.—The Secretary, acting through the Service, shall encourage Indian tribes and tribal organizations receiving grants under this section to collaborate to enable comparisons about best practices across projects.

(f) ANNUAL REPORT.—Each grant recipient shall submit to the Secretary an annual report that—

(1) describes the number of telemental health services provided; and

(2) includes any other information that the Secretary may require.

(g) REPORT TO CONGRESS.—Not later than 270 days after the date of termination of the demonstration project, the Secretary shall submit to the Committee on Indian Affairs of the Senate and the Committee on Resources and the Committee on Energy and Commerce of the House of Representatives a final report that—

(1) describes the results of the projects funded by grants awarded under this section, including any data available that indicate the number of attempted suicides;

(2) evaluates the impact of the telemental health services funded by the grants in reducing the number of completed suicides among Indian youth;

(3) evaluates whether the demonstration project should be—

(A) expanded to provide more than 5 grants; and

(B) designated a permanent program; and

(4) evaluates the benefits of expanding the demonstration project to include urban Indian organizations.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,500,000 for each of fiscal years 2007 through 2010.

ORDERS FOR FRIDAY, MAY 12, 2006

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. on Friday, May 12; I further ask that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time of the two leaders be reserved, and the Senate proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

PROGRAM

Mr. MCCONNELL. Mr. President, as I indicated earlier today, the Senate passed the tax relief extension conference report. Chairman GRASSLEY of course did an extraordinary job. He has the gratitude of all of us for his important role in advancing this extremely significant measure, which guarantees the continued robust economy we are enjoying.

Tomorrow we will be in a period of morning business. However, no votes will occur tomorrow. Moments ago we reached an agreement for a vote on Tuesday morning that will be on the Smith circuit court nomination. We will return to the immigration bill on Monday, and we are hoping to have other votes stacked on Tuesday morning in relation to immigration amendments. The votes on Tuesday morning will be the next set of rollcall votes.

Let me further underscore that it would be important for Members who have amendments to the immigration bill to get over here Monday, lay down and debate those amendments. We have a kind of gentlemen's agreement between the two parties here in the Senate that we are going to process a lot of amendments before completing that bill. The occupant of the chair, for example, has been deeply involved in this issue and has been very understanding of the needs of Members on this side who believe that amendments should be processed in the regular order before final passage on a bill of this magnitude. I know there is a demand for amendments on the other side.

The way to accommodate all Senators, obviously, is for Senators to come over here and offer their amendments, not delay; to be willing to accept rather short time agreements so that patience prevails around here and we are able to accommodate the important amendments Senators desire to offer on both sides of the aisle.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MCCONNELL. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:26 p.m., adjourned until Friday, May 12, 2006, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 11, 2006:

DEPARTMENT OF ENERGY

WILLIAM H. TOBEY, OF CONNECTICUT, TO BE DEPUTY ADMINISTRATOR FOR DEFENSE NUCLEAR NONPROLIFERATION, NATIONAL NUCLEAR SECURITY ADMINISTRATION, VICE PAUL MORGAN LONGSWORTH, RESIGNED.

DEPARTMENT OF STATE

GAYLEATHA BEATRICE BROWN, OF NEW JERSEY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BENIN.

PETER R. CONEWAY, OF TEXAS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWITZERLAND, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PRINCIPALITY OF LIECHTENSTEIN.

CHRISTINA B. ROCCA, OF VIRGINIA, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS U.S. REPRESENTATIVE TO THE CONFERENCE ON DISARMAMENT.

DEPARTMENT OF JUSTICE

THOMAS D. ANDERSON, OF VERMONT, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF VERMONT FOR THE TERM OF FOUR YEARS, VICE PETER W. HALL, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS PERMANENT PROFESSOR, UNITED STATES AIR FORCE ACADEMY, IN THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTIONS 9333(B) AND 9336(A):

To be colonel

THOMAS L. YODER, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

CONRAD C. CHUN, 0000
JACK E. HANZLIK, JR., 0000
JOHN F. KIRBY, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

MICHAEL D. ANGOVE, 0000
JAMES BERDEGUEZ, 0000
BRIAN B. BROWN, 0000
GRANT A. COOPER IV, 0000
VINCENT F. GIAMPAOLO, 0000
KENNETH J. SCHWINGSHAKL, 0000
CORY A. SPRINGER, 0000
DAVID J. WALSH, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

CRAIG L. EATON, 0000
ROBERT S. FINLEY, 0000
STEPHEN E. JOHNSON, 0000
GLEN M. LITTLE, JR., 0000
ROBERT E. LOKEN, 0000
KENT L. MILLER, 0000
DERRICK A. MITCHELL, 0000
JAMES R. OAKES, 0000
BRENT D. OLDLAND, 0000
GERARD A. SLEVIN, 0000
RICHARD E. VERBEKE, 0000

EXTENSIONS OF REMARKS

ASIAN PACIFIC AMERICAN HERITAGE MONTH

SPEECH OF

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 2006

Ms. LEE. Mr. Speaker, I rise today to celebrate Asian Pacific American Heritage Month. I would like to thank Congressman HONDA and the Asian Pacific American Caucus for organizing a special order tonight to honor Asian Pacific Americans and the great contributions they have made to our Nation. I would also like to say that I am very proud to be a member of the Tri-Caucus, which unites the Congressional Asian Pacific American Caucus, Congressional Hispanic Caucus and Congressional Black Caucus. Mr. Speaker, I strongly believe in the importance of honoring all of our country's unique cultures, and it is truly a privilege to participate in this special order.

Asian Pacific Americans have played a tremendous role in the development of our Nation. I would first like to acknowledge the late Congresswoman Patsy Takemoto Mink, our first woman of color to serve in the U.S. House of Representatives. She was a trailblazer for Asian Pacific Americans, and it is wonderful to see that her impact is still felt and that her legacy continues.

As Representative of California's Ninth U.S. Congressional District, APA Heritage month is especially important to me. Asian and Pacific Island American culture has a very large impact in the cities of my district.

My district is the birthplace of Amy Tan, a Chinese-American woman and New York Times bestselling author best known for her novel The Joy Luck Club, and it's subsequent film adaptation. She has received countless acknowledgments including the Bay Area Book Reviewer's Award. Today, Ms. Tan's novels and short stories are a part of high schools and universities' literary curricula nationwide.

My district is also the birthplace of Fred Korematsu, born in Oakland to Japanese immigrants, who challenged the World War II internment of Japanese American citizens. As an American citizen Mr. Korematsu refused to go to an internment camp, but he was arrested, sent to one in 1942 and branded a spy by newspapers. He opposed the internment policy in the Supreme Court, but in its ignoble 1944 decision the Supreme Court upheld the policy. In 1983 Mr. Korematsu appealed his conviction, which a Federal court overturned acknowledging that the Government's case at the time had been based on misleading and racially biased information. President Bill Clinton awarded Mr. Korematsu the Presidential Medal of Freedom in 1998, honoring Mr. Korematsu for fighting for human rights and ensuring the very liberties that created this great Nation.

Today, the legacy of Asian Pacific American leaders such as Ms. Tan and Mr. Korematsu is apparent in the numerous remarkable programs and initiatives in APA communities throughout my district. There are several that I would like to recognize, including Oakland Asian Students Educational Services also known as OASES. As the city of Oakland is one of three cities in the Bay Area that has the lowest high school graduation rates for Asian students, this organization works to decrease cultural gaps in education. OASES reaches out to all youth with limited resources and limited educational opportunities, particularly children of Asian Pacific Islander families.

I would also like to recognize the Oakland Asian Cultural Center. This center works by employing the belief that upholding cultural tradition and honoring cultural heritage are at the core of maintaining healthy and lively communities. The center presents a variety of cultural festivities and artistic expression in dance, literature, music and visual arts. The center is an excellent resource for understanding the legacy of Asian and Pacific Island Americans and their great influence on the cultural identities of our communities.

My district is also home to several of the nation's leading health care providers for APA communities. Asian Community Mental Health Services, for example, is an organization that offers access to and increases community acceptance of mental healthcare, which in many APA communities remains taboo. Asian Health Services is another organization that works to ensure that members of APA communities can overcome challenges to obtaining high-quality, affordable healthcare due to language barriers, income, lack of insurance coverage and cultural differences.

Lastly, I would like to bring special attention to Asian Communities for Reproductive Justice (ACRJ) and its Executive Director, Ms. Eveline Shen. Founded in 1989, ACRJ has been a longtime leader in ensuring that APA women and girls are equipped with the tools to make important decisions about their reproductive health. Under the leadership of Ms. Shen, ACRJ places reproductive health and freedom at the center of promoting social and economic freedom for APA women in the shadows of patriarchal cultures. During her nearly two decades of community organizing and eight years at ACRJ, Ms. Shen has become a leader in building a social justice movement in APA communities, which is one of the fastest growing constituencies in California and in my district. I commend Ms. Shen and ACRJ's dedication to assisting APA women to obtain the American promise of ''liberty and justice for all.''

As our Nation is home to so many people from all over the world, it is important that we continue to bring attention to the issues that affect all communities. It is our responsibility to ensure that no one is ignored and that equal attention is given to all groups. It is also our duty to seek justice for those who are underrepresented. And, lastly, it is our privilege to come together to celebrate the accomplishments of the many leaders throughout Ameican history, who have embodied excellence in advancing the principles of democracy, freedom and justice for all of our communities and strengthening the foundation of America.

Mr. Speaker, again I would like to thank Mr. HONDA and the APA Caucus for inviting me to participate in this special order. Let us continue to unite, pay tribute to Asian Pacific Americans and remember the importance their outstanding contributions to our Nation.

ASIAN PACIFIC AMERICAN HERITAGE MONTH

SPEECH OF

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 9, 2006

Ms. ZOE LOFGREN of California. Mr. Speaker, today and throughout the month of May, we celebrate the many contributions Asian Pacific Americans have made to the fabric of our communities and to this Nation as a whole.

More than 100 Members of Congress work together in the Congressional Asian Pacific American Caucus to promote Asian Pacific American issues and concerns, and I'm pleased that we are led by my long-time friend and colleague, Congressman MIKE HONDA.

Congressman HONDA and I are proud to represent San Jose, California and surrounding areas, a community blessed with diversity and culture from around the world, including close to 350,000 Asian Pacific Americans.

Some notable Asian Pacific Americans from our area include Norman Mineta, the longest serving Secretary in the history of the U.S. Department of Transportation, the first Asian American mayor of a major U.S. city, and the first Asian American Cabinet member during the Clinton Administration.

San Jose Councilmember Madison Nguyen is another extraordinary Asian Pacific American. She is the first Vietnamese American woman elected to office in the State of California.

Another distinguished Asian Pacific American from the San Jose area is Dr. Allan Seid who founded Asian Americans for Community Involvement (AACI), the largest social services nonprofit organization serving the Asian Pacific American community in Santa Clara County.

Vinod Khosla has contributed immensely to Silicon Valley as a distinguished venture capitalist and a co-founder of Sun Microsystems, headquartered in Santa Clara, California, a company that has grown into one of the largest providers of computers, computer components, software, and information-technology services.

In this Congress, there are five Asian Pacific Americans serving our Nation and their communities as members of the House of Representatives, as well as one delegate from

American Samoa and two Asian Pacific Americans serving in the Senate. I am proud that the California Democratic Delegation includes two of these Representatives from the Asian Pacific American community.

In the field of science and technology, Asian Pacific Americans have long contributed to our country, from Ellison Onizuka, the first Asian-American in space, to Flossi Wong-Staal and Dr. David D. Ho, for their work on HIV and AIDS. Moreover, several Asian Pacific Americans have received Nobel Prizes for their accomplishments in science and technology.

Hundreds of thousands of Asian Pacific Americans have also loyally served our Nation in the military willing to give their life for the United States of America. Asian Pacific American veterans of the Armed Forces number 312,700.

In sports, Asian Pacific Americans have helped bring home Olympic gold medals for the United States, including the first woman to win gold medals in the ten and three meter diving events—Filipina American Victoria Manalo Draves.

Although it is important for us to celebrate Asian Pacific American heritage this month, we must not forget the plight that Asian Pacific Americans endure despite the community's many accomplishments.

The pitfalls of immigration law and the backlog of immigration applications continue to prevent many Asian Pacific American families from reuniting for several years.

We must also not forget that the APA community suffers from greater poverty than non-Hispanic Whites, especially in the Hmong, Laotian, Cambodian, and Vietnamese American communities.

We must work to ensure that Asian Pacific Americans are appropriately counted when our government collects data that will be used to understand the needs of the APA community.

We must make every effort to invite Asian Pacific Americans to participate in government to ensure that our government meets the needs of the APA community.

In commemoration of Asian Pacific American Heritage Month, I honor the contributions of millions of Asian Pacific Americans who have contributed to our nation and who I am sure will continue to contribute in the future. But while I celebrate this month, I also renew my pledge to address the issues affecting Asian Pacific Americans around the country.

RECOGNIZING BRADY MILLER FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Brady Miller, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 249, and in earning the most prestigious award of Eagle Scout.

Brady has been very active with his troop, participating in many scout activities. For his Eagle Scout project, he constructed a 114 foot walking trail off the main trail at Platte Ridge Park for the Platte County Parks and Recreation Department. Over the many years Brady has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Brady Miller for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

TRIBUTE TO STODDART-FLEISHER MIDDLE SCHOOL

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise today to pay special tribute to the Stoddart-Fleisher Middle School, located in North Central Philadelphia. The Stoddart-Fleisher School will be closing this summer after providing 80 years of service to our community.

Throughout its history, this fine school has played an important role in the community and it has always provided a quality education to its attending students. Stoddard-Fleisher was the product of a merger in 1950 of the Stoddard and Fleisher schools. Both schools have a history of providing vocational and regular academic training for students in the area of North Central Philadelphia. In recent years, Stoddart has been a neighborhood school for seventh and eighth grade students.

The continued growth of kindergarten through eighth grade schools throughout the city as well as a population shift to other parts of the city have resulted in declining enrollment for Stoddard, especially within the past 5 years. This summer will mark the end of a great era in public education for North Central Philadelphia and we are sad to see our community lose such a respected institution.

On June 16th, there will be a commemorative reception and program for Stoddard's closing and hopefully other schools will pay close attention to and follow in the tradition of the Stoddard-Fleisher Middle School.

TRIBUTE TO JUDGE LEOPOLD BORRELLO

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to Judge Leopold Borrello as he retires from an illustrious career as a Saginaw County Michigan jurist. Judge Borrello will be honored at a reception on May 23 in Saginaw by the community.

A native of Saginaw, Judge Borrello started working when he was in the third grade at his father's grocery store. After graduating from Saginaw High School in 1951, Judge Borrello received a Bachelor of Arts degree from Albion College and his Juris Doctor degree from the University of Michigan Law School in 1958. He returned to the Saginaw area and opened a practice of law. He worked in solo practice and for several firms before heading up his own firm of Borrello, Thomas and Jenson.

In 1987 Governor James Blanchard appointed him to the 10th Judicial Circuit Court. Judge Borrello became Chief Judge of the 10th Judical Circuit Court in 1992 and has continued to serve in that capacity until his retirement on April 14th of this year. He ran unopposed in 1988, 1994 and 2000 to be returned to his place on the bench. During his tenure Judge Borrello presided over three one-man grand juries and numerous criminal and civil cases.

In addition to his work on the bench, Judge Borrello is also active with the Saginaw County Crime Prevention Council and the American Kennel Club, where he also serves as a show judge. Judge Borrello and his wife Audre have passed on their work ethic to their three sons: Stephen, an appellate court judge; Andre, a Saginaw attorney; and Murray, a professor at Alma College.

Mr. Speaker, I ask the House of Representatives to join me in applauding the career of a hardworking, dedicated public servant, Leopold Borrello. His intelligence, common sense, and consideration for the public welfare have earned the well deserved respect of his fellow jurists and the esteem of the Saginaw community.

RECOGNIZING COLE S. KLAWUHN FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Cole S. Klawuhn, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 94, and in earning the most prestigious award of Eagle Scout.

Cole has been very active with his troop, participating in many scout activities. Over the many years Cole has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Cole S. Klawuhn for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

TRIBUTE TO CONSULAR CORPS ASSOCIATION OF PHILADELPHIA

HON. ROBERT A. BRADY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. BRADY of Pennsylvania. Mr. Speaker, I rise to honor the Consular Corps Association of Philadelphia.

In celebration of 44 years of promoting international understanding, I extend congratulations to the first Consular Corps in the United States, the Consular Corps Association of Philadelphia.

With the founding of the Corps, now one of the largest diplomatic associations in the Nation, a model was created that allows us to

reach beyond geographic boundaries to strengthen international relations.

Thirty-seven countries are represented in the Philadelphia Association and as a result there are increased opportunities for business, educational and diplomatic partnerships.

The Consular Corps Association of Philadelphia has also provided humanitarian aid. Its members aided relief efforts for Asian and African victims of the tsunami disaster and survivors of civil war.

On the educational front, the organization has developed innovative cultural exchange programs, including partnerships with the World Affairs Council, the International Visitors' Council and the Bodine High School for International Affairs. As a result of these outreach programs, many area young people now see themselves as world citizens with a greater appreciation for cultural and racial diversity.

Mr. Speaker, the Consular Corps of Philadelphia helps us understand that by reaching beyond our geographic boundaries, there is hope that we can learn to share more fairly in the world's bounty and it is for these reasons that I ask that you and my other distinguished colleagues rise to honor them.

TRIBUTE TO THE 75TH ANNIVERSARY OF GOODWILL INDUSTRIES OF MID-MICHIGAN

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. KILDEE. Mr. Speaker, today I would like to recognize the accomplishments of Goodwill Industries of Mid-Michigan as it celebrates its 75th anniversary of employing persons with disabilities. Goodwill Industries of Mid-Michigan will celebrate this milestone at a party on May 23 in my hometown of Flint, Michigan.

Reverend John E. Martin, pastor of the Oak Park Methodist Church, brought Goodwill Industries to the Flint area in April 1931. Originally started as a program to assist immigrants, Goodwill Industries soon became a service for persons with disabilities. The focus shifted to employment, training and rehabilitation. The emphasis is on giving all persons with disabilities the dignity that comes from work and economic self-sufficiency.

In the 1950s Goodwill Industries became a subcontractor for General Motors and other area businesses. The expanded services and training mandated a need for additional space, and through the generosity of C.S. Mott, Goodwill Industries was able to move to its present location. In 1986 the name was changed to Goodwill Industries of Mid-Michigan to reflect the organization's expansion into the areas surrounding Flint.

Currently serving clients in six Michigan counties, operating 11 retail stores, a business services unit and employing over 200 workers, Goodwill Industries of Mid-Michigan offers rehabilitation programs designed to enhance interpersonal relationships, leadership development, vocational training and computer skills. They provide services to over 500 individuals while maintaining a high level of competence, customer satisfaction and effectiveness.

Mr. Speaker, please join me in congratulating Goodwill Industries of Mid-Michigan as it celebrates 75 years providing efficient, professional assistance to persons with disabilities and the communities of Mid-Michigan. They are to be commended for their dedication to teaching every segment of our society the satisfaction that comes from succeeding in the workplace.

RECOGNIZING DANIEL JAMES GREEN FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Daniel James Green, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 374, and in earning the most prestigious award of Eagle Scout.

Daniel has been very active with his troop, participating in many scout activities. He is currently serving as the Senior Patrol Leader, is a Warrior in the Tribe of Mic-O-Say, and is a Member of the Order of the Arrow. For his Eagle Scout Project, Daniel chose to build bookcases for four classrooms for Liberty Junior High School. Over the many years Daniel has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Daniel James Green for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

TRIBUTE TO LIEUTENANT COLONEL MARK SCHOENROCK

HON. TOM OSBORNE

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. OSBORNE. Mr. Speaker, Lt. Col. Mark Schoenrock faithfully served as a U.S. Army officer for 28 years in positions of increasing responsibility. His performance of his duties and contributions to the United States of America over the course of his career were truly outstanding. He was recognized with two awards of the Legion of Merit, seven awards of the Meritorious Service Medal, and the Army Commendation Medal, among other awards.

He was commissioned an officer in the U.S. Army on May 13, 1978, in Lincoln, Nebraska, upon graduation from the University of Nebraska-Lincoln and the Army Reserve Officers Training Corps, ROTC. He was a four-year Army ROTC scholarship winner, graduated from the University with distinction, and was an ROTC Distinguished Military Graduate. He completed the Quartermaster Officer Basic Course at Fort Lee, Virginia, with honors and was assigned as an Assistant Brigade Logistics Officer, Platoon Leader, and Battalion Logistics Officer with the 25th Infantry Division (Tropic Lightning) at Schofield Barracks, Hawaii. While assigned to the Tropic Lightning Division, Lt. Col. Schoenrock deployed with his unit three times to the Republic of Korea. He was consistently cited as being an outstanding young officer. The areas for which he was responsible excelled during numerous external inspections. His dining facility won the Connelly Award as being among the best in the Army.

Following his 3 years in Hawaii, Lt. Col. Schoenrock completed the Quartermaster Officer Advanced Course at Fort Lee, Virginia, again graduating with honors. He was selected as the Outstanding Logistician for the course. He was subsequently assigned to Fort Riley, Kansas, and the First Infantry Division, Big Red One, where he served as a company commander and maneuver brigade logistics officer. He was consistently rated among the top officers in the entire brigade. He led the ROTC Third Region advanced camp transportation mission. In this effort, his soldiers drove over 1,000 missions covering over 170,000 miles flawlessly. As the First Brigade logistics officer, he deployed twice to the Federal Republic of Germany in support of Operation Reforger. He was responsible for the entire logistical support (supply, maintenance and transportation) of 2,500 soldiers and 298 tracked vehicles. During Reforger, he ensured the brigade's safe and efficient transport from Kansas to Germany and return. He also deployed five times to the National Training Center at Fort Irwin, California in his capacity as a company commander and maneuver brigade logistics officer. As a company commander, he was cited as always coming through in a first class, professional manner. As the brigade logistics officer, he was cited by the brigade commander for his mature judgment, poise under stress, technical competence, positive nature, willingness to learn, great energy and dedication to excellence.

Upon the completion of his 4-year tour at Fort Riley, Lt. Col. Schoenrock was selected to represent the Army in the highly competitive Training With Industry (TWI) program. He served as the Army's first representative with the General Motors Corporation, Allison Gas Turbine Division. He played an instrumental role in the development of the T–800 engine, which was the engine in the Army's Comanche helicopter. General Motors cited him as a credit to the U.S. Army.

Following TWI, Lt. Col. Schoenrock served as a Contracting Officer and Contracting Section Chief in St. Louis, Missouri, responsible for the development and acquisition of petroleum logistics and water logistics. He was responsible for the acquisition of many end items that served our soldiers during Operation Desert Storm and that were vital to the United States' ultimate victory in the deserts of southwest Asia. He was cited by the Contracting Director as the best military section chief in the entire directorate. He then was selected to attend the Army Command and General Staff College (CGSC) in resident status at Fort Leavenworth, Kansas.

Following CGSC graduation, Lt. Col. Schoenrock was selected to be the principal acquisition advisor to the Inspector General of the Army in Washington. In this role, he advised and assisted the Inspector General with some of the Army's most sensitive acquisition programs and other matters. He routinely was responsible for matters of national importance and interest. He was cited as consistently demonstrating those traits that are expected

from the Army's best officers. He then was selected to serve as an executive officer in the Office of the Assistant Secretary of the Army (Research, Development and Acquisition). He served as a key facilitator in preparing the Army leadership for senior level Secretary of Defense and Congressional reviews for programs that were valued in excess of $30 billion. He excelled in managing all administration, logistics support, security and automation to support 37 senior civilian and military personnel. His senior executive service supervisor called him the best officer with whom he had ever served.

He then was selected to serve as a liaison with the U.S. Congress. Lt. Col. Schoenrock worked directly with the Army leadership and with Members of Congress and their staffs in resolving matters of the utmost national sensitivity and urgency. He ensured that programs that total billions of dollars were wisely and prudently executed to provide maximum benefit to the Army and to the communities that are closely related to the Army. He excelled as the principal congressional coordinator for the prime vendor support initiative. This is the lead Army program in which the Army is considering the outsourcing of the entire wholesale logistics of a principal major weapons system, with cost savings of $1.8 billion. He flawlessly announced nearly 1,000 contract actions, each valued in excess of $5 million, to over 3,500 Members of Congress, totaling $22.5 billion. He was an influential and visible spokesman on Capitol Hill.

In his last assignment, Lt. Col. Schoenrock excelled as the Inspector General for the State of Colorado. He advised and assisted the State of Colorado military leadership in the conduct of all military functions for 5,000 soldiers and airmen. He trained the Republic of Slovenia Defense Inspectorate in the conduct of inspector general functions as part of the North Atlantic Treaty Organization, NATO, Partnership for Peace Program. He also established the effort to develop the legislative liaison function between the Slovene Minister of Defense and the Slovene Parliament. His efforts with Slovenia went far towards helping this newly-emerging democracy develop the foundation for an enduring form of democratic government and to attain NATO membership. He excelled as a member of Governor Owens' state advocate council responsible for military and veterans issues. He contributed to significant increases in the wartime readiness of the Colorado National Guard and its ability to execute a myriad of missions in support of Operations Noble Eagle, Enduring Freedom and Iraqi Freedom. Lt. Col. Schoenrock's efforts contributed immeasurably to the Colorado National Guard's soldier welfare, readiness and public image.

As a career Army officer, husband and father, and dedicated citizen, Mark Schoenrock exemplifies what is good and right about America. His life is a credit to his family, to his home state of Nebraska, to the U.S. Army, and to his generation. His 28 years of service as a U.S. Army officer in increasingly demanding positions of trust and responsibility rising from company level to the Department of the Army staff and service with the U.S. Congress, culminating in 8 years as the Colorado Inspector General, significantly contributed to the security and freedom of the United States of America. His career achievements influenced the lives of thousands and left a legacy of freedom that will be built upon for generations to come. His career was a credit to his generation of Americans who have served the United States of America.

REMEMBERING BUNKY HUGGINS

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. PICKERING. Mr. Speaker, yesterday, the Mississippi legislature said good-bye to a long time friend and public servant. State Senator Robert Gene Huggins—"Bunky" to everyone who knew him—passed away Wednesday in Jackson, Mississippi, after a long battle with cancer.

Bunky was born in Carrollton, Mississippi on November 12, 1938. He graduated from Greenwood High School and attended the University of Southern Mississippi and Mississippi College. A farmer and businessman, he was elected to the House of Representatives in 1971 and reelected for two more terms before moving to the Senate in 1984 where he served for 22 years. Most recently he was chairman of the Senate Corrections Committee and had previously served as chairman of the Appropriations Committee and the Public Health Committee.

His funeral will be at his home church, St. John's Methodist Church in Greenwood.

Mr. Speaker, our prayers are with Bunky's family: his wife, Gerry and his two children and four grandchildren. He will be remembered as a hard worker and a dedicated public servant with a love for Mississippi and his Delta home. His humor and wit and tireless dedication to public service will be remembered by colleagues and constituents for years to come. I hope Congress joins me today in remembering this honored public official.

RECOGNIZING ORMER ROGERS, JR.

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Ormer Rogers, Jr., the District Manager for the Mid America District of the United States Postal Service. Ormer is retiring after 37 years in the United States Postal Service. He has served the Postal Service with dignity and respect throughout his career.

Ormer began his career in the Postal Service in 1969 as a letter carrier in Dallas, Texas. Over the years he has held management positions in Texas, Ohio, Indiana. Iowa, Tennessee, Illinois, and Missouri. As the current District Manager for the Mid America District he is responsible for providing postal services to more than 1.5 million customers in Missouri and Kansas. He manages over 13,000 employees in 710 post offices and six mail processing plants. Ormer has a reputation of treating people with dignity and respect, managing by the philosophy of, treat others how you wish to be treated.

Ormer has always been committed to service. He received a Bachelor's Degree from Dallas Baptist University and a Master's Degree in business administration from Abilene Christian University in Dallas, Texas. He also served as a paratrooper in the United States Army with a tour of duty in Vietnam. He has just recently completed serving two terms as Chairman of the Kansas City Federal Executive Board. He also serves on the board of the Heart of America United Way, the board of Visitors of Park University and is president of the Heart America Chapter of Tuskegee Airmen, Inc.

Mr. Speaker, I proudly ask you to join me in recognizing Ormer Rogers, Jr. His commitment to service and dedication to the United States Postal Service are greatly appreciated. He will certainly be missed and I would like to ask the House of Representatives to join me in thanking him for all of his hard work and dedication over the years. I am honored to represent him in the United States Congress.

TRIBUTE TO MOTHER'S DAY

HON. JEAN SCHMIDT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mrs. SCHMIDT. Mr. Speaker, this Sunday, the world will celebrate a tradition born in Greece and celebrated around the world, Mother's Day.

I know that my fellow mothers in this House look forward to a special day with family. I know that my male colleagues had better be planning a special time with their wives and mothers, as well.

The birth of a child is a magical experience that changes a parent's life forever. Joy, laughter, some tears, and always love, are just part of the emotional rollercoaster ride we call parenthood.

My little girl was recently married and one day, God willing, will enjoy the experience that I wouldn't trade for a subcommittee gavel on the Appropriations Committee.

But giving birth in large parts of the world is very dangerous, even deadly. In some parts of the developing world, 1 of every 10 mothers giving birth gives her life in the process. Equally disturbing, 3 million brand new babies die in the first week of life due to inadequate healthcare.

On this Mothers Day, let us celebrate our mothers. We can hardly repay them, but we can try at least for one day. But let us also pause to appreciate the struggle mothers thousands of miles away in places we will never visit. Let us rededicate ourselves to reach out to every human hand, no matter how small or how frail.

On Sunday, please join me in honoring your mother and mothers everywhere across this small planet.

ENCOURAGING ALL ELIGIBLE MEDICARE BENEFICIARIES TO REVIEW AVAILABLE OPTIONS TO DETERMINE WHETHER ENROLLMENT IN A MEDICARE PRESCRIPTION DRUG PLAN BEST MEETS THEIR NEEDS FOR PRESCRIPTION DRUG COVERAGE

SPEECH OF

HON. STEVAN PEARCE

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 2006

Mr. PEARCE. Mr. Speaker, I rise today to thank the Gentlewoman from Connecticut for bringing this resolution forward today. In my district, almost 70,000 Medicare beneficiaries have obtained prescription drug coverage, which constitutes 72 percent of the number of Medicare beneficiaries who live there.

My staff and I are proud to have contributed to this achievement. We have held numerous town hall meetings across Southern New Mexico to help seniors sign up for this critical new benefit. We have also trained others to provide this assistance—creating a multiplier effect regarding the amount of help that is available to our seniors. And we continue to urge seniors to contact our offices if they need help as the May 15 deadline approaches.

Every senior should immediately check their enrollment status in order to ensure they are enrolled in the Medicare Part D benefit. I also encourage everyone who has a parent or grandparent who is eligible for Medicare to call them and check their status. Seniors must sign up before May 15 to receive the best benefits at the lowest cost.

The phone numbers and addresses for my district offices are listed on my website at www.pearce.house.gov. Several additional resources also exist that can assist New Mexicans in choosing and enrolling in a plan. Medicare beneficiaries and their family members with questions about Medicare drug coverage can call 1–800–MEDICARE (1–800–633–4227) or visit www.medicare.gov. They can also obtain help from local community organizations, pharmacists, senior centers, area agencies on aging and groups like AARP.

No senior should go another day without this coverage and we in Congress have a responsibility to stand with them and help them get that coverage today.

RECOGNIZING JEFFREY B. ROE

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Jeffrey B. Roe. After 12 years by my side, Jeff recently retired as my Chief of Staff. Since meeting him in 1994, while I was serving in the Missouri State House of Representatives, Jeff and I have maintained a unique bond; he has been there throughout my entire political career, offering guidance and expertise.

Jeff and I began working together in 1994, when he was an intern and I was a State Representative pursuing a position in the State Senate. We won that election, and Jeff soon became an instrumental member of my staff. Over the next six years, he came in early and stayed late, the consummate professional. When I made the decision to seek the 6th Congressional District seat in the 2000, Jeff was again by my side. Those late nights and tireless hours on the road paid off, and Jeff followed me to Washington, DC, and created an office structure that we still use today. Jeff has held every job in each of my offices and has used that experience to help develop outstanding employees that leave our office more polished and determined than when they enter. Jeff has always had a love of government and politics. He has a unique perspective on the way that the world works. His tireless work ethic has always been something that has set him apart, and he was even recognized as one of Kansas City's 40 most influential leaders under the age of 40, in Ingram's Magazine 2003 honors. Throughout his distinguished career in politics, he has helped countless people in their pursuit of public office.

Mr. Speaker, I proudly ask you to join me in recognizing Jeffrey B. Roe. His commitment to public service and the professional manner with which he has crafted my office will be missed. I would respectfully like to ask the House of Representatives to join me in thanking him for all of his hard work and dedication over the years. Though he is no longer a member of my staff, I am comforted to know that, because of his hard work, I have the honor of representing him in the United States Congress.

ENCOURAGING ALL ELIGIBLE MEDICARE BENEFICIARIES TO REVIEW AVAILABLE OPTIONS TO DETERMINE WHETHER ENROLLMENT IN A MEDICARE PRESCRIPTION DRUG PLAN BEST MEETS THEIR NEEDS FOR PRESCRIPTION DRUG COVERAGE

SPEECH OF

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 2006

Mr. SAM JOHNSON of Texas. Mr. Speaker, there are millions of Americans benefiting from the new Part D Drug Program.

Many people overlook that fact, though. I'm pretty tired of hearing the same old story from nay-sayers . . . that people could get their drugs cheaper, ''If only the Government had the ability to negotiate lower prices.''

I'll tell you what—That's just not true. People love to tout the V.A. system as an example of successful government negotiation.

But did you know that only 13 of the top 33 prescribed drugs for seniors are on the V.A. formulary?

Heck, a negotiated price doesn't help you much if you can't get the drug you need.

For years, P.B.M.'s have been negotiating prices for millions of Americans—and now they are getting the job done for medicare beneficiaries.

Some plans are able to offer prices lower than Internet wholesalers, lower than Canadian prices.

The beneficiaries, the States, and the taxpayers are all benefiting from these lower prices.

I encourage a yes vote on the resolution and thank the gentlelady from Connecticut for her tireless—and persistent—efforts on this issue.

HONORING LOS ANGELES POLICE DEPARTMENT OFFICER OSBALDO ''OZZIE'' RAMOS

HON. LINDA T. SÁNCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I rise today to recognize Officer Osbaldo ''Ozzie'' Ramos for being named a 2006 ''TOP COP'' by the National Association of Police Organizations (NAPO).

The TOP COP is given annually by NAPO to pay tribute to outstanding law enforcement officers whose actions have gone above and beyond the call of duty.

Officer Ozzie Ramos was nominated by his fellow Los Angeles Police Department Officers for his heroism in the face of grave danger last spring. On March 10, 2005, Officer Ramos and three fellow LAPD officers brought down two dangerous gunmen. That day the two suspects loaded a SUV with 500 rounds of ammunition and a rifle and lured officers into a chase. Several police cars joined the pursuit, including Officer Ozzie Ramos and his partner Officer Trevor Jackson, when suddenly the suspects opened the door of the van and began firing shots at the police cars.

While Officer Ramos drove the patrol car, Officer Jackson returned the suspects' fire using his shotgun. When Officer Jackson ran out of ammunition, Officer Ramos courageously maintained their position in proximity to the SUV while simultaneously pulling out his weapon and firing a full magazine at the suspects.

The Officers' fire caused the SUV to crash in a parking lot, but the suspects continued firing at Officer Ozzie Ramos and his comrades. Officer Ramos exited his vehicle and while firing, crossed an unprotected area to gain a better shot and more accurately relay information on the suspects' position. As a result of Officer Ramos' information, another officer fired through the door of the vehicle and ended the standoff.

Officer Ramos' heroism that day is a reflection of his distinguished career in law enforcement. A 12-year veteran, Officer Ramos graduated from the Police Academy at the young age of 22. Upon graduation Officer Ramos was assigned to the 77th Street Patrol Division as a probationary officer. After completing probation, Officer Ramos served one year in the Central Traffic Division as a Collision Investigator before joining the Gang Enforcement Unit. He was certified as a gang expert and promoted to the ranks of Police Officer III and Assistant Squad Leader in the Gang Unit. After serving a tour in the Gang Unit, Officer Ramos continued his work as the Assistant Squad Leader in the Special Enforcement Unit. Presently Officer Ramos is a Field Training Officer in the 77th Street Patrol Division and he has received thirty-one Commendations for various acts, works, and accomplishments since 1998.

Mr. Speaker and distinguished colleagues, please join me in honoring Officer Ozzie

Ramos for being honored with the TOP COP award for 2006. He is an exemplary police officer whose dedicated and fearless service is keeping the people of southern California safe.

RECOGNIZING BRITTNEY LOCH

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Brittney Loch of Maryville, Missouri. Over the past few months, Brittney has served as my office intern. She has handled her responsibilities with class and enthusiasm. Her efforts to represent my office have been commended by both my staff and our constituents.

As a student at Drake University, Brittney has been pursuing a degree in Political Science and came to Washington, DC through the Washington Semester Program to study Public Law. Her ambition and interest in politics have been evident since the first time I met her years ago. Her commitment to public service and her enthusiasm in helping the people of the 6th District is something to be admired.

Mr. Speaker, I proudly ask you to join me in recognizing Brittney Loch. She has been great to have in the office and her efforts are much appreciated. I have no doubt that her dreams of working in Congress will be fulfilled. She will certainly be missed and I would like to ask the House of Representatives to join me in thanking her for all of her hard work and dedication. I am honored to represent her in the United States Congress.

PAYING TRIBUTE TO LEVON HELM AND THE DECLARATION OF LEVON HELM DAY IN WOODSTOCK, NEW YORK

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. HINCHEY. Mr. Speaker, I rise today to pay tribute to a remarkable and talented man, a man who I am proud to call my friend, Mr. Levon Helm.

Levon once said of the music of Bill Monroe and His Blue Grass Boys, ''it really tattooed my brain.'' That's how I feel about Levon's music, which I have had the pleasure of enjoying since the late 1960s, when he recorded ''Music from Big Pink'' in West Saugerties, New York.

Levon Helm was born on May 26, 1940 in Elaine, Arkansas. From an early age, Levon had a musical gift. He performed all over Arkansas with his sister Linda, entertaining crowds with a homemade string bass, harmonica and guitar. As a teenager he formed his own band, The Jungle Bush Beaters, and honed his musical gift by watching entertainers such as Johnny Cash, Little Richard, Jerry Lee Lewis, and a young Elvis Presley.

After The Jungle Bush Beaters, Levon joined The Hawks, which recorded such hits as ''Forty Days'' and ''Mary Lou.'' The Hawks sold 750,000 copies of their record and appeared on Dick Clark's American Bandstand.

After splitting with The Hawks' founder, Ronnie Hawkins, Levon and his band mates signed on as Bob Dylan's backup band, and followed Dylan to West Saugerties, New York, where they took up residence in a pink house, wrote and rehearsed. The group became known simply as The Band, and the outcome of that period was one of the most important albums of the 20th century, ''Music from Big Pink.'' It was the album that introduced Levon Helm to America, and it introduced me to their amazing sound.

Luckily for Levon, he didn't put his roots down in the Hudson Valley just yet. While working in Los Angeles in 1974, he met the lovely Sandra Dodd who would become his wife seven years later. I am happy to know her and call her a friend.

The Band continued to prosper in the early 1970s and in 1975, the barn and studio that Levon built in Woodstock was complete. Unfortunately it was just a year later that we said goodbye to The Band, but it would not be goodbye for Levon Helm.

Over the next seven years, Levon continued pursuing his own musical career with cutting-edge albums like ''The RCO All-Stars,'' the self-titled ''Levon Helm'' and ''American Son.'' Then in 1984, much to their fans' delight, The Band reunited, performing together and recording three more albums.

In 1996, Levon was diagnosed with throat cancer, and we all feared we would never hear his voice again, but he miraculously recovered, and I, and so many others, still enjoy Levon's music at the Midnight Rambles he holds in his studio in Woodstock.

For the past 30 years, Levon has been much more than our famous neighbor in Woodstock. He has, quietly and unobtrusively, been a very generous and committed member of our community. He has worked hard for and supported cancer centers, local little leagues, volunteer firefighters, members of the armed forces and school music programs.

It is because of this great man, and the great music he produces that the Village of Woodstock, New York, has declared May 20 as Levon Helm Day. It continues to be an honor and a great pleasure for so many of us in New York and across America to bear witness to the incredible career and life of this very strong, extremely talented and generous man. I look forward to many more Midnight Rambles.

IN HONOR OF BLAIR L. SADLER ON THE OCCASION OF HIS RETIREMENT

HON. SUSAN A. DAVIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mrs. DAVIS of California. Mr. Speaker, it is with great pleasure that I rise today to congratulate Blair L. Sadler, who has been the President and Chief Executive Officer of Children's Hospital and Health Center of San Diego since 1980. Mr. Sadler celebrates his retirement after more than a quarter of a century of service in the field of pediatric healthcare.

A native of New York City, Blair graduated from Amherst College with a bachelor's degree in economics and received his Juris Doctorate from the University of Pennsylvania Law School. He served as a law clerk with the Superior Court of Pennsylvania and as a medical-legal specialist for the National Institutes of Health. He was an Assistant Professor at Yale University for 3 years and served for 4 years as Assistant Vice President at the Robert Wood Johnson Foundation in Princeton, New Jersey. Prior to his appointment at Children's Hospital, Blair served as Vice President and Director of the hospital and clinics at Scripps Clinical and Research Foundation for 3 years.

Before coming to California, Blair had already established a national and international reputation in several fields, including organ transplantation, physician assistant programs, and emergency medical care and trauma services. While at the National Institutes of Health, with his physician twin brother, he was very involved in writing a model organ donation law that was adopted in all 50 states and published leading articles on transplantation and the law. While on the Yale University Medical School faculty, he co-authored two books The Physician's Assistant—Today and Tomorrow and Emergency Medical Care: The Neglected Public Service, which were widely utilized. At the Robert Wood Johnson Foundation, he designed and led their first national competitive grants program in regional emergency medical communication systems that became a model for the Foundation's work.

His many accomplishments show a deep commitment to improving healthcare. He has skillfully integrated quantitative indicators along with qualitative elements to fashion a truly unique healing experience for the patients at Children's Hospitals.

Under his leadership, Children's has become one of the leading pediatric hospitals in America and was the country's first children's hospital to receive the prestigious Ernest A. Codman Award in recognition for its pioneering work in quality of care. Children's is the major pediatric partner of the entire Sharp and Scripps health care systems and, in 2001, signed a historic agreement combining the UCSD pediatric programs with Children's.

Blair's leadership has enabled Children's to grow and develop as one of the Nation's best pediatric hospitals and, during his tenure, Children's has provided care for more than a million children in the San Diego region since 1980. Children's has added many nationally recognized programs and services and has developed strong collaborative relationships with virtually every healthcare provider in San Diego. While Blair has been at the helm, the hospital has planned and constructed more than 200,000 square feet of facilities and he has championed a healing environment for Children's.

Thanks to Blair's vision, Children's is not just a conglomeration of buildings; it represents a model healing environment for kids and their families. In 1999, Children's built the first healing garden in an American children's hospital and there are now four gardens on its campus. In 2001, in partnership with the nonprofit Society for the Arts in Healthcare, he created and personally funded the Blair L. Sadler Healing Arts Award program that annually recognizes professional and student artists who have made measurable contributions to improved health care through the arts.

On behalf of the people of San Diego, I would like to extend my sincere appreciation

for Blair's commitment and my best wishes for his retirement. I wish him and his family the very best in their new endeavors.

RECOGNIZING ERIC S. GROOMS FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Eric S. Grooms, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 180, and in earning the most prestigious award of Eagle Scout.

Eric has been very active with his troop, participating in many scout activities. Over the many years Eric has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Eric S. Grooms for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

EDS AWARENESS MONTH

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. COSTELLO. Mr. Speaker, I rise today to raise awareness to and pay tribute to those affected by Ehlers-Danlos Syndrome, EDS.

The problems present in EDS include changes in the physical properties of skin, joints, blood vessels, and other tissues such as ligaments and tendons. EDS is a rare disorder, occurring in approximately 1 in 5,000 people; however, 90 percent of individuals who have EDS remain undiagnosed. The various forms of EDS are characterized by abnormalities in the chemical structure of the body's connective tissues resulting in some degree of joint looseness, fragile small blood vessels, and abnormal scar formation and wound healing. Some forms of EDS can present problems with the spine, including curved spine; the eyes; and weak internal organs, including the uterus, intestines, and large blood vessels.

There is no cure for this condition, although researchers believe that specific research on EDS would not only benefit EDS patients with diagnostic tools and treatment, but would also benefit understanding of other connective tissue related diseases. Scientific researchers have made some significant advances in recent years in trying to understand this condition, but many scientific challenges still remain.

Mr. Speaker, the Ehlers-Danlos National Foundation, a national nonprofit membership organization dedicated to controlling the effects of EDS as well as creating a support system for those diagnosed with this condition and their families, has designated May EDS Awareness Month. The goal of this effort is to educate the public about the nature and effects of EDS.

Mr. Speaker, I urge my colleagues to become familiar with this disease and join us in recognizing the importance of an accurate diagnosis of EDS to ensure appropriate treatment and educational outreach. EDS Awareness Month gives all of us an opportunity to learn more about the condition. It will help us better understand the impact that EDS can have on people living with the disorder, as well as recognize the importance of early diagnosis and proper treatment. In short, we must enhance public awareness of this very misunderstood and often misdiagnosed disease.

CONFERENCE REPORT ON H.R. 4297, TAX INCREASE PREVENTION AND RECONCILIATION ACT OF 2005

SPEECH OF

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 10, 2006

Ms. LEE. Mr. Speaker, I rise in opposition to H.R. 4297. This legislation would give big benefits to millionaires, billionaires and giant corporations while the average American suffers under record high energy costs and again gets stuck with the bill.

Mr. Speaker, we should not increase the burden on our children and our grandchildren with this administration's record deficits just to make another 70 billion dollar gift that will line the pockets of the wealthiest few. Let's not extend tax rates that would encourage oil company executives to continue gouging record profits from every hard working American.

Mr. Speaker, we need to rethink our priorities. Instead of another 70 billion dollars for the super rich, why not provide health care for millions of children, provide housing for the neglected victims of Katrina or improve the education of the countless students that this administration has left so far behind? Is this Republican Congress so busy returning profits to the wealthy, that it has forgotten the families who have done all the hard work?

I encourage members to remember the American families that are the back bone of our nation and our economy and vote ''no'' on this bill.

RECOGNIZING JACOB R. HARRINGTON FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Jacob R. Harrington, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 180, and in earning the most prestigious award of Eagle Scout.

Jacob has been very active with his troop, participating in many scout activities. Over the many years Jacob has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Jacob R. Harrington for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

HONORING JAN STOHR UPON HER RETIREMENT

HON. DORIS O. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Ms. MATSUI. Mr. Speaker, I rise today in tribute to a distinguished woman who has tirelessly served the Sacramento area for many years. Jan Stohr will soon be retiring from the Nonprofit Resource Center as its Executive Director. As her colleagues, friends and family gather to celebrate her retirement, I ask all of my colleagues to join me in saluting this outstanding citizen of Sacramento.

When she steps down, Jan will leave behind a long list of accomplishments and a career devoted to helping others. She has been the driving force behind the creation of multiple Sacramento based nonprofits that continue to thrive decades after their founding.

In 1976, as a member of the Junior League, she initiated the establishment of the Child Abuse Prevention Council of Sacramento, CAPC, and a few years later was instrumental in the development of the Sacramento Region Community Foundation. Due to the successful efforts and outreach of CAPC, thousands of children have been spared from being victims of abuse; and since its founding, the Sacramento Region Community Foundation has given out 44 million dollars in grants.

The cornerstone of Jan's work in Sacramento, however, has been her longtime commitment to the Nonprofit Resource Center. The Center began in 1988 with Jan's help and has since blossomed into the place where nonprofits can turn to for assistance in writing grant proposals, securing funds and developing solid management practices. She has served as the Center's Executive Director since its establishment in 1988. Located in downtown Sacramento, the center now assists nonprofits throughout northern California.

Additionally, Jan has given her time by serving on the board of directors for numerous non-profits in the Sacramento area, including the Community Services Planning Council, the United Way, and the Mountain Valley Chapter of the American Leadership Forum. She also seen by many as a leader in the nonprofit field and has been active with the California Association of Non profits' Nonprofit Policy Council, UC Davis's Community Development Graduate Group and the Association of Fundraising Professionals.

Through her work, Jan has been awarded with numerous recognitions, including the Association of Fundraising Professionals' Outstanding Fundraising Executive Award and the United Way's Distinguished Service Award. Many more awards and accolades will certainly follow as she transitions into retirement.

Mr. Speaker, as Jan Stohr enters retirement, I am truly honored to pay tribute to one of my dear friends and one of Sacramento's most honorable citizens. I ask all of my colleagues to join with me in wishing Jan and her husband Phil continued success and happiness in all of their future endeavors.

THIRTIETH ANNIVERSARY OF THE FOUNDING OF THE MOSCOW HELSINKI GROUP

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. CARDIN. Mr. Speaker, as Ranking Member of the Commission on Security and Cooperation in Europe, the Helsinki Commission, I note that tomorrow marks one of the major events in the struggle for human rights around the globe. Thirty years ago a courageous band of human rights defenders in the Soviet Union founded the ''Moscow Helsinki Group,'' dedicated to monitoring Soviet compliance with the Helsinki Final Act, an historic agreement containing important provisions on human rights.

When General Secretary Brezhnev signed the Helsinki Final Act, or the Helsinki Accords, on August 1, 1975 on behalf of the USSR, Soviet officials believed that they had gained an important foreign policy victory. Indeed, there were some provisions that Soviet diplomats had sought assiduously during the negotiations among the thirty-five nations of Europe and the United States and Canada. However, the West, for its part, had insisted on certain provisions in the area of human rights and humanitarian affairs, including the right of citizens ''to know their rights and to act upon them.''

With this commitment in mind, Professor Yuri Orlov, a Soviet physicist who had been involved in the defense of human rights in the Soviet Union previously, called upon several of his similarly-minded colleagues to join together in an organization to press publicly for implementation of the Helsinki Accords in their country.

Eleven brave individuals answered the call, and on May 12, 1976, at a press conference called by famed human rights campaigner and peace activist Dr. Andrei Sakharov, the creation of the ''Public Group to Assist in the Implementation of the Helsinki Final Act,'' or as it became later known, the ''Moscow Helsinki Group'' was announced.

The Moscow Helsinki Group committed itself to collecting information about implementation of the Helsinki Accords in the Soviet Union and publishing reports on their findings. During the first six years of its activity, they produced almost two hundred specific reports, as well as other announcements and appeals. More activists joined with the passing months. Similar Helsinki monitoring groups were established elsewhere in the USSR, including in Ukraine, Lithuania, Georgia and Armenia. Other groups focused on specific human rights issues such as psychiatric abuse or religious liberty joined the movement. The Moscow Group became an important source of information for individuals and groups seeking assistance in the area of human rights.

Naturally, the Soviet leadership rejected such ''assistance'' and undertook to suppress the Moscow Helsinki Group. Members were fired from their jobs, ''persuaded'' to emigrate, castigated in the press, and subjected to KGB searches and interrogations. When such reprisals proved mostly ineffective, members were charged with political crimes and given lengthy sentences in labor camps of the Soviet Gulag, usually with an additional term of ''internal exile,'' forced resettlement, typically somewhere in Siberia or the Soviet Far East.

Ten years after the founding of the Moscow Helsinki Group, 14 members had been sentenced to a total of 69 years in labor camp or prison, and 50 years internal exile. Anatoly Marchenko, a founding member and veteran dissident, died during a hunger strike at Chistopol Prison in December 1986. By 1982, the Moscow Helsinki Group had been forced to suspend its activities in the face of intense KGB repression.

But while Moscow had rid itself of some troublesome dissidents, the spirit of Helsinki was not so easily quashed. Ludmilla Alekseyeva, an exiled member of the group, testified in the U.S. Congress in October 1985 that ''for victims of human rights abuses in the Eastern bloc, Helsinki remains the main source of hope . . . and a rallying point in their struggle for freedom and peace.'' Just a little over 4 years after she spoke those words, the Berlin Wall fell.

The Moscow Helsinki Group was re-established in 1989. Reinvigorated through the work of new and veteran members, it is one of the most respected human rights organizations in the Russian Federation today. Alexeyeva, who returned to Russia in the early 1990s, following the demise of the Soviet Union, serves as chair of the group.

Mr. Speaker, we would do well to heed the wise words of Andrei Sakharov when he noted, ''The whole point of the Helsinki Accords is mutual monitoring, not mutual evasion of difficult problems.'' A key to the ultimate success of the Helsinki Process has been the involvement of civil society—courageous human rights defenders like those who established the Moscow Group—willing to speak out on behalf of others. I remain deeply concerned over human rights trends in Russia, especially the adoption of regressive laws affecting fundamental human rights and freedoms.

I join my colleagues on the Helsinki Commission in congratulating the Moscow Helsinki Group on the occasion of its 30th anniversary of dedicated service in the defense of fundamental freedoms and liberty.

RECOGNIZING NICHOLAS J. PARK FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Nicholas J. Park, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 180, and in earning the most prestigious award of Eagle Scout.

Nicholas has been very active with his troop, participating in many scout activities. Over the many years Nicholas has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Nicholas J. Park for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

TRIBUTE TO THE LATE CALIFORNIA STATE SENATOR ED DAVIS

HON. HOWARD P. ''BUCK'' McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. McKEON. Mr. Speaker, I rise in sadness today to honor the memory of Ed Davis, a former California State Senator and Los Angeles Chief of Police. He was a remarkable man who was a monumental presence on the Los Angeles and California political scene. Senator Davis passed away on April 22, 2006 in San Luis Obispo, CA at the age of 89.

Born Edward Michael Davis on November 15, 1916 in Los Angeles, he graduated from John C. Fremont High School and enlisted in the United States Navy where he became a decorated officer. He later received his Masters in Public Administration from USC. Always a proud alumnus, he often sported a maroon blazer and gold pants, USC's famous colors, on the State Senate floor.

Joining the Los Angeles Police Department in 1940, Ed first walked a beat in downtown Los Angeles with the late Los Angeles Mayor Tom Bradley. Rising up through the ranks, he was a director of the police and fire union and later a trusted top aide to legendary Chief William Parker. Ed served as Los Angeles Chief of Police from 1969 until 1978 where he was known as a popular firebrand who pushed law and order during times of turbulence.

Chief Davis proved popular with not only with the people of Los Angeles, but also with weary Americans who were looking for tough leadership during uncertain times. During the same period, his officers' morale was at an all-time high. He became a national figure as a tough law and order proponent quelling student protests during the Vietnam War, opposing the Black Panthers, and taking a strident stance against the epidemic of hijacking in the early 1970's.

In 1974, the entire nation watched as the Chief's force had a climatic shootout with the Simbionese Liberation Army who had kidnapped heiress Patty Hearst. Several leaders of the gang died in a fiery blaze at the conclusion of the confrontation.

Chief Davis implemented historic reforms at the LAPD and left a legacy of influence in law enforcement. His innovations include creating the Neighborhood Watch concept to bring residents together, and instituting community policing. While crime rose by 55 percent across the Nation during his tenure as Chief, crime actually decreased by 1 percent in Los Angeles. His influence still exists in the LAPD, and programs that the Chief invented are at the heart of every police organization worldwide. The City of Los Angeles honored him by naming the newest and most elaborate of the three LAPD training centers ''The Ed Davis Emergency Vehicle Operations Center & Tactics/Firearms Training Center'' in 1998.

A respected member of the academic community, Chief Davis lecturing at USC and Cal State Los Angeles as an adjunct professor of police administration and management for 18 years. He was the author of Staff One, a leading police management textbook.

Prior to his appointment as Chief, he served for many years as a law enforcement advocate working with the California Legislature in

Sacramento. Among his many outstanding contributions is the landmark Peace Officer's Standards and Training Act of 1959, which set minimum police standards for California.

After retiring as Police Chief in 1978, he set his sights on the California Governor's mansion. Running in the Republican gubernatorial primary, the Chief came in second to Attorney General Evelle Younger in a four-man race, which included State Senator Ken Maddy and San Diego Mayor Pete Wilson.

Chief Davis returned to the political arena in 1980 after winning the State Senate election for the 19th Senate District. He represented Thousand Oaks, Simi Valley, the North San Fernando Valley and the Santa Clarita Valley.

Overwhelmingly re-elected to a second Senate term in 1984, Senator Davis again set his sights on higher office. He entered the 1986 U.S. Senate race against longtime incumbent Alan Cranston. His slogan, "One Tough Cop, and One Great Senator." recalled his glory days as Chief.

The Republican race was upended when one of Senator Davis' opponents was indicted for allegedly offering him $100,000 if he dropped out of the race. The courts ultimately threw out the indictment, but the scuffle derailed the Senator's campaign and helped Congressman Ed Zschau win the nomination.

Davis turned his energy and attention back to Sacramento, winning praise as a reasoned Vice-Chair of the Senate Judiciary Committee. Often called central casting's choice as a senator, the white-haired gentleman was easily reelected to a third term to the State Senate in 1988.

Known by his friends as a man of great charm and graciousness, Senator Davis celebrated 50 years of public service with a gala dinner in 1991. Highlights of the evening included recorded tributes from comedian Bob Hope and former Presidents Ronald Reagan and Richard Nixon. Looking forward to a peaceful retirement, Senator Davis and his wife, Bobbie, moved north to Morro Bay, California in 1992.

Senator Davis is survived by his wife, Bobbie, his children Michael Davis, Christine Coey and Mary Ellen Burde and step-children Fred, Michael, and Kyltie as well as several beloved grandchildren.

HONORING ROBERT ROGERS

HON. KENNY MARCHANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. MARCHANT. Mr. Speaker, I rise today to recognize Mr. Robert Rogers upon his retirement as President and Chief Executive Officer of the Educational Employees Credit Union, after almost 30 years of service in the credit union industry.

His retirement concludes a phenomenal career in the credit union business, starting as a Texas State Examiner in 1977. Rogers later held executive-level positions at Hughes Employees Credit Union, Houston Area Teacher's Credit Union, and the University of Arkansas Credit Union. He also served as Deputy Commissioner for the State of Texas in 1988 and was named Commissioner three years later. In 1995 Rogers moved to Fort Worth to act as President and CEO of EECU.

Rogers has been an active leader with many credit-union related affiliates on the local, state, and national level. He is a former Director for the National Association of Community Credit Unions, and is on the Board of Directors for Town North Bank. Other noteworthy accomplishments include founding the Texas Credit Union Legislative Coalition, and being appointed to the Texas Credit Union League's Board of Trustees.

Rogers has been an advocate for credit unions and members throughout his career. He has always sought to provide vital financial services for the underserved and ensured that the voices of credit unions and their members were heard in the political arena. I thank him for his years of dedication to Texas families. I wish him well in his retirement; his presence will truly be missed.

RECOGNIZING BENJAMIN F. SANDERSON FOR ACHIEVING THE RANK OF EAGLE SCOUT

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. GRAVES. Mr. Speaker, I proudly pause to recognize Benjamin F. Sanderson, a very special young man who has exemplified the finest qualities of citizenship and leadership by taking an active part in the Boy Scouts of America, Troop 180, and in earning the most prestigious award of Eagle Scout.

Benjamin has been very active with his troop, participating in many scout activities. Over the many years Benjamin has been involved with scouting, he has not only earned numerous merit badges, but also the respect of his family, peers, and community.

Mr. Speaker, I proudly ask you to join me in commending Benjamin F. Sanderson for his accomplishments with the Boy Scouts of America and for his efforts put forth in achieving the highest distinction of Eagle Scout.

BREAST CANCER AND ENVIRONMENTAL RESEARCH ACT

HON. JOHN E. SWEENEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. SWEENEY. Mr. Speaker, Sunday is Mother's Day. In honor of all of our Mothers, I rise today to urge all my colleagues to push for passage of the Breast Cancer and Environmental Research Act (H.R. 2231) this year.

One out of eight women in the United States will develop breast cancer at some point in her lifetime. It afflicts our mothers, our daughters, our sisters, our wives. It currently afflicts three million women—including one million women who do not yet know they have breast cancer. In New York alone, there is expected to be 14,400 new cases in 2006 and over 2,700 deaths due to breast cancer.

The human toll of this disease is staggering. All women are at risk of getting breast cancer. In some way, breast cancer will directly or indirectly affect you or someone you know. Breast cancer takes a life every 14 minutes. Another woman will receive a life altering diagnosis of breast cancer every 3 minutes.

Passing the Breast Cancer and Environmental Research Act would help get to the bottom of what causes breast cancer and how to prevent it.

H.R. 2231 authorizes $30 million a year for five years to establish these multi-institutional, multidisciplinary centers. The centers would include institutions with different areas of expertise working together to look at different aspects of the same issue.

This bill creates a new mechanism for environmental health research, and provide a unique process by which up to 8 research centers are developed to study environmental factors and their impact on breast cancer. Modeled after the DOD Breast Cancer Research Program, which has been so successful, it would include consumer advocates in the peer review and programmatic review process.

This Federal commitment is critical for the overall, national strategy and the long-term research investments needed to discover the environmental causes of breast cancer, so that we can prevent it, treat it more effectively, and cure it.

It is generally believed that the environment plays some role in the development of breast cancer, but the extent of that role is not understood. More research needs to be done to determine the impact of the environment on breast cancer, which has been understudied in the past.

Less than 30 percent of breast cancers are explained by known risk factors; however, there is little consensus in the scientific community on how the environment impacts breast cancer. Studies have explored the effect of isolated environmental factors such as diet, pesticides, and electromagnetic fields, but in most cases there is no conclusive evidence. Furthermore, there are many other factors that are suspected to play a role but have not been fully studied. These could provide valuable in understanding the causes of breast cancer and could lead to prevention strategies.

We must all work together to find a cure for breast cancer. As we work to achieve that goal, we must continue to create comprehensive programs to study the disease, increase awareness and ensure early detection takes place. We must make a commitment to women who have or will be affected by breast cancer. I am proud to support efforts that will help so many of our sisters, daughters, wives and mothers.

INTRODUCTION OF STRATEGIC REFINERY RESERVE

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. BOUCHER. Mr. Speaker, I am pleased today to join my colleague from Michigan, Mr. DINGELL, in introducing legislation to expand the nation's refinery capacity by establishing a federal Strategic Refinery Reserve (SRR), which will deliver refined petroleum products to the commercial market during supply emergencies.

The legislation that Congressman DINGELL and I are introducing builds upon the success of the Strategic Petroleum Reserve by taking

the commonsense step of establishing a reserve which can produce refined petroleum products. The presence of such a reserve will ensure the availability of emergency refinery capacity—a need which has been clearly illustrated by the events and high gasoline prices of recent months.

Last year's catastrophic hurricanes, which severely damaged oil refineries in the gulf coast illustrated the nation's vulnerability to a disruption in supply of refined petroleum and exposed shortcomings in our current Strategic Petroleum Reserve (SPR) system. If the nation loses significant refinery capacity, crude released from the SPR cannot be converted easily into refined product such as gasoline or home heating oil. Even with no disruptions, our nation's refineries are running at virtually full capacity meaning that any reduction in our ability to refine product results in an almost immediate increase in gasoline prices.

The legislation we are introducing would help address this vulnerability by requiring the Secretary of Energy to establish and operate a Strategic Refinery Reserve (SRR) with capacity equal to 5 percent of the total United States demand for gasoline, home heating oil and other refined petroleum products. The Secretary may design and construct new facilities or acquire and re-open previously closed facilities.

During non-emergency times the SRR would provide refined product to the federal fleet, including the Department of Defense. Operating the refinery reserve on a full-time basis will ensure that federal fleet and military needs are met, will lessen start up times for SRR refineries to full production during emergencies and will lessen the demand for refined product in the consumer market by freeing additional supply.

During times of emergency, the SRR production could be increased and the resulting refined products could be used in the commercial market. Under the legislation, the Secretary is authorized to use SRR production for commercial use based on two criteria: the same severe supply disruption criteria used to trigger a drawdown of the SPR and upon a Presidential determination of a regional supply shortage.

Our legislation is a common sense approach to ensure that additional refinery capacity is available to provide gasoline during times of energy emergency, and I urge its consideration and approval by the House.

NATIONAL NURSES WEEK

HON. DANIEL LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. LIPINSKI. Mr. Speaker, I rise today to honor the work of America's 2.9 million registered nurses and recognize National Nurses Week, which is celebrated annually May 6–12 throughout the United States. The purpose of National Nurses Week is to raise public awareness of the value of nursing and to help educate the public about the vital roles registered nurses play in meeting the health care needs of the American people.

America's nurses comprise our nation's largest health care profession. They continue to meet the different, emerging, and challenging health care needs of the American population in a wide range of settings. Nurses enhance both primary and preventive health care and are an indispensable component in the safety and quality of care of hospitalized patients.

It is my honor to recognize registered nurses who care for all of us. Today, we celebrate registered nursing's accomplishments and efforts to improve our health care system and show our appreciation for the nation's registered nurses not just during this week, but at every opportunity throughout the year.

TRIBUTE TO CALHOUN HIGH SCHOOL

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. PAUL. Mr. Speaker, I rise today to honor Calhoun High School (CHS) of Port Lavaca, Calhoun County, TX. On January 6–7, 2006 the CHS advanced government class, taught by Gennie Westbrook, traveled to Austin to participate in the Texas State final meet for We the People: The Citizen and the Constitution. Calhoun High School ranked second of the seven schools participating in the meet, which is the highest rank yet achieved by a CHS class. In 1995, 2002, and 2003, the CHS class placed third. Students participating in the state contest were Holly Batchelder, Matthew Boyett, Ryan Cardona, Kenneth Chang, Karl Chen, Andrew Delgado, Carlos Galindo, Julio Herrera, Paul Jenkins, Brian Kao, Dustin Lambden, Kayla Meyer, Jake Prejean, and Thomas Reagan.

Twenty-two CHS juniors accompanied the group as observers. We the People alumnae who also accompanied the group to assist as guest judges for practice times were Jessica Davenport, John Westbrook, Bobby Van Borssum, Redford Hong, William Krause, and Jason Fite.

Local community members who helped the class in their weekly practice sessions after school were Connie Hunt and Assistant District Attorney Shannon Salyer, who have worked with each year's class for several years. Others who assisted the class in preparation this year included District Attorney Dan Heard, Assistant District Attorney Pat Brown, and Texas A&M aerospace PhD student Darren Hartl.

We the People: The Citizen and the Constitution is a nationally acclaimed civic education program focusing on the history and principles of the U.S. Constitution and Bill of Rights. In addition to the requirements of the standard government class, students in this program must master a rigorous curriculum in the background and philosophy of the U.S. Constitution. They participate in oral assessment that involves both prepared and extemporaneous responses to challenging questions. In this nationwide competition, students play the role of ''experts in the Constitution,'' testifying before a mock Congressional hearing. Among other criteria, students are evaluated on their depth of knowledge, ability to apply academic data to current problems, and understanding of landmark Supreme Court cases. Teams of three students each present a four-minute prepared testimony to answer questions they have researched all semester, and then they respond to extemporaneous follow-up questions from the judges for another six minutes. Judges at the state contest include practicing attorneys, university professors, historians, and legislative staff members.

In 2001, the Center for Civic Education conducted a survey of We the People alumnae, focusing on voting and civic participation. Among the former students, 82 percent reported that they voted in the November 2000 election. In addition, 77 percent had voted in previous elections. By contrast, the National Election Studies reported 48 percent turnout in the November 2000 election by other respondents aged 18–30. Research also indicates that participation in We the People programs helps encourage greater interest in politics and public affairs, increased involvement in government decision making at all levels, greater willingness to respect the opinions and rights of others, and better preparation for the privileges and responsibilities of democratic citizenship. More information about the program may be found at the Center for Civic Education website, *http://www.civiced.org/wethepeople.php.*

We the People: the Citizen and the Constitution is the Advanced U.S. Government class available every fall to Calhoun High School seniors. The first place team from each state traveled to Washington, D.C. for the National Final Competition on April 29–May 1, 2006. McAllen's Lamar Academy team, taught by LeAnna Morse, won first place this year in Texas, and her class often receives Honorable Mention as one of the top 10 schools at the national final meet.

Mr. Speaker, I want to congratulate teacher Gennie Westbrook, the students of Calhoun High School and all the others participating in this important effort.

INTRODUCTION OF THE EARLY CAREER RESEARCH ACT AND THE RESEARCH FOR COMPETITIVENESS ACT

HON. MICHAEL T. McCAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. McCAUL of Texas. Mr. Speaker, I am pleased to introduce today the Early Career Research Act and the Research for Competitiveness Act. These bills expand and strengthen science and engineering research programs at the National Science Foundation and the Department of Energy to encourage young scientists and engineers to pursue innovative research that could lead to the major scientific breakthroughs of tomorrow.

President Bush, in his State of the Union Address, articulated the link between science and engineering research and national competitiveness. I agree with the President. Like him, I believe that science shapes the future. And, like him, I believe that for America to remain number one in the world, it must remain number one in science. I want to ensure that the highly-innovative, highly-productive industries of tomorrow are created here in America and stay in America to provide high-wage jobs for our children and grandchildren.

Texas is one of the world's leading technology centers and I have the privilege of representing Texas' high-tech core. In Texas, we

know that science and technology are the wellsprings of economic competitiveness and national strength.

In December of last year, Mr. Richard Templeton, President and CEO of Texas Instruments, came to Washington to lead the National Summit on Competitiveness. The theme of that Summit was ''Investing in U.S. Innovation.'' Mr. Templeton and 60 business, academic, and government leaders, including four Cabinet Secretaries, came together to discuss the competitiveness challenge posed by globalization and the rise of new economic competitors, such as India and China. Mr. Templeton and his business and academic colleagues told the President and the Congress that our government must do more to foster America's capacity to innovate by focusing on the health of the American scientific enterprise.

The President rose to the challenge and proposed The American Competitiveness Initiative, a bold plan to double Federal investments in fundamental physical science research over 10 years at three science agencies: the National Science Foundation, the Office of Science in the Department of Energy, and the National Institute of Standards and Technology.

My bills build upon the President's initiative and focus on fostering innovation by providing grants to promising young researchers to pursue research that could lead to the technology breakthroughs of tomorrow. One of my bills provides for matching funds from industry to promote closer ties between academic and industrial researchers.

Mr. Speaker, I am pleased that so many business, science, and educational organizations have endorsed my bill, including Texas Instruments, AeA (formerly the American Electronics Association), the Telecommunications Industry Association, the Electronics Industries Alliance, the Council on Competitiveness, the Battelle Memorial Institute, the American Chemical Society, the Association of American Universities, and a host of other organizations. I am grateful for their support. Together, we can ensure that America remains first in science and first in economic competitiveness—so that Americans can continue to enjoy the highest standard of living in the world.

INTRODUCTION OF THE SCIENCE AND MATHEMATICS EDUCATION FOR COMPETITIVENESS ACT

HON. JOHN J.H. "JOE" SCHWARZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. SCHWARZ of Michigan. Mr. Speaker, I am pleased to introduce today the Science and Mathematics Education for Competitiveness Act. The bill expands and strengthens math and science education programs at the National Science Foundation and the Department of Energy to improve the math and science literacy of our nation and prepare our young people for the high-tech, high-wage jobs of tomorrow.

President Bush, in his State of the Union Address, articulated the link between math and science education and national competitiveness. I agree with the President. Like him, I want to ensure that the 21st Century remains ''the next American century.'' And, like him, I want to ensure that Americans continue to enjoy the highest standard of living in the world.

The jobs of today require a higher level of math and science skills than ever before. The jobs of tomorrow will be even more demanding. And we know that the rest of the world is not standing still. In an increasingly globalized economy, our children and grandchildren will be competing with highly-skilled, highly-educated workers around the world for high-wage jobs in high-value-added industries. I want to make sure that those industries and those jobs stay here in America. To do that, our nation's business leaders tell us that we have to boost the math and science skills of American students.

I know of no better way to improve math and science education in this country than to build upon the successful programs of the National Science Foundation and to expand the ability of some of America's most brilliant scientists and engineers in the Department of Energy to lend their talent and expertise to the education of U.S. students.

In crafting my bill, I focused on what already works and I sought to minimize the creation of new programs. Based on testimony offered in a series of hearings in the Science Committee, and on recommendations offered in a series of reports by American business and academic leaders, my bill focuses on encouraging more teachers to specialize in teaching math and science, and encouraging more students to pursue undergraduate and graduate degrees in math, science, and engineering.

Mr. Speaker, I am pleased that so many business and educational organizations have endorsed my bill, including Texas Instruments, AeA (formerly the American Electronics Association), the Telecommunications Industry Association, the Electronics Industries Alliance, the Council on Competitiveness, the Battelle Memorial Institute, the American Chemical Society, the National Education Association, the National Science Teachers Association, the National Council of Teachers of Mathematics, the American Association of Colleges for Teacher Education, the American Association of Physics Teachers, the American Geological Institute, the Science Technology Engineering and Mathematics Education Coalition, the Council of Graduate Schools, the Association of American Universities, and a host of other organizations. I am grateful for their support. Together, we can ensure that America remains the most competitive nation in the world.

TRIBUTE TO TOYOTA MOTOR MANUFACTURING

HON. JOHN N. HOSTETTLER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 11, 2006

Mr. HOSTETTLER. Mr. Speaker, I rise before you today to recognize Toyota Motor Manufacturing on their 10th anniversary of operation in Princeton, Indiana. Since 1996, Toyota has been a top contributor to both the economy and the community life of southern Indiana. During the past 10 years, Toyota has both harnessed the excellent workforce and favorable business conditions available in our region, and has invested time and resources back into our local people and businesses.

The Princeton Toyota plant opened their doors with an initial investment of $700 million, employing 1,300 team members with a production rate of 100,000 trucks per year. In just 10 years, production has skyrocketed to 300,000 vehicles per year, including the Tundra full-size pickup truck, Sequoia SUV, and Sienna minivan. With the recent addition of another plant in Lafayette, Toyota is now the largest automaker in Indiana.

A study released by University of Evansville and University of Southern Indiana determined that Toyota's annual economic impact in Indiana equals 31,385 jobs, $502.9 million in employee compensation, and $5.5 billion in business sales, representing a significant influence on the economy of southwest Indiana, and the state as a whole. In Gibson County alone, Toyota generates 8,865 jobs, $118.9 million in employee compensation, $518.6 million in business sales. The Evansville area enjoys 12,990 jobs, $341.7 million in employee compensation, and $1.4 billion in business sales as a result of Toyota.

In addition to their positive economic impact, Toyota has been a wonderful neighbor to Princeton and the surrounding communities. Toyota is proactively involved in educational and charitable initiatives by awarding scholarships to local students, and providing grants to local schools and non-profit organizations. I am pleased to commend Toyota as an example of good citizenship.

I ask my colleagues to join me in congratulating Toyota on 10 years of outstanding service and contribution to southern Indiana.

Daily Digest

HIGHLIGHTS

Senate agreed to the conference report to accompany H.R. 4297, Tax Relief Extension Reconciliation Act.

The House passed H.R. 5122, National Defense Authorization Act for Fiscal Year 2007.

Senate

Chamber Action

Routine Proceedings, pages S4385–S4506

Measures Introduced: Thirteen bills and three resolutions were introduced, as follows: S. 2783–2795, S. Res. 474–475, and S. Con. Res. 94. **Pages S4468–69**

Measures Passed:

National Public Works Week: Senate agreed to S. Res. 475, proclaiming the week of May 21 through May 27, 2006, as ''National Public Works Week''. **Pages S4503–04**

Indian Youth Telemental Health Demonstration Project Act: Senate passed S. 2245, to establish an Indian youth telemental health demonstration project. **Pages S4504–05**

Health Insurance Marketplace Modernization and Affordability Act: Senate continued consideration of S. 1955, to amend title I of the Employee Retirement Security Act of 1974 and the Public Health Service Act to expand health care access and reduce costs through the creation of small business health plans and through modernization of the health insurance marketplace, taking action on the following amendments proposed thereto: **Pages S4447–60**

Pending:

Committee Modified Amendment in the nature of a substitute. **Page S4447**

Frist Amendment No. 3886 (to S. 1955 (committee substitute) as modified), to establish the enactment date. **Page S4447**

Frist Amendment No. 3887 (to Amendment No. 3886), to change the enactment date. **Page S4447**

Motion to recommit the bill to the Committee on Health, Education, Labor and Pensions, with instructions to report back forthwith, with Frist Amendment No. 3888, in the nature of a substitute. **Page S4447**

Frist Amendment No. 3889 (to the instructions of the motion to recommit), to change the enactment date. **Page S4447**

Frist Amendment No. 3890 (to Amendment No. 3889), to provide for the enactment date. **Page S4447**

During consideration of this measure today, Senate also took the following action:

By 55 yeas to 43 nays (Vote No. 119), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the motion to close further debate on the modified committee substitute. **Page S4460**

Tax Relief Extension Reconciliation Act Conference Report: By 54 yeas to 44 nays (Vote No. 118), Senate agreed to the conference report to accompany H.R. 4297, to provide for reconciliation pursuant to section 201(b) of the concurrent resolution on the budget for fiscal year 2006, clearing the measure for the President. **Pages S4385–S4447**

Comprehensive Immigration Reform Act Agreement: A unanimous-consent agreement was reached providing that on Monday, May 15, 2006, at a time to be determined by the Majority Leader, after consultation with the Democratic Leader, Senate proceed to the consideration of S. 2611, to provide for comprehensive immigration reform, or a House bill on which the Senate and House conference, using the language of S. 2611; provided that when the Senate agrees to a request for a conference, or the Senate requests a conference on S. 2611, or a House bill, as amended with the language of S. 2611, as amended, if amended, the Chair be authorized to appoint conferees on the part of the Senate with the ratio of conferees being 14 to 12; provided further, that from that ratio, the first 7 Republican Senators from the

Committee on the Judiciary and the first 5 Democratic Senators from the Committee on the Judiciary be conferees, and that the Majority Leader select the final 7 conferees for the Majority side and the Democratic Leader select the final 7 conferees for the Minority side. **Pages S4385–86**

Nomination—Agreement: A unanimous-consent agreement was reached providing that on Tuesday, May 16, 2006, Senate proceed to executive session for the consideration of the nomination of Milan D. Smith, Jr., of California, to be United States Circuit Judge for the Ninth Circuit; provided further, that prior to the vote there be 15 minutes for debate equally divided between the Chairman and Ranking Member of the Committee on the Judiciary, and Senator Smith, and that at the expiration or yielding back of time, Senate proceed to a vote on confirmation of the nomination. **Page S4503**

Nominations Received: Senate received the following nominations:

William H. Tobey, of Connecticut, to be Deputy Administrator for Defense Nuclear Nonproliferation, National Nuclear Security Administration.

Gayleatha Beatrice Brown, of New Jersey, to be Ambassador to the Republic of Benin.

Peter R. Coneway, of Texas, to be Ambassador to Switzerland, and to serve concurrently and without additional compensation as Ambassador to the Principality of Liechtenstein.

Christina B. Rocca, of Virginia, for the rank of Ambassador during her tenure of service as U.S. Representative to the Conference on Disarmament.

Thomas D. Anderson, of Vermont, to be United States Attorney for the District of Vermont for the term of four years.

Routine lists in the Air Force, Navy. **Pages S4505–06**

Messages From the House: **Page S4467**

Measures Referred: **Page S4467**

Measures Read First Time: **Pages S4467, S4503**

Enrolled Bills Presented: **Page S4467**

Executive Communications: **Pages S4467–68**

Executive Reports of Committees: **Page S4468**

Additional Cosponsors: **Pages S4469–70**

Statements on Introduced Bills/Resolutions: **Pages S4471–78**

Amendments Submitted: **Pages S4478–S4502**

Notices of Hearings/Meetings: **Pages S4502–03**

Authorities for Committees to Meet: **Page S4503**

Privileges of the Floor: **Page S4503**

Record Votes: Two record votes were taken today. (Total—119) **Pages S4446, S4460**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 7:26 p.m., until 9:30 a.m., on Friday, May 12, 2006. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S4505.)

Committee Meetings

(Committees not listed did not meet)

AVIAN INFLUENZA

Committee on Agriculture, Nutrition, and Forestry: Committee concluded a hearing to examine the Department of Agriculture's national response plan to detect and control the potential spread of Avian Influenza into the United States, focusing on the Implementation Plan for the National Strategy for Pandemic Influenza, and migratory bird surveillance, after receiving testimony from Ron DeHaven, Administrator, Animal and Plant Health Inspection Service, Department of Agriculture.

NOMINATION

Committee on the Budget: Committee concluded a hearing to examine the nomination of Robert J. Portman, of Ohio, to be Director of the Office of Management and Budget, after the nominee, who was introduced by Senators Bunning and DeWine, testified and answered questions in his own behalf.

IRAN'S NUCLEAR PROGRAM

Committee on Foreign Relations: Committee met in closed session to receive a briefing to examine Iran's nuclear program and the impact of potential sanctions from Robert Walpole, Deputy Director for Strategy and Evaluation, National Counter-proliferation Center, and S. Leslie Ireland, Mission Manager for Iran, both of the Office of the Director of National Intelligence; and Paul E. Simons, Deputy Assistant Secretary of State for Energy, Sanctions and Commodities, Bureau of Economics and Business Affairs.

BUSINESS MEETING: NOMINATIONS

Committee on the Judiciary: Committee ordered favorably reported the nominations of Brett M. Kavanaugh, of Maryland, to be United States Circuit Judge for the District of Columbia Circuit, and Sean F. Cox and Thomas L. Ludington, both to be a United States District Judge for the Eastern District of Michigan.

VA HEALTHCARE LEGISLATIVE INITIATIVES

Committee on Veterans' Affairs: Committee concluded a hearing to examine proposed health care-related legislation, after receiving testimony from Michael Kussman, Principal Deputy Under Secretary for Health, Veterans Health Administration, and Jack Thompson, Deputy General Counsel, both of the Department of Veterans Affairs; Robert Shaw, State Veterans Center, Rifle, Colorado, on behalf of National Association of State Veterans Homes; John Melia, Wounded Warrior Project, Roanoke, Virginia; and Carl Blake, Paralyzed Veterans of America, Juan Lara, American Legion, and Adrian M. Atizado, Disabled American Veterans, all of Washington, D.C.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee recessed subject to call.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 33 public bills, H.R. 5351–5383; and 3 resolutions, H. Con. Res. 400–401; and H. Res. 813 were introduced. **Pages H2584–85**

Additional Cosponsors: **Pages H2585–86**

Reports Filed: Reports were filed today as follows: H.R. 4681 to promote the development of democratic institutions in areas under the administrative control of the Palestinian Authority, and for other purposes, with an amendment (H. Rept. 109–462). **Page H2584**

Motion to Adjourn: Rejected the Snyder motion to adjourn by a yea-and-nay vote of 31 yeas to 366 nays, Roll No. 137. **Pages H2507–08**

Later, the House rejected the Slaughter motion to adjourn by a recorded vote of 68 ayes to 336 noes with 1 voting "present", Roll No. 138. **Pages H2509–10**

National Defense Authorization Act for Fiscal Year 2007: The House passed H.R. 5122, amended, to authorize appropriations for fiscal year 2007 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2007, by a recorded vote of 396 ayes to 31 noes, Roll No. 145. Consideration of the bill began yesterday, May 10th. **Pages H2508–51**

Rejected the Salazar motion to recommit the bill to the Committee on Armed Services with instructions to report it back to the House forthwith with an amendment, by a recorded vote of 202 ayes to 220 noes, Roll No. 144. **Pages H2549–51**

Pursuant to the rule, Representative Hunter requested that the following amendments printed in H. Rept. 109–461, following consideration of en bloc packages #1 and #2, be considered in the following order: Goode (#8), Millender-McDonald (#15), Rohrabacher (#16), Dent (#6), Gohmert (#7), Hooley (#9), McDermott (# 13), Hostettler (#10), Tierney (#22), Schakowsky (#18), Jindal (#11), Lewis of Kentucky (#12), Mica (#14), Weldon of Pennsylvania (#23), and Taylor of Mississippi (#21). **Pages H2519–20**

Agreed to:

En bloc amendment consisting of the following amendments printed in H. Rept. 109–461: Baca (#1) requires DoD to study the scope of perchlorate contamination at Formerly Utilized Defense Sites (FUDS); Castle (#2) implements GAO's recommendations to cut-down on award and incentive fee spending waste by requiring the Department to develop a strategy for linking incentives to specific outcomes, such as meeting cost, schedule, and capability goals. It also establishes guidance for improving the effectiveness of award and incentive fees and ensures that appropriate approving officials are overseeing these decisions. The Department would be required to report to Congress on the status and effectiveness of these new standards; Davis of Virginia (#4) authorizes the Army to negotiate a "design build" to complete the Fairfax County Parkway. As a result of the construction mandated by BRAC on the Engineering Proving Ground (EPG), it would authorize the Army to enter into a special agreement with the state of Virginia. This agreement would authorize the state of Virginia to fund certain projects on the EPG while allowing the Army to maintain control of such projects; and Schiff (#19) directs the Secretary of Defense to submit to Congress a series of regular reports on the threat to American personnel posed by Improvised Explosive Devices (IEDs), as well as action being taken to interdict IEDs and to develop more effective active and passive countermeasures. First report would be due 30

days after enactment, with subsequent reports every 90 days thereafter. Reports would be unclassified, with a classified annex if necessary; **Pages H2520–22**

En bloc amendment consisting of the following amendments printed in H. Rept. 109–461: Chabot (#3) expresses the Sense of Congress that the spouses of Armed Forces members who have died between October 7, 2001 and November 23, 2003 should be permitted to have the option of assigning their SBP payments to their children; Davis of Virginia (#5) would allow DoD to consider transit projects as part of DAR; Ryan of Ohio (#17) authorizes $5 million for the High Altitude Airship (HAA) Program. The HAA is designed to be an uninhabited, long-endurance, platform for carrying forward based sensors and a wide range of other BMD payloads that will enable continuous over-horizon communication. The HAA will also provide wide area surveillance and protection without interruption or the risk associated with manned aircraft. Offsets $5 million from the Space Based Space Surveillance (SBSS); and Slaughter (#20) requires the Department of Defense to include the number of disciplinary actions as part of the annual report on sexual assault in the military;

Pages H2522–25

Dent amendment (No. 6 printed in H. Rept. 109–461) amends Title XIV to ensure that the Departments of Defense and Homeland Security work together as a part of a Homeland Defense-Homeland Security Technology Transfer Consortium to accelerate the transfer of viable DoD technologies to enhance the homeland security capabilities of Federal, State, and local first responders; **Pages H2525–26**

Millender-McDonald amendment (No. 15 printed in H. Rept. 109–461) that calls for the Secretary of Defense to include as part of the 2006 update to the Mobility Capability Study a comprehensive analysis of future airlift and sealift mobility requirements. The study will examine both the strategic and intra-theater mobility requirements with full consideration of all aspects of the National Security Strategy, and will analyze low, medium, and high risk alternatives. The new analysis must be delivered to Congress by February 1, 2007; **Pages H2528–29**

Gohmert amendment (No. 7 printed in H. Rept. 109–461) expresses the sense of Congress that the Secretary of the Army should consider conveying the U.S. Army Reserve Center in Marshall, Texas to the Marshall-Harrison County Veterans Association for the purpose of erecting a veterans memorial, creating a park, and converting the present building to veterans museum to recognize and honor the accomplishments of our Armed Forces; **Pages H2529–30**

Hooley amendment (No. 9 printed in H. Rept. 109–461) modified, authorizes the Army and the National Guard Bureau to contract with a United States contractor to perform the RESET of the CH–47 helicopters assigned to the Nevada and Oregon National Guard in order to reduce the non-operational rate of their CH–47 fleet; **Pages H2530–31**

McDermott amendment (No. 13 printed in H. Rept. 109–461) directs the Secretary of Defense, in consultation with the Secretary of Veterans Affairs and the Secretary of Health and Human Services, to conduct a comprehensive study of the health effects of exposure to depleted uranium munitions;

Pages H2531–32

Hostettler amendment (No. 10 printed in H. Rept. 109–461) authorizes the Commander of the U.S. Special Operations Command to prescribe regulations under which the commander may award a fellowship to eligible persons; **Page H2537**

En bloc amendment consisting of the following amendments printed in H. Rept. 109–461: Schakowsky (#18) provides for additional oversight and accountability of Department of Defense contractors deployed in Iraq and Afghanistan. It would make retroactive DoD regulations for contractors issued in October 2005, on previously issued contracts, upon any option extension. It would implement a policy for conducting comprehensive background checks on foreign nationals hired by contractors operating outside the United States. It would also require a DoD Inspector General report on contractor overcharges, and require that there are sufficient contracting officers assigned to oversee and monitor contacts in Iraq and Afghanistan; Jindal (#11) requires the Secretary of Defense, in coordination with the Secretary of Homeland Security and State governments to develop detailed operational plans regarding the use of the Armed Forces to support activities of civil authorities, known as Defense Support to Civil Authorities missions; Lewis of Kentucky (#12) would provide that no more than 20% of a uniformed service member's paycheck can be garnished in a single pay period to recover overpayments that have occurred through no fault of the service member. It would also provide a 90-day grace period before overpayment recovery can begin from service members who are wounded or injured, or who incur an illness, in a combat operation or combat zone; and Mica (#14) expresses the sense of Congress that the Department of Defense should provide compensation to American veterans who were captured while in service to the United States Armed Forces on the peninsula of Bataan or the island of Corregidor, survived the Bataan Death March during World War II, and have not received previous compensation provided to other prisoners of war; **Pages H2537–40**

Weldon of Pennsylvania amendment (No. 23 printed in H. Rept. 109–461) expresses the sense of

the Congress that the United States should cooperate with Russia on missile defense. It also cites two specific examples of possible avenues of cooperation: (1) testing specific elements of the Missile Defense Agency's detection and tracking equipment through the use of Russian target missiles; and (2) providing early warning radar to the Missile Defense Agency by using Russian radar data (agreed to extend time for debate on the amendment); **Pages H2540–41**

Taylor of Mississippi amendment (No. 21 printed in H. Rept. 109–461) modified, requires the Department of Defense to equip 100% of U.S. military vehicles operated in Iraq and Afghanistan outside of military compounds with IED jammers by the end of FY07. Funding would be authorized from funds contained in title XV (bridge fund). It also requires the Department of Defense to submit a report to the Congressional defense committees no later than December 15, 2006 with the plan and cost to achieve this; **Pages H2541–42**

Goode amendment (No. 8 printed in H. Rept. 109–461) authorizes the Secretary of Defense to assign members of the Army, Navy, Air Force, and Marine Corps, under certain circumstances and subject to certain conditions, to assist the Department of Homeland Security (upon its request) in the performance of border protection functions (by a recorded vote of 252 ayes to 171 noes, Roll No. 141); and **Pages H2526–28, H2542–43**

Jackson-Lee of Texas amendment (No. 4 printed in H. Rept. 109–459) that clarifies the factors that must be taken into consideration when recalling a reservist to service to include the frequency of assignment over the duration of a reservist's career (by a recorded vote of 415 ayes to 9 noes, Roll No. 143), which was offered and debated on Wednesday, May 10th. **Page H2544**

Rejected:

Tierney amendment (No. 22 printed in H. Rept. 109–461) that sought to restructure the missile defense program to be consistent with a Congressional Budget Office (CBO) alternative proposal. It also prohibits the deployment of: (1) Ground-Based Midcourse Defense beyond the authorized systems; and (2) any space-based interceptors; and reduces the Missile Defense Agency's (MDA's) $9.3 billion budget by $4.747 billion so as to still enable the MDA to focus on research and development as well as testing and upgrades to current systems (by a recorded vote of 124 ayes to 301 noes, Roll No. 142). **Pages H2532–37, H2543–44**

Agreed to amend the title so as to read ''To authorize appropriations for fiscal year 2007 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.'' **Page H2551**

Agreed that the Clerk be authorized to make technical corrections and conforming changes in the engrossment of the bill. **Pages H2551–52**

H. Res. 811, the rule providing for further consideration of the bill was agreed to by a recorded vote of 226 ayes to 195 noes, Roll No. 140, after agreeing to order the previous question by a yea-and-nay vote of 223 yeas to 192 nays, Roll No. 139. **Pages H2518–19**

Suspensions—Proceedings Resumed: The House agreed to suspend the rules and pass the following measures which were debated on Wednesday, May 10th:

Encouraging all eligible Medicare beneficiaries who have not yet elected to enroll in the new Medicare Part D benefit to review the available options and to determine whether enrollment in a Medicare prescription drug plan best meets their current and future needs for prescription drug coverage: H.R. 802, amended, encouraging all eligible Medicare beneficiaries who have not yet elected enroll in the new Medicare Part D benefit to review the available options and to determine whether enrollment in a Medicare prescription drug plan best meets their current and future needs for prescription drug coverage, by a yea-and-nay vote of 406 yeas with none voting ''nay'' and 4 voting ''present'', Roll No. 146. **Page H2552**

Agreed to amend the title to read as follows: ''Encouraging all eligible Medicare beneficiaries who have not yet elected enroll in the new Medicare Part D benefit to review the available options and to determine whether enrollment in a Medicare prescription drug plan best meets their current and future needs for prescription drug coverage''. **Page H2552**

Calendar Wednesday: Agreed to dispense with the Calendar Wednesday business of Wednesday, May 17. **Page H2553**

Meeting Hour: Agreed that when the House adjourns today, it adjourn to meet at 2 p.m. tomorrow; that when the House adjourns on that day, it adjourn to meet at 2 p.m. on Monday, May 15th , and further, when the House adjourns on that day, it adjourn to meet at 12:30 p.m. on Tuesday, May 16, 2006, for Morning Hour debate. **Page H2553**

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Mac Thornberry and Representative John Campbell to act as Speaker pro tempore to sign enrolled bills and joint resolutions through Tuesday, May 16th. **Page H2554**

Senate Message: Message received from the Senate today appears on pages H2505 and H2560 .

Quorum Calls—Votes: Three yea-and-nay votes and seven recorded votes developed during the proceedings of today and appear on pages H2507–08, H2509–10, H2518–19, H2519, H2543, H2543–44, H2544, H2550–51, H2551 and H2552. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 9:35 p.m.

Committee Meetings

ENERGY AND WATER DEVELOPMENT, AND RELATED AGENCIES APPROPRIATIONS FISCAL YEAR 2007

Committee on Appropriations: Subcommittee on Energy and Water Development, and Related Agencies approved for full Committee action, as amended, the Energy and Water Development, and Related Agencies Appropriations for Fiscal Year 2007.

HOMELAND SECURITY APPROPRIATIONS FISCAL YEAR 2007

Committee on Appropriations: Subcommittee on Homeland Security approved for full Committee action, as amended, the Homeland Security Appropriations for Fiscal Year 2007.

GASOLINE SUPPLY AND PRICE

Committee on Energy and Commerce: Concluded hearings entitled ''Gasoline Supply, Price and Specifications.'' Testimony was heard from public witnesses.

SOCIAL SECURITY NUMBERS IN COMMERCE

Committee on Energy and Commerce: Subcommittee on Commerce, Trade, and Consumer Protection held a hearing entitled ''Social Security Numbers in Commerce: Reconciling Beneficial Uses With Threats to Privacy.'' Testimony was heard from Jon Leibowitz, Commissioner, FTC; and public witnesses.

CREDIT UNION CHARTER CHOICE ACT

Committee on Financial Services: Subcommittee on Financial Institutions and Consumer Credit held a hearing on H.R. 3206, Credit Union Charter Choice Act. Testimony was heard from JoAnn Johnson, Chairman, National Credit Union Administration; Scott Polakoff, Deputy Director, Office of Thrift Supervision, Department of the Treasury; and public witnesses.

PANDEMIC FLU PLANNING AND CONTINUITY OF OPERATIONS

Committee on Government Reform: Held a hearing entitled ''Working Through an Outbreak: Pandemic Flu Planning and Continuity of Operations.'' Testimony was heard from John O. Agwunobi, M.D., Assistant Secretary, Health, Department of Health and Human Services; Jeffrey W. Runge, M.D., Acting Under Secretary, Science and Technology, Chief Medical Officer, Department of Homeland Security; Linda Springer, Director, OPM; David M. Walker, Comptroller General, GAO; and public witnesses.

BRIEFING—GOVERNANCE OF STATE AND LOCAL FUSION CENTERS

Committee on Homeland Security: Subcommittee on Intelligence, Information Sharing and Terrorism Risk Assessment met in executive session to receive a briefing on the different governance structures of State and Local Fusion Centers. The Subcommittee was briefed by departmental witnesses.

HOMELAND SECURITY INTERESTS—ORGANIZATIONAL STRUCTURE

Committee on Homeland Security: Subcommittee on Management, Integration, and Oversight continued hearings entitled ''CBP and ICE: Does the Current Organizational Structure Best Serve U.S. Homeland Security Interests? Part III.'' Testimony was heard from the following officials of the Department of Homeland Security: Stewart A. Baker, Assistant Secretary, Policy; Julie L. Myers, Assistant Secretary, U.S. Immigration and Customs Enforcement; and Deborah J. Spero, Acting Commissioner, U.S. Customs and Border Protection; and public witnesses.

NATION-WIDE BIOSURVEILLANCE NETWORK

Committee on Homeland Security: Subcommittee on Prevention of Nuclear and Biological Attack held a hearing entitled ''Creating a Nation-wide Integrated Biosurveillance Network.'' Testimony was heard from the following officials of the Department of Homeland Security: Kimothy Smith, D.V.D., Chief Veterinarian, Chief Scientist, and Acting Deputy Chief Medical Officer; and John Vitko, Director, Biological Countermeasures; Rich Besser, M.D., Director, Coordinating Office of Terrorism Preparedness and Emergency Response, Centers for Disease Control and Prevention, Department of Health and Human Services; Ellen Embrey, Deputy Assistant Secretary, Force Health Protection and Readiness, Department of Defense; and John Clifford, Deputy Administrator, Veterinary Services, Animal and Plant Health Inspection Services, USDA.

U.S.-INDIA GLOBAL PARTNERSHIP

Committee on International Relations: Held a hearing on the U.S.-India Global Partnership: Legislative Options. Testimony was heard from Representatives Kolbe and Markey; and public witnesses.

STATE DEPARTMENT TERRORISM REPORT

Committee on International Relations: Subcommittee on International Terrorism and Nonproliferation, hearing on Reviewing the State Department's Annual Report on Terrorism. Testimony was heard from Henry A. Crumpton, Coordinator for Counterterrorism, Department of State; and Russell Travers, Deputy Director, Information Sharing and Knowledge Development, National Counterterrorism Center.

VISA OVERSTAYS

Committee on International Relations: Subcommittee on Oversight and Investigations held a hearing on Visa Overstays: Can We Bar the Terrorist Door? Testimony was heard from public witnesses.

CYBER-SECURITY ENHANCEMENT AND CONSUMER DATA PROTECTION ACT

Committee on the Judiciary: Subcommittee on Crime, Terrorism, and Homeland Security held a hearing on H.R. 5318, Cyber-Security Enhancement and Consumer Data Protection Act of 2006. Testimony was heard from Laura H. Parsky, Deputy Assistant Attorney General, Criminal Division, Department of Justice; and public witnesses.

OVERSIGHT—INDIAN GAMING

Committee on Resources: Held an oversight hearing on Minimum Internal Control Standards (MICS) for Indian gaming. Testimony was heard from Phil Hogen, Chairman, National Indian Gaming Commission; and public witnesses.

OVERSIGHT—DISABILITY ACCESS IN NATIONAL PARK SYSTEM

Committee on Resources: Subcommittee on National Parks held an oversight hearing on Disability Access in the National Park System. Testimony was heard from Sue Masica, Associate Director, Park Planning, Facilities, and Lands, National Park Service, Department of the Interior; J.R. Harding, Vice Chairman, Architectural and Transportation Barriers Compliance Board; and public witnesses.

NOAA WEATHER SATELLITES

Committee on Science: Held a hearing on the Inspector General Report on NOAA Weather Satellites. Testimony was heard from the following officials of the Department of Commerce: VADM Conrad C. Lautenbacher, Jr., (Ret.), Under Secretary, Oceans and Atmosphere, NOAA; and Johnnie E. Frazier, Inspector General.

OVERSIGHT—COAST GUARD MISSION CAPABILITIES

Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation held an oversight hearing on Coast Guard Mission Capabilities. Testimony was heard from the following officials of the U.S. Coast Guard, Department of Homeland Security: RADM Joseph L. Nimmich, USCG, Assistant Commandant, Policy and Planning; and RADM Wayne E. Justice, Director, Enforcement and Incident Management.

OVERSIGHT—VETERANS INFRASTRUCTURE/MEDICAL FACILITY PROJECTS

Committee on Veterans' Affairs: Held an oversight hearing on right-sizing the Department of Veterans Affairs infrastructure and the Department's pending major medical facility project and lease authorization requests. Testimony was heard from Representatives Baker, Melancon and Feeney; Jonathan B. Perlin, M.D., Under Secretary, Health, Department of Veterans Affairs; and representatives of veterans organizations.

SOCIAL SECURITY SERVICE DELIVERY CHALLENGES

Committee on Ways and Means: Subcommittee on Social Security held a hearing on Social Security Service Delivery Challenges. Testimony was heard from Jo Anne B. Barnhart, Commissioner, SSA.

BRIEFING—GLOBAL UPDATES/HOTSPOTS

Permanent Select Committee on Intelligence: Met in executive session to receive a briefing on Global Updates/Hotspots. The Committee was briefed by departmental witnesses.

COMMITTEE MEETINGS FOR FRIDAY, MAY 12, 2006

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Foreign Relations: to hold hearings to examine the nominations of Anne E. Derse, of Maryland, to be Ambassador to the Republic of Azerbaijan, William B. Taylor, Jr., of Virginia, to be Ambassador to Ukraine, and Daniel S. Sullivan, of Alaska, to be Assistant Secretary of State for Economic and Business Affairs, 10 a.m., SD–419.

House

No committee meetings are scheduled.

Next Meeting of the **SENATE**

9:30 a.m., Friday, May 12

Senate Chamber

Program for Friday: Senate will be in a period of morning business.

Next Meeting of the **HOUSE OF REPRESENTATIVES**

2 p.m., Friday, May 12

House Chamber

Program for Friday: To be announced.

Extensions of Remarks, as inserted in this issue

HOUSE

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