trade agreements, within the guidelines in the bill now, to the Senate, and the Senate can approve or disapprove.

Negotiations have to be done broadly by two parties. It cannot be done by 535 Members of Congress. I am hopeful we can get down to the core issue with regard to trade so that the United States can keep up with the rest of the world.

Over the past 10 years, since 1994 when this trade authority has not been in place, countries around the world have moved forward with various agreements, and the United States has not been able to do that. Large agreements were made by others.

The more amendments we have, the more difficult it will be to get down to what we are really seeking to do, and that is to have negotiations which will give the United States fair opportunities for trade.

## FEDERAL HIGHWAY TRUST FUND

Mr. THOMAS. Mr. President, I wish to speak about a different issue that is very important to all of us, certainly in Wyoming where we have long distances to travel. As we say, we have low population and small towns with very long streets.

Transportation and highways are very important to us. Highways, of course, have generally been funded by a combination of Federal funds and State funds, Federal funds being very important and continuing to be even more important as time goes by. What we do with State highways and State highway funding becomes one of the principal issues with which we have to deal.

Several years ago, we had the 21st century TEA–21, which was an appropriation and a plan for highway funding. Last week, the Finance Committee held a hearing regarding the status of the highway trust fund. This highway trust fund, it seems to me, is terribly important because as a member of the Environment and Public Works Committee, I helped craft this Transportation Equity Act, or TEA–21, as it is called, which provides more dollars for the States than in the past and has a very good distribution system which basically allocates money to the States and lets them decide how those dollars are going to be spent.

As we all know, TEA–21 most significantly funded the Federal highway needs. As a result, people across the country had opportunities to improve the surface transportation system to make it safer and more efficient and to keep up with the times.

More importantly, as I mentioned, TEA–21 provided States and local governments more flexibility in controlling the use of those Federal funds which, frankly, is one of the issues we should deal with constantly; that is, in the distribution of Federal assistance, how we best do that so there is accountability on one hand and on the other hand recognize the difference that exists in various places. I am certain highway moneys are used for different needs in Wyoming than in Delaware. We need to have the flexibility to recognize those differences.

The panelists who testified at this hearing on the funding mechanisms—that is their job; funding of the highway trust fund is what we rely upon. This hearing addressed a $4.4 billion shortfall in the highway trust fund which is due to the negative revenue alignment budget. Economies are somewhat lower, and these dollars are lower under the formula. We are in the process of trying to replace the $4.4 billion so we do not have that loss and hopefully at least most of that can be done.

In addition, however, the panelists detailed the tax disparity between gasoline and ethanol blend, gasohol. Currently, gasohol is taxed at 13.1 cents and gasoline is taxed at 18.4 cents. This disparity is something that has to be reviewed. That is where the money comes from for highway funds. When we have less money coming in, obviously we are going to have less to spend.

The discrepancy between the fuels is causing a great debate not only in the context of the highway trust fund but in terms of our national energy policy as well. Pending before the conference committee is the energy bill which has substantial increases and requirements for increases in ethanol, which has merit. On the other hand, if that is going to reduce the availability of highway funding, then we have to take a look at a system that allows that to happen.

The General Accounting Office estimates the tax disparity between gasohol and gasoline will cost approximately $21 billion over the next 11 years, and this is a pretty serious issue in terms, again, of funding our national highway program.

As my colleagues know, the Senate passed the energy bill that mandates 5 billion gallons of ethanol by 2012.

As a result of this, of course, we will have an increased reliance on gasohol. So we need to take a look at this. I am not suggesting any particular bias one way or the other, other than the fact that by making this change in the use of fuel, we have a change in the revenue that will be available if we continue to have the same formula for doing that.

Gasohol, which of course is the ethanol, is taxed at 13.1 cents a gallon; gas fuel is 18.4 cents. As to the trust fund, under the gas arrangements we have now, 15 cents of it goes into the highway fund; under the gasohol-ethanol, it is only 7 cents.

So we find ourselves with a substantial change, a substantial differential, in terms of how we will be funding our highways. I hope that in the course of the committee activities we can take a long look at it.

## SENATE AGENDA

Mr. THOMAS. Mr. President, I will share some general thoughts I have. It seems to me as we look forward to the remainder of this session, the time is getting pretty short. In a couple of weeks we will begin our Memorial Day recess, and then we will be moving on towards our Fourth of July recess, of course. So between now and the time we adjourn for this year, we do not have an awful lot of time remaining.

We collectively ought to see if we can figure out how we are going to accomplish many of the things that have to be done. Obviously, that is the responsibility of leadership, but we have not moved very quickly. We spent a very long time on energy—6 weeks. We have spent more time now on this trade bill, and it looks as if the prospect is we will be spending even more time than we had anticipated.

We have a lot of things facing us. I hope we can wrap up the trade bill. I think it is very important. I think it is part of our future economy.

As we do these things, I hope we can have a little vision of where we want to be when we are through. What do we want to happen with trade, for example, in the next 10 years? Do we want to be part of the trade process, with hopefully having fair trade around the world which will increase our opportunities to export?

Thirty to thirty-five percent of our agricultural production has to go into export. As we do this, we think about what it takes to accomplish that goal, if that indeed is our vision.

We are going to be dealing with permanent removal of the estate tax. That has been promised to be one of the things that comes up on the floor. So we have that to deal with.

Immigration and border security is out there. That is very important, particularly important now because of terrorism, and very important in terms of the future: Where do we want to be in the future on immigration? How do we want to handle these things? And what are we doing that will cause us to arrive at where we want to be?

We get a little inclined to look at the politics of the election and look at the politics in the Senate instead of having a vision of where we want the United States, our States, our families and our communities to be in the future, and then testing whether what we are doing now leads us there.

The bankruptcy issue is out there. We have been talking about that for a very long time. There are some real problems that need to be resolved. We have not managed to get it to the floor.

We do not have a budget. We were supposed to have a budget prior to now. We have none. The budget is very important. If we are somewhat concerned about spending and having an opportunity to at least limit spending and hope we can keep it down to a minimum to get that job done, we do not even have a budget, and, frankly, there is no sign of one appearing.

Whether we like it or not, we are going to have to spend some time on the cloning issue. It has been promised that cloning and research—not an easy issue—would be before us.

Then there is educational funding. We talk about education all the time. We have not even gotten to that. That is one issue that is going to be out there.

Certainly, we have the issue of reinsurance for terrorism, an issue we keep talking about, but it is still not here. This is very difficult.

Nuclear storage is an issue I am certain we need to handle. Obviously, again there are some problems pertaining to that issue. One can ignore it if they choose, but the fact is we do have nuclear waste stored around the country in a very unsafe way and we need to find a place to put that, particularly if nuclear energy is going to be part of our future. I hope it is. If one likes clean air, then nuclear generation is one of the ways to do that.

We spent 6 weeks debating energy. Now we have not even moved into our conference committee.

Frankly, I am a little disappointed about the fact that we have all of these things out there, and we recognize these are issues with which we must deal.

Appropriations may be one of the most important things we do, not only in terms of funding the Government but in terms of giving great direction to where we want to be. The appropriations process has a good deal to do with whether we want huge government involved in every issue or whether we want to limit government. Appropriations has something to do with that, and they are very important. We are not there by any means.

So we have a great deal to do, and I hope we can find ourselves in a position to move forward to accomplish these things. There are many more issues, I suppose, but these have already been listed as things we are going to do, as has been said, before we adjourn.

We have some real problems to deal with. I hope we can move quickly to address these issues and find some suitable remedies for them.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. DURBIN. I ask unanimous consent to be recognized in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## SOCIAL SECURITY AND MEDICARE

Mr. DURBIN. Mr. President, I listened carefully to the comments of my colleague from the State of Wyoming and the discussion about the Senate agenda. I could not agree more. There are certain issues the Senate should take up and take up as quickly as possible. We face some serious challenges, not the least of which relate to Social Security and Medicare.

The Social Security trust fund, which many of us made solemn oaths and pledges never to touch, is about to be invaded by both political parties at this point in time because of the deficit we face.

We are in a deficit situation after several years of the good experience of surpluses and reducing our national debt and reducing the debt of the Social Security trust fund because, frankly, we have run into some bad situations and also some bad decisions.

We could not have anticipated the recession would go on this long, but it has. We certainly didn't anticipate September 11, which has been very costly to our Government. Last year the President convinced a majority of the Senate and the House to vote for a tax program which, in fact, has virtually decimated the surplus which had been predicted. The President said at the time we had $5.2 trillion in surplus so why not give the money back to the people? Cut the taxes. Why does it stay in Washington?

Some of us who lived through the deficits of the Reagan-Bush era said go slow, be careful, because the deficits could return any day. You just can't tell what's around the corner. But the White House insisted we needed tax cuts—primarily for wealthy people. We did that last year. It turns out this year, instead of a projected $5.2 trillion surplus over the next 10 years we are down to $1.2 trillion. We lost $4 trillion in projected surplus in 1 year.

How did we lose it? For those three reasons: the recession, the war against terrorism, and the tax policy. So we find ourselves now trying to put together a budget and not raid the Social Security trust fund. That is why we are tied up in knots. It was a tax program pushed by the President which came too fast, without enough thought. It took away our surplus. It took the money out of our hands to deal with the challenges facing America.

I did not vote for it. I think that is fairly obvious from my comments. But now, as many other Members of the Senate, I am facing the reality we have to try to put the budget together, even with this deficit situation. The President comes to us and says we need additional resources to fight the war against terrorism. He is right. He will get support from Congress for that, both for the Department of Defense and for homeland security.

Of course that money is going to come out of the Social Security trust fund because we are in a deficit situation again. Many of us are concerned, too, because the President has said: Incidentally, I want more tax cuts. The ones last year were not enough. We should take last year's tax cuts and add on to them. If you look at the President's proposal, what it would do is once again threaten the Social Security trust fund.

That does not make sense because we are just facing the possibility—in fact the reality—of the baby boomers showing up for Social Security. Should we not be thinking ahead, making certain Social Security is strong when all of these thousands and millions of Americans who have paid into Social Security their entire lifetime show up and say: I am here. I want to retire. Where is my Social Security check?

No, the President says: Think, instead, of additional tax cuts.

Take a look at those tax cuts, incidentally. If you happen to be making over $300,000 a year, those tax cuts for you average about $40,000 a year in the President's new tax cut round, but if you are making, say, $100,000 a year, it is worth $200 or $300 a year. So there is a great disparity in who will benefit from this tax cut.

But we know who will lose. The American families who have been counting on Social Security are not going to have as strong a Social Security trust fund as they should have because of the President's last tax cut and his proposed tax cut. You cannot keep going to the same well again and again at the expense of senior citizens, at the expense of workers today who, dutifully, every paycheck, put their money down for Social Security and now face the real possibility that when they need Social Security, the system will not be as strong as it should be.

Let's reflect for a moment also on Medicare. The Medicare situation is one that is very troubling. I have traveled across my State of Illinois talking to doctors and nurses and hospital administrators. I have talked to people who are on Medicare. They are concerned. They need to be concerned. For reasons I cannot explain, this White House will not take a serious look at the dangerous state of affairs when it comes to Medicare. In fact, the House of Representatives recently proposed not only cutbacks in Medicare reimbursement for doctors but also further cutbacks to pay for a prescription drug program.

Not surprisingly, hospitals have said if you are going to cut more deeply into Medicare, many of us will be forced to close. So in both Social Security and Medicare we have crisis situations looming and the administration refusing to show leadership. In fact, when it comes to Social Security, the administration is moving in the wrong direction, calling for permanent tax cuts which would additionally threaten Social Security in the future.

I will take just a moment on prescription drugs, if I can. As I travel around my State of Illinois, I find a lot of people, senior citizens in particular, cannot afford prescription drugs. It is understandable if you have taken a look at some of the costs of the drugs now being prescribed. The average American has a hard time paying for them. Certainly a person who is retired cannot come up with the resources to make it work, so many people are making hard choices as to whether they fill prescriptions that the doctors recommend or ignore them or take half of