IGRA has not been significantly amended since its enactment in 1988, almost 20 years ago. When IGRA was enacted, Indian gaming was a $200 million dollar industry. Today, the industry earns $23 billion a year. The industry is no longer just bingo; instead, the lion's share of revenue—at least 80 percent—is generated by what IGRA calls class III gaming; that is, slot machines and other ''Las Vegas'' style casino games. This explosive and unanticipated growth in Indian gaming has created a changed environment that cries out for modifications in the law. Yet Members of this body have blocked getting needed legislation passed. They have done so at the cost of good public policy.

During the 2 years that I have served as chairman and Senator DORGAN has served as vice chairman of the Committee on Indian Affairs, we held seven hearings on Indian gaming. After four of those hearings and based on testimony received, in November 2005, we introduced S. 2078. After the bill's introduction, we held three more hearings to continue oversight over the Indian gaming industry. These hearings revealed, among other things, that a court decision had decimated the Federal regulatory agency's authority and that, meanwhile, new large Indian casinos were threatening to appear in all areas of the country. Based on the hearings and responses from interested parties, I offered a substitute amendment, which was successfully reported out of committee with bipartisan support. However, when we sought unanimous consent for passage of the bill, holds were placed on it. These holds were placed by Senators with concerns that the bill was not restrictive enough and by those who thought it too restrictive. Understandably, these concerns were mostly prompted by constituent interests. We then worked in a bipartisan effort to modify the bill to answer our colleagues' concerns while balancing the need to provide real oversight over the industry. Some of our Members' constituents, however, simply do not want Federal oversight. Some took the position that there must be no change in IGRA because opening up IGRA would send a signal that Indian gaming was not perfect and no one was to speak that truth. It seems that these people assumed that ignoring the problems is a better policy than confronting them.

And there are problems. Through S. 2078, I sought to confront these problems while at the same time honoring the rights of Indian tribes to conduct gaming, a right guaranteed by the Supreme Court in the California v. Cabazon decision. I will continue to believe that effective regulation—including effective Federal regulation—of Indian gaming is critical to tribes' continued success.

A critical problem we have left unsolved is the hole left in regulation of class III gaming; that is, slots and other casino games. On August 24, 2005, the U.S. District Court for the District of Columbia issued its decision in Colorado River Indian Tribes v. NIGC, ''CRIT'', ruling that the National Indian Gaming Commission, NIGC, did not have jurisdiction to issue class III Minimum Internal Controls Standards, MICS. That ruling was upheld by the U.S. Court of Appeals for the District of Columbia in October of this year.

Until the court's decision, the NIGC had been regulating class III gaming through MICS since 1999. The regulations applied both to class II gaming—that is, bingo and games similar to bingo—and to class III—gaming including slot machines and table games—which represents the source of four-fifths of all revenue in Indian gaming. Following the CRIT decision, however, tribes have increasingly challenged NIGC's authority to issue or enforce the MICS over class III gaming. This leaves Federal oversight only over class II gaming, which is a small—and with increasing numbers of States entering into compacts, a diminishing—source of Indian gaming revenue. It leaves class III regulation up to the terms of the compacts negotiated between tribes and States. But States' roles in regulating and enforcing class III regulation varies widely among State-tribal compacts. While some States take a rigorous role in regulation, many simply do not have the expertise or resources to regulate Indian casino games. These States have typically relied on NIGC to provide regulations. As a result of the CRIT decision, however, tribes are increasingly refusing to allow for NIGC access to or oversight of their gaming facilities. These tribes are, in effect, now free to regulate themselves.

I do not believe that self-regulation without oversight is real regulation. By failing to enact legislation that overturns the CRIT decision, we have left the lion's share of a huge industry in its own hands. This is not a small matter. Indian gaming in 2006 is a nationwide industry. More than 220 tribes operate gaming facilities throughout the United States, from Connecticut to California. Indian gaming is no longer simple bingo parlors on rural Indian reservations. For a nationwide industry that generated $23 billion dollars a year and is growing, uniform Federal standards are necessary and vigorous enforcement of those standards are imperative to making sure that the money that customers put into Indian gaming machines finds its way safely from the casinos to the tribal governments, which through IGRA are directed to use the money to strengthen the social and economic fabric of their tribes. The failure of this Senate to pass this bill will leave Indian gaming radically less protected than it was before the 109th Congress convened and the CRIT decision was issued. What we have now is the triumph of individual self-interests over the public good and it sorrows me to leave Indian gaming in that condition.

Failure to pass this bill also leaves a well-documented hole in Federal oversight of gaming contracts. While the NIGC has told us that management contracts are not the only source of overreaching by contractors, we have left the agency with the authority to approve or disapprove only management contracts. Similarly, while we all know that Indian gaming is spreading beyond the confines of reservations, by not passing this bill, we have also failed to amend IGRA to limit ''off-reservation'' gaming and the growth of casinos where local people could never have foreseen their arrival. In 1988, when we first enacted IGRA, we provided a general prohibition against conducting gaming on land acquired after 1988; in the interest of fairness, several exceptions to this ban were provided. Unfortunately, exploitation of these exceptions, not anticipated in 1988, has led to a burgeoning practice by unscrupulous developers seeking to profit off Indian tribes desperate for economic development.

S. 2078 would have eliminated the ability of tribes to establish casinos outside of their reservations and provided a process whereby local communities can voice their concerns regarding impacts of casino development. Finally, it would have prevented attempts to create reservation land, specifically for casinos, through so-called land claims unless Congress actually approved legislation to that effect.

It is my hope that the next Congress will leave Indian gaming better regulated and more responsive to present-day realities than this Congress has left it. This is my hope for tribal members, who depend on honestly tracked revenue from gaming establishments for their government services. This is my hope for local communities who are facing the prospect of huge casinos in their hometowns where they could never have anticipated them. I am hopeful that we will choose to put the good of the American people above special interests.●

NORTH KOREA

Mr. FEINGOLD. Mr. President, I think we all can agree that North Korea remains one of the greatest challenges to our country's foreign and national security policy, and it is clear that approaches to date haven't been successful. This year saw Kim Jong Il launch seven ballistic missiles into the sea of Japan and successfully detonate a nuclear device, defying the clear will of the international community and forcing us to confront the reality of a nuclearized North Korea.

The Bush administration's policy on North Korea has been a complete failure. The 1994 Agreed Framework which this administration inherited was not perfect, and the North Koreans cheated by pursuing uranium enrichment. But the collapse of the framework, which had kept North Korea's fuel rods under IAEA supervision, has been a disaster.

As the Director of Central Intelligence, George Tenet testified publicly in 2004, ''the IC judged in the mid-1990s that North Korea had produced one, possibly two, nuclear weapons. The 8000 rods the North [now] claims to have processed into plutonium metal would provide enough plutonium for several more.''

But that is the past; our problem now is to find a way forward. For far too many months we have been waiting on the sidelines, hoping, passively, that conditions will turn our way. We have been distracted by Iraq—it took a series of missile launches and the actual detonation of a nuclear device for us to get fully engaged again. And still we wait for the Six Party Talks to reconvene.

I welcome the news that North Korea has agreed to come back to the Six Party Talks. That is a good starting point, but it cannot be the end point; the Six Party process has dragged on for years now, and the only objective result has been that Kim Jong Il now has nuclear weapons. There must be results that come from these talks, and we must have in place benchmarks for what success means. I hope that we can convince Kim Jong Il to give up his nuclear weapons, but history does not provide a great deal of reassurance on that score. At a minimum, we should seek steps in that direction, such as partial dismantlement or a freeze on further production of fissile material, as a starting point.

Ultimately, North Korea needs to be brought back into the international fold. Unfortunately, we can't do that if we signal that our true desire is ''regime change'' and we continue to refuse to consider other options, such as direct negotiations. When dealing with such an important matter to our national security, we should not keep any option off the table. It is high time for a change of course in President Bush's North Korea policy.

SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT

Mr. CRAIG. Mr. President, I rise to make a few comments regarding the Secure Rural Schools and Community Self-Determination Act, or County Payments Act as it has been nicknamed.

As this session comes to an end, I want to express my disappointment that this Congress did not act to reauthorize County Payments and to publicly reaffirm my commitment to finding resolution for this issue.

In 2000, the Congress passed Public Law 106–393 to address the needs of the forest counties of America. It created a new cooperative partnership between citizens in forest counties and our Federal land management to develop forest health improvement projects on public lands and simultaneously stimulate job development and community economic stability.

The act has been an enormous success, not just achieving but surpassing the goals of Congress. This act has restored programs for students in rural areas and prevented the closure of numerous isolated schools. It has been a primary funding mechanism to provide rural school students with educational opportunities comparable to those enjoyed by suburban and urban students. More than 4,400 rural schools receive funds because of this act.

Next, the act has allowed rural county road districts and county road departments to address the severe maintenance backlog. Snow removal has been restored for citizens, tourists, and school buses. Bridges have been upgraded and replaced, and culverts that are hazardous to fish passage have been upgraded and replaced.

In addition, over 70 Resource Advisory Committees, or RACs, have been formed. These RACs cover our largest 150 forest counties. Nationally, these 15-person diverse RAC stakeholder committees have studied and approved more than 2,500 projects on Federal forestlands and adjacent public and private lands. These projects have addressed a wide variety of improvements drastically needed on our national forests. Projects have included fuels reduction, habitat improvement, watershed restoration, road maintenance and rehabilitation, reforestation, campground and trail improvement, and noxious week eradication.

RACs are a new and powerful partnership between county governments and the land management agencies. They are rapidly building the capacity for collaborative public land management decisionmaking in over 150 of our largest forest counties in America and are reducing the gridlock over public land management, community by community.

The legacy of this act over the last few years is positive and substantial. This law should be extended so it can continue to benefit the forest counties, their schools, and continue to contribute to improving the health of our national forests.

I could go on and on about the merits of this act, but the truth is politics got in the way of funding any extension.

Some of my colleagues proposed to fund this measure through a sweeping new 3-percent withholding on all payments made by Federal, State, and local governments. This proposal would impose significant burdens on businesses. In most cases, businesses make substantially less than a 3-percent profit on their contracts and sometimes turn no profit at all. The withholding requirement will effectively withhold entire paychecks—interest free—thereby impeding the cash flow of small businesses, eliminating funds that can be used for reinvestment in the business, and forcing companies to pass on the added costs to customers or finance the additional amount. In addition, the cost to the Federal, State, and local governments to administer and implement the new withholding requirement will be substantial. The Congressional Budget Office called the provision an unfunded mandate on State and local governments because its expected costs exceed the allowable $50 million annual threshold. In short, this proposal would hurt many of the same people we are trying to help.

The administration also proposed a few ideas, one being the selling of public lands. I have always supported the exchange or sale of small parcels of public land that improve land management for wildlife habitat, recreation, and access. I oppose selling those public lands that are America's treasures such as national parks, wilderness lands, or national monuments. I also oppose selling public lands for the sole purpose of generating funds for the U.S. Treasury.

All of the ideas I brought to the working group encouraged responsible resource development and further promoted the relationship of our resource dependant communities and our public lands. I have encouraged the working group to look at expediting oil and gas leases, thus generating additional revenue through increased royalty payments. Next, I asked that the working group consider streamlining NEPA for salvage logging and other timber-related projects. My hope was to build on the success of the Healthy Forest Restoration Act of 2003 and reunite our communities with our public lands.

Let me assure you that these ideas I have just described were only the tip of the iceberg. No stone was left unturned, and in many cases the rock was flipped several times in hopes of shaking a new idea loose. Unfortunately, none of the ideas could garner enough bipartisan support. Again, it is upsetting to me to see an issue that has built its reputation on nonpartisan success fall victim to partisan politics.

If we do not work to reauthorize this act, all of the progress of the last 6 years will be lost. Schools in timber-dependant communities will lose a substantial part of their funding. These school districts will have to start making tough budget decisions such as keeping or canceling afterschool programs, sports programs, music programs, and other programs that serve the basic educational needs of our children. In addition, many school districts will have to determine if and how many staff members they can retain for the next school year. Next, counties will have to reprioritize road maintenance so that only the essential services of the county are met because that is all they will be able to afford. Since most school districts and counties operate on a fiscal year that begins July 1, many of these critical decisions have to be made sooner rather than later.

I have always viewed that this act as a temporary measure to help communities transition from historical payments to the reality of today. Unfortunately, our communities have not come far enough in the last 6 short