

People ask me: Is there something in the water up there? What is it about this little area of your State? Is it the great quality of life? It is the great work ethic? Yes and yes. More than anything, it is about great leadership, and J.B. Hunt was part of that great leadership. He was on the team of men and women who moved their communities forward and in many ways not only changed those communities but changed the State and changed the world.

I join Arkansans and Americans in offering my condolences and prayers to J.B. Hunt's family and his friends, including his wife Johnelle and their children Jane and Bryan.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, while both of my distinguished colleagues from Arkansas are on the Senate floor, let me tell them how much I appreciate their leadership in dealing with this last item of business relative to this Congress and which is particularly important in my home State of Texas, as it is in other timber-growing regions of the United States.

As we find ourselves in global competition for jobs and work, there are certain things we need to keep our eyes on to help make America more competitive and to make sure we continue to create the jobs and opportunities which have always been the key to our prosperity. Of course, the present occupant of the chair knows that having a qualified workforce is one of the key elements of our ability to compete in a global economy, as is our tax policy and our health care system, which is a factor in the ability of American businesses to be competitive, our regulatory environment, and our civil justice or litigation system.

I wish to focus specifically on our tax policy. The fact is that in many industries our tax policy in this country makes certain aspects of our economy less than competitive. Certainly that is true when it applies to the timber tax issue.

The timber tax provision I am speaking about would lower the capital gains tax for owners of timberland, both individuals and corporate owners, but mainly it is small business community members and farmers. The great thing about this is we are not talking about a tax increase on anybody; we are talking about reducing the tax on this element of our economy, of our workforce, mainly small business owners and farmers, to help make them more competitive in a global economy.

It was my sincere hope that this provision would be included with the so-called tax extenders package that I hope is ultimately passed by the Senate today or tomorrow, but, as the Senators from Arkansas have already pointed out, I know we are all disappointed that it has not been included. I think that is a shame. My hope is that, having left this work un-

done, Congress, when we return in January, will take up this issue again and attempt to pass it.

The U.S. forestry industry and its workers are at the heart of a vibrant economy that has produced the highest living standards in the world. As the jobs report released just today indicates, job creation continues apace across this big economy here at home. But there are sectors of the economy that are struggling because of the disadvantages they have, particularly with regard to our tax policy. The forest products industry and its workers, including those in Texas and across America, are facing significant challenges which, if not overcome, will lead to reduced economic growth, lost jobs, and ultimately the decline of living standards for future generations.

Although job growth continues here at home, as we saw by today's report, it is important to highlight that American paper mills and wood product mills are permanently closing their doors, resulting in a loss of those good-paying jobs. At the same time, our foreign competitors, facing generally lower taxes, are expanding their capacity.

As has already been pointed out by the senior Senator from Arkansas, the Price Waterhouse Coopers & Lybrand report in April of 2005 examined the effect of the U.S. tax system and found that our tax rules consistently disadvantage U.S. companies and workers relative to the tax rules in most nations with which we have to compete. By reducing the cost disadvantage faced by practicing sustainable forestry here in United States, this proposal can help reverse the trend of decreasing U.S. competitiveness in the forest products industry and maintain those manufacturing jobs of U.S. workers.

Simply put, this proposal is about creating more good-paying jobs here at home, not by conferring any additional benefits on our American employers and job creators but by reducing the impediments and the obstacles that Government puts in the way to job creation and competition in the global economy.

I wish to especially express my appreciation to Senator LINCOLN, the senior Senator from Arkansas, for her strong advocacy for this issue. I look forward to working with her in our next Congress to try to do everything we can to remedy this wrong and to help make America and particularly the forest products industry more competitive in a global economy.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CORNYN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALEXANDER. 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. ALEXANDER. Mr. President, the Senator from Illinois had the next 15 minutes. I don't see him. I was to follow him, but to conserve time I will go ahead and take my 15 minutes now and then ask unanimous consent he be allowed to follow me when he arrives.

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

NATIONAL COMPETITIVE INVESTMENT ACT

Mr. ALEXANDER. Mr. President, I salute the Senators from Arkansas and Texas on their comments about the timber tax. That is not my subject today, although I intend to talk about competitiveness, jobs, but this is something we do need to pay attention to, not just for the jobs but for conservation in our country. That was mentioned eloquently by Senator LINCOLN.

I was in Waverly, TN, in Humphreys County the other day, and people are very upset because the timber company—I guess partly because of the Tax Code—has sold thousands of acres to an organization that doesn't care anything about the forest. That organization is cutting all the trees and going about their way. The people in that county, for a long time, have enjoyed having that forest properly managed—not just the jobs; they like the jobs, as well, but they like the trees.

What we may be doing in an unanticipated way is having a tremendous negative impact upon the beauty and the forests of the United States by our tax policy even though we don't intend to do that. I am glad the Senators from Texas and Arkansas and others are interested in this issue. I would like to work with them in the new Congress to try to be of some help.

I am here today to suggest, especially to my colleagues on the other side of the aisle who will be in the majority starting next month, that we, all of us together, have a remarkable opportunity to start the new year with a truly bipartisan piece of legislation critical to the future of the United States.

Our new majority leader, who will be Senator REID, has said he would like to foster a more bipartisan atmosphere as the Senate begins its work next year. So would I. So would most Members. The best bipartisan bill I know that is ready for action in the Senate is the bill that Senator REID and Senator FRIST are cosponsors of, the National Competitiveness Investment Act.

At the end of September, our two leaders, Senator FRIST and Senator REID, the Republican and Democratic leaders, introduced this bipartisan competitiveness bill. It has the support of the chairmen and the ranking members of the Energy, Commerce, and HELP Committees and, in fact, was created by those three committees. It wasn't written by the Republicans and handed to the Democrats for approval. We wrote it together. We have worked on it for 18 months. The product is here

and ready for action. I had hoped we would be able to complete our work on this legislation before the end of the year. However, because of our current schedule, we can't.

January is just around the corner, and it will be an opportune moment because the bill is so bipartisan there is no reason in the world that it can't be chalked up as an early victory for a new bipartisan Senate.

Senator BINGAMAN has worked as hard on it as Senator DOMENICI. Senator INOUE has worked as hard on it as Senator STEVENS. Senator KENNEDY has worked as hard on it as Senator ENZI. So has Senator MIKULSKI, and so has Senator HUTCHISON. In other words, this is our product. It is ready for action.

The prospects of passing a significant piece of legislation to protect America's brain power advantage in the world are also strong in the House of Representatives. My friend and colleague, BART GORDON from Tennessee, is likely to become the new chairman of the House Science Committee. When Senator DOMENICI and Senator BINGAMAN and I and many others introduced the Augustine Report, the report of the National Academy of Sciences that detailed 20 steps we should take as a country in order to keep our brain power advantage, Congressman BART GORDON in the House of Representatives put his legislation in at the same time. He is strongly committed to this agenda, has worked as hard as anyone in the Congress, and we have all been working together for some time.

The incoming Speaker, Congresswoman PELOSI, laid out an agenda on this issue that drew heavily on the National Academies' "Gathering Storm" report, the Augustine Report I described. She even brought George Lucas to Washington to tout her agenda and told President Bush this is an area where the two parties can work together.

President Bush himself has been a leader in this area, which is enormously helpful since the President is the Nation's agenda setter. In his State of the Union Address, President Bush talked importantly about our competitive position in the world. He has seen the need for it as a President. He saw it before that as a Governor. He followed up his action with money. He put his money where his mouth was and he put significant new dollars in the budget this year to fund his American Competitiveness Initiative.

The President says: Let's do it. The House of Representatives says: Let's do it. We in the Senate have worked 18 months. At one point, we had 70 cosponsors of our competitiveness legislation: 35 Democrats, 35 Republicans. A good way to welcome the new year would be to pass the bill. We ought to be able to do it before the February recess.

This bill is about growing our economy. It is about creating the largest number of good new jobs we possibly

can. It is about recognizing we are very fortunate as a country to have just 4 to 5 percent of the people in the world, nearly 25, 26, 27 percent of all the money in the world, and that the principal factor in that has been our creative brain power advantage.

But China and India and maybe other parts of the world have realized that their brains work just like ours—sometimes they are even smarter than ours—and they are working hard to make sure that they get their share of the wealth.

This legislation is a progrowth investment that we must make if America is to set the pace in science and technology for the next generation.

In August, a group of Senators met with a number of Chinese leaders in Beijing, including the President of China, Hu Jintao, and the Chairman of the National People's Congress in China, Wu Bangguo. Just 2 months earlier, President Hu had gone to the Chinese Academy of Sciences and the Chinese Academy of Engineering to outline a 15-year plan to make China a technology leader.

In his speech, President Hu said China must "promote a huge leap forward of science and technology; we shall put strengthening independent innovation capability at the core of economic structure adjustment."

We all know that when a Chinese leader talks about a great "leap forward" it is a pretty big deal in China. This was the center of their economic policy. In our conversations with the top two leaders in China, we found when we talked about North Korea or Iran or Iraq, the area in which they were most animated was this whole idea of innovation and technology.

The Science section in the New York Times this Tuesday has a column entitled "With An Improved Particle Accelerator China Sees Golden Opportunity For Collaborative Research." China knows if it wants a larger share of the world's wealth, it needs to have a brain power advantage. That should remind us of the importance of keeping ours.

We have seen the same thing in India, in a trip by Senators to Bangalore last year, their version of our Silicon Valley, we saw that their research is cutting edge. They are creating new jobs. They understand how to improve the standard of living in the people of that great country.

The challenge facing America is about brain power and jobs. We are not about to fall over the cliff. Actually, in the last 10 years our share of the world's wealth has grown, according to the International Monetary Fund. Ten years ago we had 25 percent of all the gross domestic product in the world. Last year it was 28 percent. Yet we know we need to keep on our toes to keep our jobs.

Most of this good fortune comes from that brain power advantage an educated workforce and technological innovation. We have the finest system of

colleges and universities. That system attracts 500,000 foreign students today. Many of them are the brightest young people in the world. They are here creating good new jobs that improves our standard of living.

No country has the national research laboratories we have. We have won the most Nobel Prizes in science. We have registered the most patents. Such innovation has been responsible for as much as half of the Nation's growth in productivity—in plain English, the reason we have such a disproportionate share of the world's best paying jobs.

Yet we see what is happening—not just in China and India, but also in Finland, Singapore, Ireland, and more. They understand this, too, and are working hard to catch up, get ahead, and get their share.

That is why last year Senator BINGAMAN and I, with Senator DOMENICI's encouragement, walked down to the National Academy of Sciences not far from here and asked: What are the top 10 actions, in priority order, that Federal policymakers could take over the next decade to help the United States keep our advantage in science and technology? We figured Members of Congress probably weren't the right ones to make that list. So we asked the people who should know.

They, in turn, assembled an all-star panel of business, government, and university leaders, headed by Norm Augustine, former chairman and CEO of Lockheed Martin. The group included three Nobel Prize winners. It happened to include the President of Texas A&M who is now about to be the Secretary of Defense. We asked for 10 recommendations. They gave us 20, in priority order.

Then a bipartisan group of Senators, led by Senators BINGAMAN and DOMENICI, introduced what we call the Protecting America's Competitive Edge Act, or PACE, to implement those recommendations.

This included increasing Federal funding for basic research in the physical sciences by 10 percent a year for 10 years; doubling our investment in basic research as we recently did for medical research; providing 25,000 undergraduate scholarships and 5,000 graduate fellowships for future scientists; allowing foreign students who come here to earn a Ph.D. in the sciences to stay 1 year after graduation, and, if they find employment, to become automatically eligible for a green card; recruiting 10,000 new science and math teachers with 4-year scholarships; training 50,000 current teachers in summer institutes at national labs and universities; creating a new coordinating office to manage a centralized research infrastructure fund of at least \$500 million per year; giving American companies a bigger research and development tax credit so they will keep more good jobs here instead of moving them overseas.

As I mentioned earlier, our bill, the PACE bill, attracted 70 cosponsors: 35

Republicans, 35 Democrats. There was no other piece of legislation quite so popular that was that important in this session of Congress. We made a lot of progress since we introduced that legislation.

I mention the President's State of the Union Address and the \$5.9 billion in his budget for fiscal year 2007 for his American Competitiveness Initiative. In March, the Energy and Natural Resources Committee reported a bill with eight provisions related to energy research, as well as math and science education for students and teachers in association with the national labs. In May, the Commerce Committee reported a bill that included ideas not just from the Augustine Report but also from the excellent Council on Competitiveness and from the President's own proposals. Then the immigration bill that passed the Senate in May included three provisions to attract the brightest minds in our country. They drew from the Augustine Report. Then the Defense authorization bill that passed the Senate in June included a provision related to support for early career researchers funded by the Pentagon. The so-called tax extender bill, which has been held up, includes the research and development tax credit that was the cornerstone of both the Augustine Report and the President's initiative. It appears likely to pass before the end of this week.

Then, at the end of September, just before the Congress left town for the election, a bipartisan group of 14 Senators, led by Senator FRIST and Senator REID, our Republican and Democratic leaders, introduced the National Competitiveness Investment Act, a bill that will help America keep its brainpower advantage so we can succeed in a more competitive global economy.

The bill includes provisions from the bills that passed the Energy and Commerce Committees and adds an important education component that Senator ENZI and Senator KENNEDY took the lead on. It focuses on the areas that are important to maintaining and improving U.S. innovation in the 21st century. One, it increases research investment; two, it strengthens educational opportunities in science, technology engineering, and mathematics from elementary through graduate school.

Several sections in the bill are derived from proposals in the PACE Act, which I introduced earlier this year with Senators DOMENICI, BINGAMAN, and MIKULSKI. This is a critical effort. We face what has been called a new "flat" world where more and more countries can compete with us, and we must rise to the challenge.

That is why this bill would double funding for the National Science Foundation from approximately \$5.6 billion in fiscal year 2006 to \$11.2 billion in 2011. It sets the Department of Energy's Office of Science on a track to double its funding over 10 years, increasing from \$3.6 billion in fiscal year

2006 to over \$5.2 billion in fiscal year 2011.

It would strengthen the skills of thousands of math and science teachers by establishing training and education programs at summer institutes hosted at the national laboratories and by increasing support for the Teacher Institutes for the 21st Century program at the National Science Foundation.

It would expand the Robert Noyce Teacher Scholarship Program at the National Science Foundation to recruit and train individuals to become math and science teachers.

It would assist States in establishing or expanding statewide specialty schools in math and science that students from across the States would be eligible to attend. Tennessee wants to do that, as they already do in North Carolina and in other States.

It would expand advanced placement and international baccalaureate programs by increasing the number of teachers who are prepared to teach these math, science, and foreign language programs. This would allow thousands of new students, who are bright enough but may come from families with low incomes, to take these outstanding college prep classes.

The Frist-Reid bill would provide grants to universities to establish programs modeled on the successful UTeach program at the University of Texas—which the current Presiding Officer knows a great deal about—where students getting a bachelor's degree in math or science can concurrently earn teaching credentials and become the new generation of math and science teachers.

And finally, it creates partnerships between national laboratories and local high-need schools to establish centers of excellence in math and science education.

The bill authorizes \$20.3 billion in new spending over 5 years. This is a significant savings over what was originally reported by the committee and what was originally included in the PACE bill.

About \$4.6 billion over 5 years in authorized funding has been cut from competitiveness bills passed by the Energy and Commerce Committees. Our friends in the White House should appreciate that, and the taxpayers will as well.

The bill avoided duplicative undergraduate scholarship programs that were proposed in earlier legislation. That was a priority of many Members of the House of Representatives. It reduced the cost of a number of other proposed and existing programs.

In the end, this is a small price to pay to secure our competitive edge. I would emphasize, this is a pro-growth investment. This creates jobs. This puts money in our pockets. That is what we are talking about when we are talking about keeping our brainpower advantage.

The potential for what this legislation could do for our country was illus-

trated in the community of Oak Ridge, TN, just this week. Oak Ridge is the home of one of the Department of Energy's national laboratories—the most important energy laboratory in the world, as a matter of fact.

Three students from Oak Ridge High School—Scott Molony, Steven Arcangeli, and Scott Horton this Monday won the team prize in the National Siemens Competition, which recognizes and rewards students willing to challenge themselves through scientific research. This is not a small honor. The winners will share a \$100,000 scholarship as encouragement to continue in math and science careers in the future. Education Secretary Margaret Spellings was on hand to present the award.

The students used supercomputers to analyze tens of thousands of genes so they could figure out how to engineer biofuel production by micro-organisms.

Because of the hard work and ingenuity of these three students, their project may one day provide a tool that could enable scientists to genetically engineer bacteria that would cost-effectively turn plant matter into bioethanol used to fuel automobiles. Their project has contributed to a growing body of research on creating micro-organisms that can produce alternative fuels. In fact, the Oak Ridge National Laboratory received a major grant to continue the research that this student project began.

Part of the reason these three students succeeded is they were able to connect with the work and expertise at the Oak Ridge National Laboratory. Their lead adviser, Dr. Nagiza F. Samatova, is a senior research scientist in the Computational Biology Institute, Computer Science and Mathematics Division, at the Oak Ridge National Laboratory.

The National Competitiveness Investment Act will give more young Americans across our country the opportunity these bright students have had. The bill provides for student internships and summer programs at national laboratories such as Oak Ridge across this country. The bill would allow more scientists such as Dr. Samatova to spend more of their time working with such bright students.

The Senate should act quickly, in January, on the National Competitiveness Investment Act. It should be a Reid-McConnell piece of legislation. It should have the support of every Member of the Senate. It would, I hope, be passed before the February recess and sent to the House of Representatives, where I know Congressman GORDON and Speaker PELOSI and Republicans and Democrats who care about this as much as we do will be coming up with their own version of competitiveness legislation.

This legislation would invest in basic scientific research and help educate the next generation of scientists. It would help us keep pace with other nations that are moving swiftly to overtake our scientific leadership. More

young people would have the opportunities these three students at Oak Ridge High School have had. There is broad bipartisan support.

I hope the new majority leader will make this one of his first initiatives in the Senate next year, just as he made it an important initiative toward the end of this session.

If America is to continue to be the global economic leader, we cannot afford to let this wait.

Thank you, Mr. President. I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

SCHIP SHORTFALL

Mr. DURBIN. Mr. President, it is an interesting time to close a congressional session. We are about to consider a major spending bill, hundreds of billions of dollars, and a major tax bill that will have an impact on millions of Americans and scores of interest groups and businesses. It is interesting to see what the priorities are in the closing moments. We know that there will be many groups, particularly among businesses, that will be benefited by this tax bill. But it is interesting to me that in the list of priorities, sadly, there is a group that we are ignoring. That group, of course, is the children of this country, the children who don't have health insurance.

Illinois started an ambitious program last year to make sure all kids in Illinois have health care insurance. It is surely the right thing to do. Most uninsured children with asthma never see a doctor until they are hospitalized with an acute attack. One study found that kids without health care are 25 percent more likely to miss school. Another found that one in five children without health coverage needed glasses to see the chalkboard, but they didn't have any.

It is certainly wise to give these children health insurance. One in four uninsured children uses the emergency room as their regular source of medical care. The Florida Healthy Kids Corporation reports that emergency room visits dropped 70 percent when uninsured children were given the opportunity to see a doctor in an office.

Illinois's All Kids Program is ambitious, and it is working. But we can't do it alone. In 1997, the Federal Government made its first downpayment on a program for States to help make sure children have access to health care. The State Children's Health Insurance Program, known as SCHIP, began when Congress and the White House agreed that children in America

should be able to see a doctor when they are sick, when they need to buy glasses to see the chalkboard or when they need to be protected from infectious disease. Today, 9 years later, after the first Federal payments were delivered, 10 million children in America are without health insurance.

In Illinois, we are providing basic, bare-bones health care for 122,700 low-income children through the SCHIP program. The State has to match the Federal money, but we couldn't do it without the Federal help. This year the Federal payments will run out before the bills are paid. In fact, we are told the SCHIP payment will be 60 percent of what the Federal payment needs to be to maintain the current caseload, not to expand it and bring in more uninsured children, just to cover those children who, without SCHIP, would have no health insurance.

On Tuesday morning, the package that we are considering today included a bipartisan, no-cost provision to reallocate Federal SCHIP money so that Illinois and a dozen other States would be able to provide basic health insurance coverage for the kids already in the program. Twenty-four hours later, on Wednesday morning, after negotiations took place in the middle of the night, the SCHIP provision was gone. A lot of other things remained. There are still lots of tax provisions in there for special interest groups and businesses. Some of them are worthy. Some of them I support. But it is interesting that the first casualty of negotiation turned out to be 10 million uninsured children. They were left behind. Suddenly, low-income children in at least 11 States were dropped from this tax extender package. Merry Christmas from the United States Senate and the United States House of Representatives to these poor children who, because of our inaction and refusal to acknowledge the need for this program, have decided not to fund it.

Suddenly the rug was pulled out from under 73,620 low-income kids in my State. SCHIP payments to Illinois to take care of these kids will fall short by \$150 million. We made a promise to help these kids 9 years ago. These kids are innocent children. All they are asking for is the basics—the chance to go to a doctor, a chance to get the shots they need so they can avoid serious illnesses, a chance to get the glasses they need to be good students in the classroom, just the basics. This Congress, in its efforts to adjourn, to go home and enjoy the holidays with our own children and our own families, has forgotten some kids across America who need help in the SCHIP program.

I urge my colleagues not to give up on this issue. When we start to debate this tax extender bill in the hours ahead, I hope all my colleagues from affected States will come to the floor and will call to the attention of every Member of the Senate and the House of Representatives how we have failed in meeting this priority.

I sincerely hope that if we are unable to restore these funds in these closing hours, that this will indeed be a high priority of the new Congress when it resumes its work in January of next year.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

THE IMPORTANCE OF SENATE RULES

Mr. REID. Mr. President, as the 109th Congress fades into memory and the 110th Congress comes into view, I want to say a few words about the importance of Senate rules. One of our finest accomplishments over the last 2 years was something that the Senate chose not to do. In May 2005, the Senate turned aside the so-called nuclear option and decided to preserve the rules of the Senate which allow for extended debate on judicial nominations.

Almost a century ago the Senate adopted rule XXII which formalized the principle of extended debate and established a balanced mechanism for limiting debate. The current version of rule XXII requires two-thirds of the Senate to cut off debate on any change in the rules and three-fifths of the Senate to cut off debate on any other question before the body. The nuclear option would have forced a change in this venerable Senate rule by the brute force of a simple majority vote.

The campaign to rewrite Senate rules was misguided from the start. It was a raw abuse of power fueled by a misreading of history. The Senate came dangerously close to adopting this plan. On the eve of the showdown vote, a courageous band of 14 Senators, 7 Democrats and 7 Republicans, came together to derail it. They agreed to vote as a block against the nuclear option in exchange for an up-or-down vote on a handful of disputed court of appeals nominees.

I feel very comfortable that had that vote occurred, this same result would have followed, but did I want to roll the dice on that? The answer is no. In the aftermath of that so-called Gang of 14 agreement, I was asked who won? I said the American people won. I am happy to report that commentators since then have also said that the American people won.

Had the nuclear option prevailed, it is almost certain that other valuable Senate traditions would soon have fallen to political expediency, raw power, simple majority vote, and we would have become another House of Representatives. Confirmation of a handful of controversial court of appeals nominees was a small price to pay for preserving the sanctity of the Senate rules for future generations.

The nuclear option was the most important issue I have worked on in my public life. Its rejection was my proudest moment as minority leader. I emerged from the episode with a renewed appreciation for the majesty of