but not, to my knowledge, in the immediate aftermath of the storms. As these things have gone on over years—for instance, 4 years after Katrina we were trying to find money to rebuild one of our big military bases that collapsed, so we funded that through Defense and we found an offset. But that wasn't within the first couple of weeks of Katrina. That was after 4 years, and we couldn't find the money and we really wanted to find it. So there are ways you can offset sometimes in the distant future.

I am going to remind people that after Katrina, in the first 3 weeks, the Federal Government funded $66 billion without an offset. After the collapse of the Twin Towers, we funded $40 billion, and sent that to New York after the collapse of the Twin Towers. After 2004, which was a very terrible year for Florida, this Congress sent $2 billion within a few weeks of four hurricanes hitting Florida. Had we not done that, that State would be in a very serious economic downturn now. It never could have recovered from four hurricanes in 1 year. They didn't hit Louisiana, they didn't hit Texas, they didn't hit Alabama. All four of them hit Florida. Did we bellyache about it? Did anyone say: Let's run up to Washington and find a $2 billion program that is not working and cut it out so we can go help the people in Florida? Absolutely not. We sent the money to Florida, and I know they were grateful for it. That might be one of the reasons Senator RUBIO—who was not in the Senate then but now is—has voted for this position, because he knows. He remembers.

I don't know what the House is going to do, and I most certainly don't think we need to shut the government down over this debate, but it is a very important debate to be having. I am proud to be leading the effort, along with many Democrats and some Republicans who are saying, in the aftermath of a year that was one of the worst on record, we do not need to find the offsets now.

I hope the House will stand strong and beat back that position, because it is not right today, it is not going to be right tomorrow, and it is not right for the future.

I just hope we can prevail.

Later on, when we are looking to figure out how to pay for all this, we have time over the next year or year and a half or 2 or 3 or even 4 years as we work on moving our deficit down. All of this is going to have to be paid eventually. But I believe very strongly that we must not think it is OK to get into a pattern of, when disaster strikes, instead of opening shelters, instead of giving people immediate relief, the first thing the leadership of this country does is run to Washington and try to gut several other programs overnight or quickly or without thought before we can fund disasters. That is not the way we should operate.

I thank the Chair for being very considerate and giving me this extra time. I thank my colleagues; I know others want to speak. Again, we have a whole document here, which I have shown before, of projects in all of our States that have been absolutely shut down because we have run out of money. The only programs that are being funded are real emergencies on the east coast. Everything else in Missouri, Louisiana, California, and Texas has been shut down to fund what is happening on the east coast. This is no way to run a railroad. Let's get disaster relief now.

I hope the House will reconsider their position. I thank the chamber of commerce for coming out strongly to remove that offset. Again, let's see if we can find some money for USDA—Agriculture—community development block grants, and economic development block grants. If they insist on doing it 6 weeks at a time, which I don't agree with, at least put in a little more money for these other programs so we do not shut down, and we will come back here in 6 weeks or 8 weeks and figure it out.

I thank the Chair, and I yield the floor.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

EXTENDING THE GENERALIZED SYSTEM OF PREFERENCES

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 2832, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2832) to extend the Generalized System of Preferences, and for other purposes.

Pending:

Reid (for Casey) amendment No. 633, to extend and modify trade adjustment assistance.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

AMENDMENT NO. 634

Mr. CORNYN. Mr. President, I call up my amendment No. 634 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. CORNYN] proposes an amendment numbered 634.

Mr. CORNYN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To provide Taiwan with critically needed United States-built multirole fighter aircraft to strengthen its self-defense capability against the increasing military threat from China)

At the appropriate place, insert the following:

SEC. ____. SALE OF F–16 AIRCRAFT TO TAIWAN.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of Defense, in its 2011 report to Congress on ''Military and Security Developments Involving the People's Republic of China,'' found that ''China continued modernizing its military in 2010, with a focus on Taiwan contingencies, even as cross-Strait relations improved. The PLA seeks the capability to deter Taiwan independence and influence Taiwan to settle the dispute on Beijing's terms. In pursuit of this objective, Beijing is developing capabilities intended to deter, delay, or deny possible U.S. support for the island in the event of conflict. The balance of cross-Strait military forces and capabilities continues to shift in the mainland's favor.'' In this report, the Department of Defense also concludes that, over the next decade, China's air force will remain primarily focused on ''building the capabilities required to pose a credible military threat to Taiwan and U.S. forces in East Asia, deter Taiwan independence, or influence Taiwan to settle the dispute on Beijing's terms''.

(2) The Defense Intelligence Agency (DIA) conducted a preliminary assessment of the status and capabilities of Taiwan's air force in an unclassified report, dated January 21, 2010. The DIA found that, ''[a]lthough Taiwan has nearly 400 combat aircraft in service, far fewer of these are operationally capable.'' The report concluded, ''Many of Taiwan's fighter aircraft are close to or beyond service life, and many require extensive maintenance support. The retirement of Mirage and F–5 aircraft will reduce the total size of the Taiwan Air Force.''

(3) Since 2006, authorities from Taiwan have made repeated requests to purchase 66 F–16C/D multirole fighter aircraft from the United States, in an effort to modernize the air force of Taiwan and maintain its self-defense capability.

(4) According to a report by the Perryman Group, a private economic research and analysis firm, the requested sale of F–16C/Ds to Taiwan ''would generate some $8,700,000,000 in output (gross product) and more than 87,664 person-years of employment in the US,'' including 23,407 direct jobs, while ''economic benefits would likely be realized in 44 states and the District of Columbia''.

(5) The sale of F–16C/Ds to Taiwan would both sustain existing high-skilled jobs in key United States manufacturing sectors and create new ones.

(6) On August 1, 2011, a bipartisan group of 181 members of the House of Representatives sent a letter to the President, expressing support for the sale of F–16C/Ds to Taiwan. On May 26, 2011, a bipartisan group of 45 members of the Senate sent a similar letter to the President, expressing support for the sale. Two other members of the Senate wrote separately to the President or the Secretary of State in 2011 and expressed support for this sale.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) a critical element to maintaining peace and stability in Asia in the face of China's two-decade-long program of military modernization and expansion of military capabilities is ensuring a militarily strong and confident Taiwan;

(2) a Taiwan that is confident in its ability to deter Chinese aggression will increase its ability to proceed in developing peaceful relations with China in areas of mutual interest;

(3) the cross-Strait military balance between China and our longstanding strategic partner, Taiwan, has clearly shifted in China's favor;

(4) China's military expansion poses a clear and present danger to Taiwan, and this

threat has very serious implications for the ability of the United States to fulfill its security obligations to allies in the region and protect our vital United States national interests in East Asia;

(5) Taiwan's air force continues to deteriorate, and it needs additional advanced multirole fighter aircraft in order to modernize its fleet and maintain a sufficient self-defense capability;

(6) the United States has a statutory obligation under the Taiwan Relations Act (22 U.S.C. 3301 et seq.) to provide Taiwan the defense articles necessary to enable Taiwan to maintain sufficient self-defense capabilities, in furtherance of maintaining peace and stability in the western Pacific region;

(7) in order to comply with the Taiwan Relations Act, the United States must provide Taiwan with additional advanced multirole fighter aircraft, as well as significant upgrades to Taiwan's existing fleet of multirole fighter aircraft; and

(8) the proposed sale of F–16C/D multirole fighter aircraft to Taiwan would have significant economic benefits to the United States economy.

(c) SALE OF AIRCRAFT.—The President shall carry out the sale of no fewer than 66 F–16C/D multirole fighter aircraft to Taiwan.

Mr. CORNYN. Mr. President, yesterday I came to the floor and spoke about my intention to offer this amendment, which is now pending before the Senate, which would require the U.S. Government to sell 66 F–16C/D aircraft to the Government of Taiwan pursuant to our responsibilities under the Taiwan Relations Act of 1979, passed with bipartisan support of the Congress and signed into law by President Jimmy Carter. Under this law, it is the responsibility of the U.S. Government to provide our ally Taiwan with sufficient defensive weapons in order to defend itself against any possible aggression by Communist China or from any other source. I spoke at some length about this yesterday, and I won't reprise all of those arguments.

At the outset, I ask unanimous consent to have printed in the RECORD 3 letters—1 signed by 45 Senators supporting this sale of F–16s to Taiwan and 2 separate letters from Senator LUGAR, the ranking member of the Foreign Relations Committee, and Senator LISA MURKOWSKI of Alaska, for a total of 47 Senators who are on record as supporting this sale.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, May 26, 2011.

PRESIDENT BARACK OBAMA,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are writing to express serious concern about the military imbalance in the Taiwan Strait. To maintain peace and stability in the Strait, it is critical that your administration accept Taiwan's Letter of Request (LOR) and move quickly to notify Congress of the sale of 66 F–16 C/D aircraft that Taiwan needs in order to modernize its air force.

Successive reports issued by U.S. and Taiwanese defense authorities clearly outline the direct threat faced by Taiwan as a result of China's unprecedented military buildup. Beijing presently has more than 1,400 missiles aimed at Taiwan, and China is in the process of deploying next generation Chinese and Russian manufactured ships, fighter aircraft, and submarines. Military experts in both Taiwan and the United States have raised concerns that Taiwan is losing the qualitative advantage in defensive arms that has long served as its primary military deterrent against China.

Taiwan desperately needs new tactical fighter aircraft. Within the next decade Taiwan will retire 70% of its fighter force structure. Its F–5s have reached the end of their utility, its Mirage fighters lack parts and life-cycle support, and its Indigenous Defense Fighters are being converted to a trainer role. Additionally, Taiwan's existing 145 F–16 A/B fighters all require a mid-life upgrade. With F–16s already in its inventory, Taiwan is seeking to combine its fighter fleet around a single airframe with the commensurate cost and operational benefits.

We are deeply concerned that further delay of the decision to sell F–16s to Taiwan could result in closure of the F–16 production line, and urge you to expedite this defense export process before the line closes. Without new fighter aircraft and upgrades to its existing fleet of F–16s, Taiwan will be dangerously exposed to Chinese military threats, aggression and provocation, which pose significant national security implications for the United States.

The Taiwan Relations Act (TRA) of 1979 directs both the Congress and the President to make decisions on arms sales to Taiwan based solely on the "judgment of the needs of Taiwan," and we believe that Taiwanese pilots, flying Taiwanese fighter aircraft manufactured in the United States, represent the best first line of defense for our democratic ally, while presenting no offensive threat to China.

We urge you to act swiftly and provide Taiwan with the F–16 C/D aircraft that are critical to meeting our obligations pursuant to the TRA and to preserving peace and security in the Taiwan Strait.

Sincerely,

Robert Menendez, James Inhofe, Jim Webb, Jon Kyl, Joseph I. Lieberman, Dan Coats, Tim Johnson, Roger F. Wicker, Ron Wyden, John Cornyn, Benjamin L. Cardin, John Barrasso, Sherrod Brown, Jeff Sessions, Richard Blumenthal, John Boozman, Jon Tester, Tom Coburn, Joe Manchin III, John Hoeven, Bill Nelson, Saxby Chambliss, Barbara Mikulski, Kay Bailey Hutchison, John D. Rockefeller IV, Scott Brown, Herb Kohl, Chuck Grassley, Jim DeMint, Marco Rubio, David Vitter, Thad Cochran, Mike Crapo, Johnny Isakson, Mark Kirk, John McCain, Mike Lee, Lindsey Graham, Kelly Ayotte, Mike Johanns, Ron Johnson, Richard Burr, Michael B. Enzi, James E. Risch, Susan M. Collins.

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, April 1, 2011.

Hon. HILLARY R. CLINTON,
Secretary of State, U.S. Department of State, Washington, DC.

DEAR SECRETARY CLINTON: The issue of U.S. defense equipment sales to Taiwan has now become an urgent matter. Taiwan has legitimate defense needs, and its existing capabilities are decaying. Replacement of its tactical aircraft is warranted, is not provocative and is justified.

While it has acquired some Mirage aircraft, Taiwan has acquired more than 400 tactical aircraft (F–16A/Bs and F–5s) sold and produced in Taiwan from the United States. But there have been no new sales of needed aircraft to Taiwan in many years. Approved transactions involved only lower-level sales and support for its Indigenous Defensive Fighter (IDF)—an aircraft that the Defense Intelligence Agency has assessed faces "limited combat range and payload capacity [which] restrict its effectiveness in air-to-air combat."

Given the decrepit state of Taiwan's F–5s, the service life issues associated with its IDF, and a growing problem faced by all recipient countries in obtaining affordable and sustainable access to spare parts for Mirages, I am very concerned that if the Administration does not act favorably on Taiwan's outstanding Letter of Request (LOR) for sales of F16C/D aircraft, Taiwan will be forced to retire all of its existing F–16A/B aircraft in the next decade, leaving it with no credible air-to-air capability. Since Taiwan already has many U.S. F–16 aircraft, replacement and augmentation of its existing fleet would not affect the qualitative and quantitative military balance in its region, and would also, in turn, greatly assist the U.S. industrial base.

Any reasonable approach to Taiwan's existing tactical aircraft requirements includes both sustainment of its existing F–1 6A/Bs, but also, sales of new F–16C/Ds. Limiting assistance only to upgrades of F–16A/Bs exacerbates both near and long term air-to-air challenges due to the fact that a substantial number of Taiwan's deployed F–16A/Bs would have to be removed from service in order to undergo upgrades.

Over a year ago, Assistant Secretary of State for Political Military Affairs Andrew Shapiro assured the Committee on Foreign Relations that your Department would undertake an extensive and honest discussion with the Foreign Relations Committee regarding Taiwan. Such consultations have yet to occur. In my view, a sensible place to start would be with Taiwan's existing tactical aircraft capability, aside from its other air defense challenges.

I am still awaiting proposed dates from the Department for the initiation of these discussions. In order to be able to produce needed F16C/Ds and deliver them by 2015, or even sooner should Taiwan move quickly, an Administration decision is needed in 2011 to act favorably on the F–16C/D request. I am particularly interested in the Department's responses to key questions: What are the major issues associated with approval of this LOR? Why is the Administration apparently unwilling to act on it? What are the risks and benefits in agreeing to the sale?

Presently, we have not received any clear and consistent information from the State Department regarding this matter, and I believe it is time to engage in a meaningful consultation with this Committee on Taiwan.

I look forward to your prompt consideration of this letter.

Sincerely,

RICHARD G. LUGAR,
Ranking Member.

U.S. SENATE,
Washington, DC, June 13, 2011.

PRESIDENT BARACK OBAMA,
The White House, Pennsylvania Avenue, NW., Washington, DC.

DEAR MR. PRESIDENT: I am pleased to join with 47 of my Senate colleagues in urging that your administration move expeditiously to notify Congress of the sale of 66 F–16 C/D aircraft that Taiwan needs in order to modernize its air force.

Within the next decade Taiwan will retire 70% of its fighter force structure. Its F-5s have reached the end of their utility, its Mirage fighters lack parts and life-cycle support, and its Indigenous Defense Fighters are being converted to a trainer role. Additionally, Taiwan's existing 145 F–16 A/B fighters all require a mid-life upgrade. With F–16s already in its inventory, Taiwan is seeking to

combine its fighter fleet around a single airframe with the commensurate cost and operational benefits.

The Taiwan Relations Act (TRA) of 1979 directs both the Congress and the President to make decisions on arms sales to Taiwan based solely on the ''judgment of the needs of Taiwan,'' and I believe that Taiwanese pilots, flying Taiwanese fighter aircraft manufactured in the United States, represent the best first line of defense for our democratic ally, while presenting no offensive threat to China.

Moreover, I am deeply concerned that further delay of the decision to sell F–16s to Taiwan could result in closure of the F–16 production line, and urge you to expedite this defense export process before the line closes.

I urge you to act swiftly and provide Taiwan with the F–16 C/D aircraft that are critical to meeting our obligations pursuant to the TRA and to preserving peace and security in the Taiwan Strait while strengthening America's economy by keeping the F–16 in production.

Sincerely,

LISA MURKOWSKI,
U.S. Senator.

Mr. CORNYN. Mr. President, as I said, yesterday I spoke about the legislation Senator MENENDEZ and I had offered. That is a stand-alone bill; this is now an amendment to this pending trade bill. I do believe it is appropriate for us to consider this matter in the context of this trade bill because, of course, we all recognize and common sense would tell us that selling to foreign customers the things that we grow here in America or that we manufacture in America sustains jobs right here at home. Indeed, we have circulated among various offices what the impact on jobs would be all across the country when it comes to the sale and manufacture of these F–16s. A lot of jobs would be created in America at a time when unemployment is intractably and unacceptably high. But that is not the main reason I believe this amendment is so important.

Let me back up to say that yesterday the President did announce that he approved military exports to Taiwan, but I wish to address first the insufficiency of the response.

Yesterday, Congress was officially notified by the Defense Security Cooperation Agency that the administration had approved a retrofit for 145 F–16A/B aircraft—aircraft Taiwan already owns. So this is not unprecedented. We have already sold Taiwan A/B versions of the F–16. But, as the administration acknowledges by saying these need to be updated and retrofitted, these are older aircraft and need to be modernized in order to be effective.

There is no question that these upgrades on the existing 145 F–16 aircraft are necessary, but it is not sufficient to deal with the airpower needs of our Taiwanese allies. You can see by this chart the disparity between what the People's Republic of China has—about 2,300 operational combat aircraft versus 490 operational combat aircraft—owned by the Government of Taiwan.

But what I think the President's decision fails to acknowledge is the fact that many of the aircraft being flown now in Taiwan by the Taiwan Air Force are French Mirage aircraft which are some 20 years old or American F–5 aircraft which were first delivered in 1975 through 1985 but which are now virtually obsolete. It is for that reason the sale of these additional 66 F–16C/D version aircraft is so important—to replace those obsolete French Mirages and F–5s.

Taiwan's request had been, as I indicated earlier, not for the retrofit or for new aircraft, but they wanted both. The administration should have approved both, and that is exactly what 47 Members of this Senate stated—the bipartisan letters I have admitted into the RECORD—encourage the administration to do to make the right decision and to do both. But since the administration chose only to go the retrofit route for existing aircraft, I think it is important for us to send a message and to exercise our authority under the Constitution to compel that sale.

There is a bigger point I would like to make as well. America's credibility in East Asia and beyond is at risk by the administration's decision yesterday. The President spoke at the United Nations earlier this week and addressed many priorities of U.S. foreign policy. I am not going to respond to each one of them because it was a 40-minute speech, but my point is, the success of U.S. foreign policy in every region of the world depends on the credibility of the U.S. Government—whether we stand by our friends and whether we keep our commitments or whether we will abandon our support for other democracies like Taiwan. The answer to that question is of enormous interest not only to the people of Taiwan, to whom we have pledged in this 1979 law, the Taiwan Relations Act that I mentioned earlier, but also to the people of Israel, to the people of Eastern Europe, to the people of Japan and South Korea, and to the fledgling democracies now in Iraq and the people of Afghanistan, to people who are suffering from oppressive regimes all across the world who want the same basic freedoms we do and who share our values in self-government.

What kind of message does it send from America to these friends of freedom? What kind of message does the Senate send by denying our ally Taiwan the purchase of military exports that they need and that they requested? And what message can the U.S. Senate send to reassure our allies in Taiwan as well as people watching everywhere around the world with our credibility on the line?

I want to reiterate that this is a bipartisan matter. This is not a partisan issue at all. Republicans and Democrats alike have supported the Mutual Defense Treaty signed by President Eisenhower in 1954, and the Taiwan Relations Act was supported with bipartisan support and signed by President Jimmy Carter in 1979, and it remains the law of the land. That states specifically that the United States will provide to Taiwan the defense articles necessary to enable Taiwan to maintain sufficient self-defense capabilities in furtherance of maintaining peace and stability in the Western Pacific region.

We know the U.S. military has been stressed by repeated deployments in Afghanistan and Iraq and commitments around the world. So why in the world wouldn't we want to improve the capacity of the Taiwanese Government to defend itself and reduce any potential burden on the United States in the process?

I want to remind my colleagues what sufficient defense capabilities means. This is part of a memorandum from President Ronald Reagan in 1982, and I think it is worth reading.

It is essential that the quantity and quality of the arms provided Taiwan be conditioned entirely on the threat posed by the PRC [People's Republic of China]. Both in quantitative and qualitative terms, Taiwan's defense capability relative to that of the PRC will be maintained.

That was the understanding of Congress, that was President Reagan's understanding, and that was our explanation to the Chinese Government to reassure them about the purpose for these military sales—to provide a defensive capability, not an offensive capability but a defensive capability.

Why is Taiwan asking for these aircraft? Well, as I indicated earlier, Taiwan's air defense capabilities are nearly obsolete, while China's military capabilities are growing at an alarming rate. But air defense is not just a game of numbers; it is about the quality of the aircraft as well.

So what about the quality of Taiwan's existing forces? Well, according to the Defense Intelligence Agency in an unclassified report last year, many of Taiwan's fighter aircraft are close to or beyond service life and many require extensive maintenance support.

So China's capabilities are clearly newer, and they are growing and focus clearly on intimidating Taiwan and, yes, even the United States.

China's official press agency reported in March that the People's Republic of China will increase its military budget this year by more than 12 percent. That is on top of an increase last year of 7.5 percent. But the Pentagon estimates that China is not being transparent with regard to its military spending. In fact, China's official and public budget of $90 billion is far less than the $150 billion that they actually spent.

So whom does China intend to intimidate by this growing military power? Here is what the Pentagon had to say in its 2011 report to Congress called ''Military and Security Developments Involving the People's Republic of China.'' The Defense Department observed that China continued modernizing its military in 2010, with a focus on Taiwan contingencies. The Pentagon also noted that China's Air Force will remain primarily focused on

''building the capabilities required to pose a credible military threat to Taiwan and U.S. forces in the East Asia.''

Some say we shouldn't look at our policy with Taiwan in a vacuum, and I agree with that. We should look at it in the larger context, both of the region and our strategic relationship with China. We know many of China's neighbors in that region are concerned about the military buildup and the increasingly bellicose rhetoric from the government.

Last year, China claimed the South China Sea as a core interest, which unsettled Vietnam and the Philippines and Indonesia and other nations in the region. China has renewed its longrunning border dispute with India, and, frankly, it continues to be an enabler, as we know, of the nuclear threat in North Korea. We know Pakistan's Defense Minister publicly discussed the possibility of China building a naval base in Pakistan, which is already home to a new strategically important port at the mouth of the Gulf of Oman.

So it is important to look at the impact of China's growing military strength and its bellicose rhetoric on the whole region because, frankly, the disparity I pointed out earlier between the capability of the People's Republic of China when it comes to air power and that of Taiwan is a destabilizing influence in the region. Why in the world would we want to create a destabilizing condition in that region as opposed to a stable one that is in our best interests and that is in the best interests of our allies?

We can tell that the Communist Chinese Government is trying to intimidate the United States from living up to its responsibilities. Last week, China's top official newspaper used a lot of unnecessary language on the subject of the arms sales to Taiwan. They called those of us on Capitol Hill who are supporting this ''madmen,'' and said we were ''playing with fire'' and said there would be a ''disastrous price'' if we continued to support our allies in Taiwan. They would like nothing better than for us to turn our backs on our allies in Taiwan, just like other bullies around the world would love for America to retreat and to pull back in our support for self-governing peoples everywhere.

I do not think we want to send the message—I know I do not want to send the message—that the United States will give in to this kind of intimidation. We should pass this legislation to send a clear message to China and other nations around the world who are beating their chests and growing in military strength and posing destabilizing risks that the real madmen are those who think America will abandon our friends and allies and our principles and our long-range and longstanding strategic interests in the stability of East Asia.

As I indicated earlier, there are a lot of people watching what we do. It would greatly reassure our allies and partners around the world if we acted in a responsible way consistent with our legal obligation under the Taiwan Relations Act, which apparently the administration has declined to do.

Many of my colleagues remember what President Clinton did in 1996. He deployed two aircraft carrier battle groups during the Taiwan Strait crisis then. That crisis developed when China tried to intimidate Taiwan, once again, on the eve of its first free Presidential election by conducting this series of so-called military exercises that included the firing of missiles just a few miles north of Taiwan.

President Clinton responded by ordering the largest U.S. military force since the Vietnam war to deploy to the region, including carrier battle groups led by the USS *Nimitz* and the USS *Independence*. America's show of resolve and strength did not escalate that crisis, it diffused it—exactly what would happen here if we made this sale to Taiwan. It would send, as that did then, a welcome signal to the region.

According to an article in the current issue of Washington Quarterly, following that crisis the region's confidence in the United States soared. Japan, Singapore, the Philippines, and other nations in the region all bolstered their security ties with the United States.

Isn't that what we want? If America is going to be an undependable ally, there is no real benefit to people aligning their interests with ours and joining with us in these sorts of strategic security ties.

The Taiwan Strait crisis was one of the real foreign policy successes of the Clinton administration, but the authors of that same article conclude that ''forsaking Taiwan now will likely have the opposite effect.''

I want to return to a subject I brought up earlier. In addition to our other interests, which are many, and having us seen as being a dependable ally to our friends and keeping our commitments, this bill deserves the support of the Senate for other reasons as well. In addition to our longstanding bipartisan consensus on Taiwan, the growing gap in military capabilities between Taiwan and China, China's aggressive behavior toward its neighbors and the United States' credibility with our allies and free people everywhere, this is a jobs bill.

This is a policy that creates jobs. If we sell this American-made product to our friends and allies who are willing to pay for it—and it will not cost one dime in taxpayer dollars—it creates jobs at home. This chart shows, in yellow, all of the States where jobs would be created and sustained as a result of these sales. This map shows every State in which direct and indirect employment from this export sale of F–16s to Taiwan is projected to be at least 60 person-years of employment, which is the equivalent of 10 American workers employed full time for 6 years.

As you can see from this map, 32 States will have that level of job creation or more, making this F–16 sale to Taiwan a coast-to-coast job engine. In fact, according to a report by the Perryman Group, the requested sale of F–16C/Ds to Taiwan ''would generate some $8.7 billion in output.'' That is something the American economy could use now? Furthermore, it would directly support more than 23,000 jobs. That is surely something we need now.

As I said, these jobs don't cost the American taxpayer a dime. Apart from the paperwork and processing necessary to approve the deal, these are private sector jobs, and it is exactly the private sector that we need to take off again.

The one thing the Federal Government, the U.S. Government, needs to do perhaps more than anything else is simply get out of the way and let these Americans continue to stay on the job—and collect, in addition, an estimated $768 million in Federal tax revenue. That is something else we could use, more tax revenue coming in from more employed workers so we can close the gap in our $1.5 trillion annual deficit and begin to work our way toward reducing the debt, which is more than $14 trillion.

I thank, on a bipartisan basis, the Senators who have supported this legislation. I note that of the 47 signatories on the letters that have been made part of the record supporting this sale, 13 are from our Democratic friends across the aisle. This is truly a bipartisan effort.

For all the reasons I have mentioned, I hope we will vote yes and pass this important amendment to this bill.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER (Mr. BROWN of Ohio). Who yields time? The senior Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, the book of Ecclesiastes contains wisdom that should guide us today, and I am paraphrasing. This is not exactly what the Scriptures say: For everything there is a season and a time for every matter under the Sun. Or, to state it more colloquially, there is a time and place for everything. Some times are better than others; some places are better than others.

My colleague from Texas offered an amendment that required the President to sell F–16 fighter jets to Taiwan. I, respectfully, note the debate on this trade adjustment assistance bill is not the appropriate time, season, or place to raise this issue. This is a trade bill. This is not about sales of F–16s to Taiwan or to any country. It is a wholly different subject. It has nothing to do with what we are trying to debate today and focus our attention on so we can get this legislation passed.

The adoption of an amendment on an unrelated and controversial issue of Taiwanese arms sales would derail the carefully negotiated bipartisan agreement on trade assistance. If this

amendment would pass of itself, irrespective of the merits, it would derail passage of trade adjustment assistance because it would be an amendment. So it would go over to the other body, they would have to work with it, maybe concur with it, include maybe other amendments, and it would, perhaps, come over here again.

We have an agreement between the House and Senate and White House where we pass both trade adjustment assistance and then we can pass the free-trade agreements and most everybody wins. This amendment ultimately would imperil passage of the three pending trade agreements with Colombia, Panama, and South Korea.

I know my good friend—I suspect; that would be presumptuous of me—but I suspect my good friend from Texas is very much in favor of those three trade agreements with Colombia, Panama, and South Korea. I know a number of my colleagues on both sides of the aisle also support the sale of F–16s to Taiwan.

But to paraphrase Ecclesiastes, this is an issue that should be debated at another time. Not here. At another time.

Just 9 days ago, Senator CORNYN introduced legislation on the F–16 issue that tracks the substantive language of this amendment. That amendment has been referred to the Senate Foreign Relations Committee where it belongs. That is, in fact, the right way to deal with this issue, through consideration by the committee of jurisdiction.

In the spirit of Ecclesiastes, I, therefore, urge my colleagues to save this issue for another day to vigorously discuss and debate it, to look at the merits, to see what makes sense and does not make sense. But that is for another day. We should vote against the amendment at this time. It could be a very meritorious issue, I am not passing judgment on it, but this is not the time and place. If it were adopted, it would severely jeopardize the passage of trade adjustment assistance and also the free-trade agreements which are supported by many Members of this body.

AMENDMENT NO. 650

I would like to speak on another matter, and that is the Thune amendment. The Thune amendment looks backwards to the past when we should be looking forward to the future. I understand Senator THUNE will offer his amendment very soon today.

The bill before the Senate restores urgently needed job training for American workers impacted by trade. It also clears the path for Congress to approve our job creating trade agreements with Colombia, Panama, and South Korea. The bill reflects the understanding among the Senate, the House and the President, about how to move the trade agenda forward. But the Thune amendment looks, not forward, it looks backwards. It calls for a new government report on the harm from delaying the pending free-trade agreements. No one disputes the harm; that is not the issue. The issue is how quickly can we adopt them.

Harm; that is, delay, is well documented, and there is blame to go all around, so we should not waste scarce resources to score political points; that is, it is not worth time trying to point the finger of blame anywhere. Rather, it makes much more sense to get the job done; that is, pass the free-trade agreements. And passage of the trade adjustment assistance will mean passage of the free-trade agreements. So we should instead use our resources to identify foreign trade barriers that impede U.S. exports. We should help small businesses succeed in global markets, and we should monitor whether our trade partners are abiding by the rules.

So let's look forward, not to the past. Let's avoid further delay of our trade agreements. Let's defeat this amendment and send to the House a clean bill on trade adjustment assistance.

AMENDMENT NO. 651

Speaking on another amendment—first was the Cornyn amendment, second was the Thune amendment, and now is the Rubio amendment, which will be voted upon soon—I urge my colleagues to vote against Senator RUBIO's amendment. It would limit trade adjustment benefits only to workers who lose their jobs as a result of imports from a country with which the United States has a free-trade agreement. The United States has only about 17 free-trade agreement partners. We do not limit our trade just to those countries. There is a lot of trade around the world. The United States trades with virtually every country in the world, not just to countries with which we have free-trade agreements. In fact, we export to nearly 200 countries around the world. Remember, we have only 17 free-trade agreements, but we export to nearly 200 countries around the world.

Under this amendment, the Rubio amendment, workers who lose their jobs as a result of trade with 8 of our top 10 trade partners, including China and Japan, would not receive TAA benefits. Why? Because there is no free-trade agreement with those countries. It makes no sense whatsoever. In fact, the Rubio amendment would say to workers around the country, if you lose your job due to trade with China, you are out of luck. If you lose your job due to trade with India, you are out of luck. Only if you lose your job with a country with which we have a free-trade agreement do you get assistance.

The Rubio amendment would significantly, therefore, limit the number of workers who get help under trade adjustment assistance. Why would we want to do that? Why would we want to do that at a time when 14 million Americans are looking for work? Trade adjustment assistance helps Americans get the important retraining they need to find good-paying jobs, and now is not the time to shut out those Americans.

So for these reasons—and also because passage of the Rubio amendment would jeopardize passage of trade adjustment assistance and jeopardize the passage of free-trade agreements—I urge my colleagues to oppose that amendment as well.

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. RUBIO. Mr. President.

The PRESIDING OFFICER. The junior Senator from Florida.

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

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

AMENDMENT NO. 651 TO AMENDMENT NO. 633

Mr. RUBIO. Mr. President, I call up Rubio amendment No. 651 and ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Florida [Mr. RUBIO] proposes an amendment numbered 651 to amendment No. 633.

Mr. RUBIO. I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To limit eligibility for trade adjustment assistance to workers who are laid off because of an increase in imports from, or a shift in production to, a country with which the United States has a free trade agreement in effect)

On page 5 of the amendment, between lines 6 and 7, insert the following:

SEC. 212. REQUIREMENT THAT TO BE ELIGIBLE FOR TRADE ADJUSTMENT ASSISTANCE WORKERS BE LAID OFF BECAUSE OF IMPORTS FROM, OR A SHIFT IN PRODUCTION TO, A COUNTRY WITH WHICH THE UNITED STATES HAS A FREE TRADE AGREEMENT IN EFFECT.

Section 222 of the Trade Act of 1974 (19 U.S.C. 2272), as amended by section 211 of this Act, is further amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—A group of workers shall be certified by the Secretary as eligible to apply for adjustment assistance under this chapter pursuant to a petition filed under section 221 if the Secretary determines that—

''(1) a significant number or proportion of the workers in such workers' firm have become totally or partially separated, or are threatened to become totally or partially separated; and

''(2)(A)(i) the sales or production, or both, of such firm have decreased absolutely;

''(ii)(I) imports from a country with which the United States has a free trade agreement in effect of articles or services like or directly competitive with articles produced or services supplied by such firm have increased;

''(II) imports from such a country of articles like or directly competitive with articles—

''(aa) into which one or more component parts produced by such firm are directly incorporated, or

''(bb) which are produced directly using services supplied by such firm,

have increased; or

''(III) imports of articles directly incorporating one or more component parts produced in such a country that are like or directly competitive with imports of articles incorporating one or more component parts produced by such firm have increased; and

''(iii) the increase in imports described in clause (ii) contributed importantly to such workers' separation or threat of separation and to the decline in the sales or production of such firm; or

''(B)(i)(I) there has been a shift by such workers' firm to a country with which the United States has a free trade agreement in effect in the production of articles or the supply of services like or directly competitive with articles which are produced or services which are supplied by such firm; or

''(II) such workers' firm has acquired from such a country articles or services that are like or directly competitive with articles which are produced or services which are supplied by such firm; and

''(ii) the shift described in clause (i)(I) or the acquisition of articles or services described in clause (i)(II) contributed importantly to such workers' separation or threat of separation.''.

Mr. RUBIO. Mr. President, we have had this important conversation this week about trade policy in the United States, and it is an important one. Clearly, one of the great things that will help us grow our economy in the years to come is further free trade. As we have these pending free-trade agreements—and most everyone around here I have run into says they are in favor of, including the President, the one with South Korea, the one with Panama, the one with Colombia—there has been a prerequisite put in place by those in charge in the Chamber, and that is we deal with the TAA issues. That is why we are on the issue today, which clearly has been linked, free-trade agreement and the TAA law.

I wish to talk a little bit about the free-trade agreements because we are continuing to wait for them to be sent down to us. These agreements would increase U.S. exports by billions of dollars and create jobs here in the United States. For example, there are exports of about $12 billion annually, adding about $14 billion to the U.S. economy. These are real numbers.

The South Korea agreement alone, for example, is estimated to add as many as 70,000 American jobs. These benefits are not realized because the President has not submitted these for approval to this body or to the Congress. The debate we are having is not a new one. The trade adjustment assistance, or TAA, has been a policy of the United States, for better or worse, since the Trade Expansion Act of 1962.

Interestingly, this policy was first proposed by Senator John F. Kennedy when he aptly titled it the Trade Adjustment Act. The initial goal was to respond to perceived effects of trade policy. In essence, you enter into a trade policy, such as a free-trade agreement with another country, and American workers may lose their job in the short term, but you create a fund to help them transition to what you hope will be the new jobs created by the free-trade agreement. As you create this new relationship with new countries and new economies, the effect of it is while some jobs may be lost, those jobs are replaced with new opportunities and new jobs. In the process of that transition, between the job you once had and the job you hope to have in the future as a product of free trade, you create this fund to help workers adjust from point A to point B. That is the purpose of it. That is why it has been included in things such as the Trade Act of 1974. It was ushered in with the North American Free Trade Agreement under President Clinton. It was also included in the Trade Act of 2002, the last authorization of the trade promotion authority so vital to promoting the free-trade policies in the United States.

From its inception, TAA has been linked to free trade. Basically the understanding is when you enter into free-trade agreements with another country, there are short-term disruptions and you need a fund available to help workers transition during the disruption. Very simply put, you have a job, maybe it goes overseas in the free-trade agreement, but a new job is created in America as a result of that agreement and we are going to help you transition through this fund.

That was the purpose of it until 2009 when under the stimulus bill that has been changed and has been vastly expanded. Now in order to qualify for it, all you need to prove is that somehow your job or the company you work for has moved operations potentially overseas. That is a big problem in America. It is a big problem in Florida.

If you talk to people, they will tell you, we are losing our jobs. Other countries are taking our jobs. Jobs are going overseas. There are a lot of reasons for that. The first is unfair trade practices. This body should address that, beginning with China and other nations that unfairly deal with the United States, whether it is manipulation of their currency, whether it is dumping, among other things they do that are unfair, not to mention some of these nations have no environmental regulations, no protections for their workers or wages. There are incredible amounts of headwinds we face with regard to that. That should be dealt with. It should be dealt with seriously through public policy, and it is something we should look at. That is not a temporary issue. That is permanent. That is ingrained and entrenched. Unless we deal with the issues involved in that and those unfair trade practices, no temporary measure like TAA is going to help us deal with that. We have to deal with that on a permanent basis. That was not the purpose of the TAA.

The second thing we need to deal with is some of the impediments we are creating ourselves. That is why I am encouraged when I hear bipartisan talk of tax reform, things that will make it easier for people to build in the United States and open businesses here. Also, regulatory reform. Let there be no doubt that while there are significant currency manipulation problems and significant trade impediments in terms of unfair trade practices by other countries, some of the wounds are self-inflicted through a regulatory and a Tax Code that makes it difficult for people to do things and do business in the United States.

Again, I am encouraged when I hear bipartisan talk about regulatory reform and tax reform. These are the kinds of things that can deal permanently with a permanent and entrenched problem. That is not the purpose of TAA. Today we stand here considering this as a gateway issue because we have been told we have to pass this bill before we can get to the free-trade agreements, and so clearly it links the two. If we are going to link the two, we have to make it very clear that this sort of existence was created for the define purpose and the specific purpose of helping people to transition because of a disruption created in their job status as a result of a free-trade agreement.

This is a pretty simple amendment. It says this assistance is only available to those workers who lose their jobs to a country we have a free-trade agreement with because this is designed to deal with the unintended consequences and the temporary disruptions that might be created by a free-trade agreement with another country. So that is what the amendment does, and I am hoping to have the support of as many of my colleagues as possible in putting this program back into its historical purpose.

I yield the floor.

The PRESIDING OFFICER. The senior Senator from Pennsylvania.

Mr. CASEY. I wanted to speak generally about the matter that is before the Senate on trade adjustment assistance. I especially appreciate the work that has been done by the Presiding Officer from Ohio over many years, including his time in the House of Representatives and here in the Senate as well.

I want to make two comments, one about one of the amendments we will consider today by the Senator from Florida, but also to speak more broadly about this legislation. When the Senate is considering legislation, we do not every day do a good job of trying to put ourselves in the position of other people, workers and people who are suffering through a tough economy. When the Senate is doing its best work, part of the way we get there is by trying to figure out and understand, as best we can, what it is like to lose a job or suffer from—we are dealing with natural disasters and natural disaster assistance as well—but try to understand the people we represent. I know we cannot do that with full knowledge because many of us have never had to suffer through that kind of experience. I think it is important we try our best to

understand what this legislation is all about.

This is legislation which basically says the American people, through our government, are going to do everything possible to help folks when they lose a job, and especially when they lose a job as a result of unfair foreign competition. I have seen it in Pennsylvania for decades. We have been getting hammered because we have not often stood up for our own workers. We have not fought battles to help them get through the horror of job loss because of unfair foreign competition. All we are saying is we are going to try to help them to cross that bridge from losing that job in many cases they had for years or decades. So, No. 1, we are going to try to help them in that crisis.

No. 2, we are going to do everything we can to retrain them. They have to go to the training. This is not something we can hand to them. They have to work at the training and prepare themselves. I think most Americans believe when someone is in crisis, you try to help them, but you also want to make sure they can help themselves through training and retraining.

I think we should consider here what it would be like for one of us. Each of us has a salary and has health care here in the Senate and we have a pension plan, so we are doing pretty well. Imagine what it is like, though, to work in a plant for decades doing the same work, and you do that work with pride and dignity; you take care of your family; you work in a job that has a sustaining wage. You do that for decades, the same job virtually every day, every year, but you have two things: You have the ability to provide for your family and you have some dignity. Imagine when a hurricane, or unfair foreign competition, which our government has not done enough to fight against, sweeps through your factory and wipes you out before you can even think about it. It wipes out every job, or a lot of jobs. Sometimes physically it lifts the equipment off the floor and moves it to another country. That is what we are talking about here. So someone who has been doing this work for decades, in some cases, and all of a sudden they are not only without a job—that is bad enough—but they are faced with the prospect of not being able to transition because they have been in the same job and they have not had access to education or training that would allow them to transition. It would be nice if we had an economy everyone could transition, that you could get an educational level—and this is what it should be if we are doing the right thing providing this—that we have an educational level and an exposure to an immersion in skills and other advantages that will allow you to absorb that shock, allow you to pivot when someone with unfair trade wipes out your job. That is the ideal. That is what we hope we can develop in our education, our training system, training strategies. That is why workforce development is so important, so people have the broadbased skill level and they can absorb those shocks. But a lot of people can't.

All we are saying with trade adjustment assistance is we are going to help you with what we hope will be a short-term crisis for you and your family, and we are going to try to provide the training opportunities.

We are going to try to provide training opportunities so people cannot just get a new job but maybe can get a job because they have developed a skill that will allow them to have the same income for their families that they are used to but at least—at least—provide some short-term help for folks, and then give them skills for the long term. That is what this is all about. This is not complicated. It is all about that.

I understand we have a lot of folks here who have concerns about the legislation. They have concerns about one or the other aspect of it. But I hope we would not limit our horizons to helping all the folks who are adversely impacted.

For example, if we look at one of the provisions—this is why I want to get to the amendment itself that we are talking about. Here is what it does: The underlying amendment covers workers whose firms shift production to any country—any country—including China or India, not just countries with which the United States has entered into a free-trade agreement.

Look, I do not think we should be treating workers we are trying to help under trade adjustment assistance any differently if they do not fall within that category of only the 17 countries with which we have free-trade agreements. So I think we should make sure that—of course, this is one of the changes the underlying amendment will validate, that we are trying to help anyone in that category who has been so adversely affected. So I do not think we should limit it to just 17 countries. We trade with countries all over the world, and we should do our best within the limits of this legislation to make sure it applies to a lot more than 17 countries, and that is the effect of the underlying amendment.

The Rubio amendment would only cover workers who lose their jobs due to trade with those 17 countries with which we have a trade agreement. In some ways—this is my own opinion on it—it puts the burden on the workers to somehow prove they are in the right category when the burden should be on us to make sure we are doing everything possible to help them—again, short-term help for the crisis, long-term help by way of skill development.

We have 14 million people in the country out of work; 14.4 million is what I saw at last count. Of the 14.4 million people, almost 4.5 million have been out of work for 1 year or more. Just imagine that. That is bigger than the population of a number of States. In Pennsylvania we have 12.5 million people. If we can just consider more than one-third of a State's population being out of work for more than 1 year.

So we have a lot of people who are out of work a long time, and they are especially disadvantaged if they happen to work in those industries that are particularly sensitive to or adversely impacted by trade with countries that are not playing by the rules.

We are going to have a discussion today, as well, about the introduction of currency legislation as it relates to China, where a number of us, including the Presiding Officer—and it is a bipartisan bill—think we have to get much tougher as it relates to Chinese currency policy. If China cheats, that costs jobs. So we should be very tough in those instances, and I think we can be, and do it in a bipartisan way.

But I would hope, with a program that works, we would be doing everything possible to keep it expanded for people affected by countries beyond just those 17. I know the Senator from Florida is concerned about those workers. I just hope we can keep the provisions in place to protect all our workers as best we can and not just start to limit it to 17 countries at a time when we need help for folks—short term with the crisis but longer term with skill development so they can transition and start a new worklife, even if they are 45 or 50 or 55 years old. A lot of these folks are in that age category.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. DEMINT. Mr. President, I would like to speak in support of Senator RUBIO's amendment and thank him for helping us to focus on the original intent of trade adjustment assistance.

Obviously, we want to help folks who are unemployed or displaced because of trade. But we have to realize where we are with our country right now. We are using borrowed money and sometimes printed money in order to help people. So we have a responsibility to taxpayers and to some form of fiscal sanity, as well as to those who have lost their jobs. What Senator RUBIO is trying to do is to restore those original, responsible boundaries of trade adjustment assistance to make sure this program is focused on those who are hurt by trade agreements.

The discussion is somewhat odd in the first place in that for several years the President has been telling us these trade agreements are actually going to increase jobs in our country, expand exports—which I believe they will—but to use this as an excuse and to hold these trade bills hostage for several years in order to fund a program which duplicates many other programs—because we need to remember, those who are put out of work in our country today have not only regular unemployment benefits but they have been extended much beyond what we have done before, and there are dozens of State and Federal training programs now that duplicate each other. Unfortunately, many of them have been

found to be ineffective. But for us to lay another layer of duplication on top of that under the guise of showing compassion, I think we also have to make sure we are being responsible.

So we want to help folks who are unemployed, but we do need to make sure we are being responsible to the taxpayers. As I said, the trade adjustment assistance was originally designed to help those who were put out of work. And, believe me, coming from a textile State such as South Carolina, trade with China and other countries has displaced a whole lot of textile workers. Retraining is very important. The new jobs that moved in required more technical capabilities. But what we have found, as we have seen how our good intentions have hit the ground in South Carolina and around the country, is that even our own Office of Management and Budget rated TAA as ineffective.

The program costs taxpayers $1.3 billion in just this year, in 2011, and we are finding that what it was intended to do it is not doing. It is not well managed. It is not helping the people it is supposed to help. Since its inception, the program has gone from a focus on those who lose their jobs because of trade to all kinds of institutions, training groups, and, frankly, fraud, duplication, and not helping the folks it is intended to help.

If we want to know how far out of bounds the program has gone, we all know the story of Solyndra solar company that got over $½ billion from the American taxpayers and then went bankrupt and we lost our money. The workers now at Solyndra are applying for TAA benefits not because trade put them out of business, but, frankly, a coordinated effort of our government and Solyndra management have put these people out of work. But we can see, if they are now using a program called trade adjustment assistance to add to their unemployment benefits, the program is no longer within the bounds that it was intended.

If we are going to tell the taxpayers this program is intended for one thing, we need to make sure it is. What we are talking about now are trade agreements with Colombia, Panama, and South Korea. No one has come and told us these agreements are going to cost American jobs. Yet we have to pass more spending programs and add on to a program that has been proved ineffective in order to add jobs in America. That is not good policy. I do not think it is good politics.

I am thankful Senator RUBIO is taking the leadership to shine a spotlight on the need to help people while at the same time being responsible to taxpayers. We do not need to be funding additional unemployment for every company that goes out of business and was not properly managed. If we keep the program focused, it will help the people we need to help while, again, being responsible for hard-working Americans who are paying the taxes.

I encourage my colleagues to take a look at this amendment. Federal programs that continue to expand and expand and expand, they become less and less effective; they cost more and more money. If we are going to continue this program, let's do it responsibly.

Mr. President, I yield back and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 634

Mr. CORNYN. Mr. President, I want to speak briefly again on my amendment as to the sale of F–16C/Ds to Taiwan and respond to the comments of the distinguished chairman of the Finance Committee, Senator BAUCUS, who said this was neither the right bill nor the right time. I understand every manager of a bill wants a clean bill; in other words, they do not want amendments. They would like to bring it here and have the Senate pass it without any changes whatsoever. But that is not the way our system works.

Indeed, it is actually urgent we get this matter settled in a positive way because, as I mentioned earlier, there are 23,000 jobs in America that depend on this sale—many of them in the production line in Texas—but there are jobs all over the United States that depend on this.

Mr. President, I ask unanimous consent to have printed in the RECORD a document titled ''Projected Nationwide Employment Impact of Production of 66 F–16C/Ds for Taiwan.''

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROJECTED NATIONWIDE EMPLOYMENT IMPACT OF PRODUCTION OF 66 F–16C/DS FOR TAIWAN

State	Job—Years*
Alabama (AL)	168.6
Alaska (AK)	0
Arizona (AZ)	745.8
Arkansas (AR)	261.9
California (CA)	11,399.8
Colorado (CO)	37.1
Connecticut (CT)	5,876.1
Delaware (DE)	5.9
Florida (FL)	1,923.5
Georgia (GA)	537.4
Hawaii (HI)	0
Idaho (ID)	1.8
Illinois (IL)	777.7
Indiana (IN)	463.4
Iowa (IA)	199.6
Kansas (KS)	75.9
Kentucky (KY)	4.8
Louisiana (LA)	0.9
Maine (ME)	484.5
Maryland (MD)	2,687.3
Massachusetts (MA)	349.2
Michigan (MI)	879.9
Minnesota (MN)	179.6
Mississippi (MS)	16.1
Missouri (MO)	197.9
Montana (MT)	23.9
Nebraska (NE)	0
Nevada (NV)	0
New Hampshire (NH)	458.6
New Jersey (NJ)	747.9
New Mexico (NM)	482.8
New York (NY)	847.7
North Carolina (NC)	27.2
North Dakota (ND)	0
Ohio (OH)	10,577.0

PROJECTED NATIONWIDE EMPLOYMENT IMPACT OF PRODUCTION OF 66 F–16C/DS FOR TAIWAN—Continued

State	Job—Years*
Oklahoma (OK)	71.8
Oregon (OR)	137.8
Pennsylvania (PA)	266.4
Rhode Island (RI)	1.1
South Carolina (SC)	66.9
South Dakota (SD)	0.0
Tennessee (TN)	1.5
Texas (TX)	35,944.8
Utah (UT)	2,602.5
Vermont (VT)	170.6
Virginia (VA)	507.7
Washington (WA)	62.9
West Virginia (WV)	0
Wisconsin (WI)	78.9
Wyoming (WY)	5.3
District of Columbia (DC)	36.2
Rest of US (Spillover Effects)	7,270.2
Total U.S.	87,664.2

*Job-Year = 1 person employed for 1 year.

Source: May 2011 report by The Perryman Group (private consulting firm), ''An Assessment of the Potential Impact of the Lockheed Martin F–16 Program on Business Activity in Affected States and Congressional Districts''

Mr. CORNYN. This is a very interesting document because it breaks down on a nationwide basis where jobs would come from or be affected by a refusal to sell these F–16s. In California, for example, 11,399 job-years.

If you are wondering, like I was, what a job-year is, that is one person employed for 1 year. So that is pretty significant.

In Connecticut, 5,876 job-years; in Ohio—I know the current occupant of the chair, the distinguished Senator from Ohio, will be interested to know that Ohio would see 10,577 job-years as a result of this sale.

So as manufacturing is important in the State of Ohio, it is important in the State of Texas. Why would we not want to see these jobs created by this sale?

Mr. President, I have another document which is a letter signed by 181 Members of the House of Representatives to the President of the United States endorsing this sale. I ask unanimous consent it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, August 1, 2011.

THE PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are writing to express our concerns about the military imbalance in the Taiwan Straight. In order to maintain peace and stability in the Taiwan Strait, we believe it is critical for the United States to sell the government of Taiwan all the F–16 C/D it requires. We respectfully request that your administration move quickly to announce its support for such a sale and submit the required Congressional Notification for a sale as soon as possible.

Successive reports issued by U.S. and Taiwanese defense authorities outline the threat Taiwan continues to face, including the continued military buildup by the People's Republic of China. For example, Beijing has more than 1,400 missiles aimed at Taiwan and continues to add to this total. China is forging ahead and deploying next generation military technology. Military experts both in Taiwan and in the United States have raised alarms that Taiwan is losing its qualitative advantage in defensive arms that have long served as a primary military deterrent.

Due to impending changes within Taiwan's force structure, we respectfully urge a timely resolution to the aircraft sale issue. Within the next decade Taiwan will retire 70% of its fighter force and without new fighter aircraft and upgrades to its existing fleet of F–16s, Taiwan's situation could become quite precarious.

As you know, the Taiwan Relations Act of 1979 (TRA) states that it is U.S. policy ''to consider any effort to determine the future of Taiwan by other than peaceful means . . . of grave concern to the United States.'' We remain deeply concerned that delays in the decision on the sale of F–16s to Taiwan and subsequently notifying Congress of their sale could very well result in closure of the F–16 assembly line. In addition to enhancing Taiwan's security, approval of the sale would support thousands of American jobs—especially well-paying jobs in the manufacturing sector.

Thank you for your consideration. We look forward to your reply.

Sincerely,

Shelley Berkley, Phil Gingrey, M.D., Gerald E. Connolly, Mario Diaz-Balart, Ileana Ros-Lehtinen, Howard L. Berman, Donald A. Manzullo, Eni F. H. Faleomavaega, Dan Burton, Gary L. Ackerman, Steve Chabot, Eliot L. Engel, Elton Gallegly, Kay Granger, Connie Mack, Dana Rohrabacher, Edward R. Royce, Sandy Adams, Robert E. Andrews, Steve Austria.

Howard P. Buck McKeon, Sam Johnson, Eddie Bernice Johnson, Judy Chu, Frank R. Wolf, Tom Reed, Michael G. Grimm, Ander Crenshaw, Rick Berg, Paul Tonko, Tim Griffin, Charles B. Rangel, Robert J. Dold, Frank A. LoBiondo, Sheila Jackson Lee, Ann Marie Buerkle, Michele Bachmann, Spencer Bachus, Joe Barton, Dan Benishek.

Brian P. Bilbray, Gus M. Bilirakis, Rob Bishop, Sanford D. Bishop, Jr., Timothy H. Bishop, Marsha Blackburn, Jo Bonner, Dan Boren, Robert A. Brady, Michael C. Burgess, M.D., Dave Camp, John Campbell, Francisco ''Quico'' Canseco, Dennis A. Cardoza, André Carson, John R. Carter, Donna M. Christensen, Yvette D. Clarke, Emanuel Cleaver, Howard Coble.

Mike Coffman, K. Michael Conaway, Joe Courtney, Chip Cravaack, John Abney Culberson, Peter A. DeFazio, Rosa L. DeLauro, Theodore E. Deutch, Jeff Duncan, John J. Duncan, Jr., Renee L. Ellmers, John Fleming, J. Randy Forbes, Virginia Foxx, Trent Franks, Marcia L. Fudge, Cory Gardner, Scott Garrett, Charles A. Gonzalez, Gene Green.

Ralph M. Hall, Colleen W. Hanabusa, Richard L. Hanna, Gregg Harper, Andy Harris, M.D., Vicky Hartzler, Alcee L. Hastings, Nan. A.S. Hayworth, M.D., Joseph J. Heck, Martin Heinrich, Brian Higgins, James A. Himes, Maurice D. Hinchey, Tim Holden, Steve Israel, Darrell E. Issa, Bill Johnson, Walter B. Jones, William R. Keating, Steve King.

Jack Kingston, Adam Kinzinger, Doug Lamborn, James Lankford, John B. Larson, Robert E. Latta, Daniel Lipinski, Zoe Lofgren, Billy Long, Blaine Luetkemeyer, Cynthia M. Lummis, Daniel E. Lungren, Carolyn B. Maloney, Kenny Marchant, Tom Marino, Michael T. McCaul, Tom McClintock, Thaddeus G. McCotter, Patrick T. McHenry, Mike McIntyre.

Michael H. Michaud, James P. Moran, Christopher S. Murphy, Tim Murphy, Sue Wilkins Myrick, Grace F. Napolitano, Randy Neugebauer, Devin Nunes, Alan Nunnelee, Pete Olson, William L. Owens, Steven M. Palazzo, Steven R. Rothman, Jon Runyan, Tim Ryan, Linda T. Sánchez, Loretta Sanchez, Adam B. Schiff, Jean Schmidt, David Schweikert.

Austin Scott, David Scott, James Sensenbrenner, Jr., Pete Sessions, Heath Shuler, Michael K. Simpson, Albio Sires, Steve Southerland II, Frank Pallone, Jr., Bill Pascrell, Jr., Joseph R. Pitts, Ted Poe, Tom Price, M.D., Mike Quigley, Denny Rehberg, Silvestre Reyes, Laura Richardson, David Rivera, Bill Shuster, David P. Roe, M.D.

Mike Rogers, Peter J. Roskam, Todd Rokita, Dennis A. Ross, Jackie Speier, Cliff Stearns, Steve Stivers, Glenn Thompson, Mac Thornberry, Edolphus Towns, Michael R. Turner, Joe Walsh, Lynn A. Westmoreland, Ed Whitfield, Joe Wilson, Robert J. Wittman, Don Young, Richard B. Nugent, Benjamin Quayle, Robert T. Schilling, Robert B. Aderholt.

Mr. CORNYN. I see the distinguished Senator from Oklahoma in the Chamber, and I will defer to him momentarily. But I want to just say we need to understand what would happen if this production line of F–16s was shut down. The people who work on that production line would have to be let go or reassigned, actually exacerbating the high unemployment that we know is intolerably high. Once the production line of a sophisticated aircraft like the F–16 is shut down, we cannot decide, well, next year or the year after we are going to start up again—unless we are going to add tremendously to the cost. It makes it far less likely it will ever get made because of the costs and because of the sheer magnitude of the effort of trying to get this production line back together and all the people who were employed there back to work.

So that is why, to respond to the distinguished chairman of the Finance Committee, the manager of the bill, it is so important in terms of the timeliness. I agree there is a time for everything, but the time for this is now.

I will just say, finally, as I indicated earlier, this is a bipartisan measure, as demonstrated by the 47 Senators who signed letters to the President urging the sale; 13 Democrats, along with the remainder being Republicans.

In the House, this letter I mentioned earlier which has been made part of the RECORD, there are 181 Members of the House—a bipartisan list—I actually think that if the manager of the bill, the chairman of the Finance Committee, would accept this amendment, it would enhance the votes for the very bill he wants to see passed out of the Senate, perhaps later today.

In conclusion, I ask unanimous consent that the time allocated for Senator THUNE be reserved within the time allocated to the minority and that quorum calls be charged equally between the majority and minority bill time first.

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

Mr. CORNYN. I yield the floor.

The PRESIDING OFFICER. The senior Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, I ask unanimous consent that the short time I am asking for as in morning business not be taken from either side in this agreement.

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

Mr. INHOFE. Mr. President, let me say, as far as the subject is concerned right now, I am very proud to have one of the first signatures on this effort. It is good for every reason the Senator from Texas mentioned. On top of that, we have allies we are dealing with. We have the employment situation. I know this is going to be successful. I appreciate all the effort that has gone forth.

HONORING OUR ARMED FORCES

SPECIALIST CHRISTOPHER DAVID HORTON

Today, I wish to recognize and pay tribute to Army SPC Christopher David Horton from Owasso, OK. That is home of the Rams in case people did not know. Chris was born in Tulsa on October 1, 1984. He was deployed to Afghanistan with over 2,000 Oklahoma National Guard soldiers from the 45th Infantry Brigade Combat Team. There were actually 3,000 initially in this deployment. Some of them actually went to Kuwait at the last minute.

He was deployed to Afghanistan. This combat team, the 45th, has probably had more deployments than anyone else, although this was Chris's first deployment. His unit was attacked by enemy forces in Paktia Province on September 9, 2011. Chris and two of his fellow soldiers, SGT Bret Isenhower and PFC Tony Potter, died of injuries sustained from that firefight.

He would have turned 27 next week, on October 1. Chris attended the Missouri Military Academy in Mexico, MO, and graduated in 2003. He excelled both militarily and academically during his 6 years at Missouri Military Academy. He was the 2nd platoon leader his senior year, captain of the rifle team, on the honor roll, earning him the Academic Fourragere Award.

Chris lived a remarkable life, driven by service and excellence. He often spoke of his desire for America to excel. He was a business owner and a volunteer police officer. He was extremely patriotic and very passionate in his love for America and for its freedoms, knowing they have to be protected.

Chris was an accomplished recreational shooter and a professional sponsored shooter through the U.S. Shooting Academy of Owasso, OK. Some of his marksmen awards include the Gus Hadwiger Award of 2009. He received first place in novice pistol in the Oklahoma National Guard, first place in novice pistol in the Governor's Twenty Match. This guy was very good. He excelled and was among the very best. That was something he enjoyed.

But in addition to shooting—this is kind of interesting because things bond us together. I came so close to meeting him, but I never actually did. But one of the things we had in common is we

are both avid fishermen. He loved fishing. That is one of the things he enjoyed very much. Every opportunity he had, he would fish both ocean and freshwater.

His younger brother Nick said:

He was the best big brother I could ever have asked for. He taught me how to drive a car and how to fish.

That pretty much tells it all. Chris's mother Cherie Horton said:

My son's passion his whole life was to be a part of the military.

He wanted to be part of the military.

He loved his country, and he really wanted to serve his country. He was absolutely made to be a solder.

This is a mother speaking. Chris enlisted in the Oklahoma National Guard in 2008, was assigned to the 1st Battalion, 279th Infantry Regiment of the 45th Brigade of the Army National Guard.

He attended basic training at Fort Benning, GA, became a sniper-qualified infantryman, and to no one's surprise, graduated at the top of his class. Chris leaves behind his parents, Cherie and David Horton, his brother Nicholas, sister Tenley, and his wife Jane Horton. Chris met Jane while attending the Kings College in New York City. Jane said it was Chris's fiery passion and their mutual love for politics that brought them together.

He was the most honorable man I'd ever met in my life. That's why I snagged him and we were engaged within 2 months. We were married very fast.

She knew what she was out after. I know this is true because my staff and I got to know Chris through his wife Jane. She was an intern for me. She worked in my office, and we had these exchanges all the time. As could be expected, Jane took a personal interest in operations in Afghanistan. She worked with my legislative staff, responsible for military and veterans affairs.

During her time in Washington, she coordinated a campaign that resulted in over 20 care packages being sent to the Oklahoma National Guard Infantry Combat Brigade. I can tell everyone this, having been over there at a time when a lot of these care packages come in, we know, as we go across this country in helicopters, a lot of these packages, even though the people at home do not know it, are dropped to kids on the ground who love what we are doing there.

So I think Jane represents the best asset our military has at its disposal; that is, the military spouses. Her zeal and dedication are not uncommon attributes for military spouses who ''hold down the fort'' while their loved ones are deployed.

I had looked forward to meeting Chris during my upcoming trip to Afghanistan another week from now. I had a meeting during the break, the recess, in Collinsville, OK, and Jane was there. We talked about how we were going to meet up with Chris in my upcoming trip to Afghanistan. I had looked forward to meeting him during that trip.

While this personal conversation will not happen, I am committed to making Chris's desire that our Nation be led down the right path a reality. Chris lived a life of love for his family, friends, and country. He will be remembered for his commitment to and belief in the greatness of our Nation.

Here are some of the comments posted online in honor of his life. I think it is kind of neat to read a lot of these. They come from assorted different people. Some are members of the family, some are not. Here is one of them:

God's got a good warrior up there with him now.

Another one:

I want to thank the families of this wonderful young man who was willing to give his life for our freedom. May no one in America take this act lightly. Love and prayers to all of the family and friends.

Here is another:

Christopher David Horton was the kind of young man who would do anything for anybody.

Another one:

He is a hero—each and every servicemen/women are—they protect our freedoms and without them we cannot. Thank you Specialist Christopher Horton—may you rest in peace. Prayers being said for your family.

But here is my favorite one. It is actually by his brother Nick. He said:

You will be missed more than anything brother, especially on the range, you always gave me a run for my money. Till we meet again in heaven!

That is kind of great. This tough fight took place and took the life of Chris. But make no mistake, Chris's sacrifice made a difference and will continue to make a difference not just in Afghanistan but here in the United States.

We are safe and our country is secure because of Chris and all the service men and women. We have to continue in our unwavering support for them. Although each servicemember we lose hurts, it is because of our connection to Jane that my staff and I are particularly affected by the loss of SPC Chris Horton.

I extend the deepest gratitude and condolences to Chris's family. I will say something I will be criticized for—I always am. I have always been a Jesus guy. I find out, of course, that so is Chris. So when something such as this happens, even though we did not personally meet, we are brothers. So, in a case such as this, we do not say: Goodbye, Chris. We say: We will see you later.

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

The PRESIDING OFFICER (Ms. KLOBUCHAR). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. HUTCHISON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 634

Mrs. HUTCHISON. Madam President, are we under a time limit to discuss the Cornyn amendment?

The PRESIDING OFFICER. Senator CORNYN has 33 minutes remaining.

Mrs. HUTCHISON. I want to speak on the Cornyn amendment.

I ask unanimous consent that I be listed as a cosponsor.

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

Mrs. HUTCHISON. Madam President, the Cornyn amendment is important because the President of the United States has refused to allow the sale of 66 F–16C/D model aircraft to Taiwan. Taiwan is trying to modernize its air force, and it is not an issue of our not selling to Taiwan. They have bought the A/B models, so they have 145 F–16s in the earlier model, the A/B. They are trying to get the next generation of them.

This is a foreign policy issue, but also a domestic issue, because these are very important sales—the 66—for the F–16 line to be continued, and the hope is that this sale will go through. It is very important so that we can continue to make them for ourselves but also sell them to our allies. Most certainly, Taiwan is an ally and has used and likes the F–16. Taiwan has also used the French Mirage, but the French Mirage has a shortage of parts for Taiwan. They are trying to consolidate, with F–16s, American jobs and American fighters.

Now they are running into the roadblock of the administration. Within the next decade, Taiwan will retire 70 percent of its fighter force structure. Its F–5s have reached the end of their utility. The Mirage fighters lack parts and life cycle support, and their indigenous defense fighters are being converted to trainers. Taiwan's existing 145 F–16A/B fighters all require a midlife upgrade. With the F–16s already in the inventory, they are seeking to combine their whole fighter fleet with the single airframe, with the cost and operational benefits and the efficiencies that one fighter frame would give them.

We are concerned that further delay of the decision to sell the F–16s to Taiwan could in fact close the production line. That is why 45 members of the Senate have signed a letter to President Barack Obama, asking him to go forward with this sale of 66 F–16C/Ds to Taiwan.

The Taiwan Relations Act of 1979 directs Congress and the President to make decisions on arms sales to Taiwan based solely on the judgment of the needs of Taiwan. We believe that the Taiwanese pilots flying Taiwanese fighter aircraft manufactured in the United States represent the best first line of defense for our democratic ally, and do not pose any threat to China. There is no offense here. The Taiwan air force just patrols the Taiwan Strait to assure its safety and security.

I rise in support of the amendment that has been offered. It is very important. Bipartisan support in Congress

for working with our ally, Taiwan, without any offense to China is important and we need to assure that it remains solid and firm.

I hope our colleagues will help us with the amendment that will assure this sale goes through, that we keep the commitments we have made, and that we have the ability to sell to Taiwan; otherwise, they will surely look for other countries to buy from.

That is not in our interest. Here we are trying to create jobs in America. It is certainly in our strategic interest to have our ally buy our product, so we can do the training and work with them and have a strengthening of not only our trade but our defense alliance. It just makes sense to go forward. It is not as if we don't sell to Taiwan. They have already bought 145 F–16s. They now want 66 more of the newer version.

It is time for us to do what is right for our country, for jobs in our country, for our national defense, and for the keeping of our commitments and ties with our ally, Taiwan. I urge support for the Cornyn amendment. Since so many Democrats have signed a letter to the President, I hope that will translate into votes for the amendment so it will be clear that the bipartisan support in the Senate for the F–16 sale to Taiwan is accomplished.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

U.S. ASSISTANCE TO PAKISTAN

Mr. KIRK. I rise to commend the Senate Appropriations Committee, under the leadership of Chairman LEAHY and Ranking Member GRAHAM, on a decision we made yesterday as a full committee with regard to U.S. assistance to Pakistan.

In short, what the Senate did was to remove nearly all the guarantees of assistance funding to the Pakistani Government, based on new information and statements made by senior U.S. Government officials on the Pakistani Government and its intelligence service's—called the ISI—support for an organization called the Haqqani network, one of the most dangerous terrorist organizations on Earth.

We have learned from statements by our U.S. Ambassador in Kabul, U.S. Ambassador in Islamabad, Secretary of State, Secretary of Defense, and the Chairman of the Joint Chiefs of Staff that the Haqqani network has become the principle threat to the Afghan Government, to U.S. troops serving in Afghanistan, and to our NATO allies.

We have seen the U.S. Embassy in Kabul and NATO Headquarters were attacked on September 12. At least 16 people were killed, including 5 Afghan police officers and 11 civilians, in an attack organized and put together by the Haqqani network under the direct protection and support of Pakistan's Government itself. Just a few days earlier, at Combat Post Sayed Abad in Wardak Province, on September 10, over 77 U.S. soldiers and 17 Afghans were injured by a massive truck bomb likely put together by the Haqqani network, probably in Afghanistan, for an attack on Americans. This June 28, at the Hotel Intercontinental in Kabul, 12 Afghans were killed and 8 were wounded during a nighttime attack, also likely sponsored by the Haqqani network. That same network attacked Kabul Bank on February 19, with over 40 people killed.

The Haqqani network is a different branch of the Taliban. The Taliban largely does not have a safe sanctuary in Afghanistan or Pakistan. They have surrendered much of their operational control and initiative in eastern Afghanistan to the Haqqani network.

The reason why the Haqqani network has become so powerful and so strong is because it is protected by the Government of Pakistan itself, a claimed ally of the United States that receives substantial assistance provided by this Congress.

We have seen a very clear picture emerge from the administration directly connecting the Government of Afghanistan to the Haqqani network in support and assistance that has been involved in the death of American service men and women and our NATO and Afghan allies.

This started out on September 13, when one of our most able Foreign Service Officers, a real hero of Foreign Service, our Ambassador in Afghanistan, Ryan Crocker, highlighted Pakistan support for the Haqqani network and its role in attacks in Afghanistan.

Four days later, our U.S. Ambassador, his counterpart in Islamabad, Cameron Munter, gave a very important and I think brave interview on Pakistani radio, highlighting the role of the Pakistani Government support for this terrorist organization and its attacks on U.S. service men and women in Afghanistan.

The following day, Secretary of State Hillary Clinton, during a meeting with Pakistan's Foreign Minister Khar, also highlighted the government support for this terrorist organization and its attacks on American citizens serving in uniform in Afghanistan.

Finally, on September 20, the Chairman of the Joint Chiefs of Staff, Admiral Mullen, in a presentation before the Carnegie Endowment for Peace, also highlighted Pakistan's official government support for the ISI and the Haqqani network.

In testimony today in the Senate Armed Services Committee, Admiral Mullen reiterated these claims, stating the ISI, Pakistan's Government, had provided explicit support for an attack on the U.S. Embassy in Kabul and NATO headquarters. The Haqqani network, supported by the Government of Pakistan, is also responsible for attacks on Afghan and Indian construction efforts in the Kabul-Gardez Road at Camp Chapman, an attack that killed seven CIA employees and enabled the kidnapping of American and British journalists.

Within Pakistan, the Haqqani network serves as a trusted intermediary between the Pakistani intelligence service and terrorist organizations active also against the Indian democracy in Kashmir and throughout the subcontinent. These include Lashkar-e-Taiba and Tehrik-e Taliban Pakistan, organizations responsible for the 2008 and 2011 Mumbai attacks.

Secretary Clinton, Secretary Panetta, Admiral Mullen, General Allen, Ambassador Crocker, Ambassador Munter, and the Congress, Republicans and Democrats here in the Senate, now all agree that the Pakistani Government's complicity and longstanding history of support and protection for the Haqqani network is a major impediment of the U.S. goal of achieving safety and security in Pakistan and Afghanistan. The Pakistani Government should end its protection of the Haqqani network.

The Haqqani network is a wholly owned subsidiary of the ISI, and is responsible for the death of American service men and women and civilians in Afghanistan. Both the United States and Pakistan would benefit from a strong and stable Afghanistan, but the ISI part of the Pakistani Government disagrees and supports terror. That is why it is important that the Senate made this decision to remove all but the counterterrorism accounts from Pakistan and to put in new language conditioning any extension of aid to Pakistan on cooperation against the Haqqani network.

We will need to define what ''cooperation'' means, and I hope what it will mean is, No. 1, a substantive and continuous reduction in Haqqani op tempo against U.S. and NATO forces in Afghanistan, showing that nearly all of the attacks have been eliminated within the calendar year and, on top of that, authority or action by the United States or NATO allies to hit Haqqani targets in the frontier autonomous tribal area, where they have been protected to date.

Unless we can meet these two conditions, I believe the decision we have made to remove the floors and stop the guaranteed funding for Pakistan is a wise one. This is a rare moment in which the U.S. Ambassador in Kabul, the U.S. Ambassador in Islamabad, the Chairman of the Joint Chiefs of Staff, the Secretary of Defense, and Secretary of State have all said that the Pakistanis directly support terror through the Haqqani network and it needs to stop. In these tough economic times where nearly all of the assistance under the legislation approved yesterday is in the overseas contingent operation account—which, remember, is all borrowed money to be provided to

Pakistan—it should be done only if their policy of supporting the Haqqani network ends.

I am very glad the administration and now the Congress have spoken with a clear voice. I only hope we hold our nerve because, otherwise, if we go by past policies of having mere Pakistani promises and official statements be the cause for releasing U.S. aid, we will repeat the failures of the current policy. We need actual action. We need to understand that senior Pakistani officials—of their foreign ministry, of their intelligence service, and of their defense department—have directly lied to American officials. Only by action and cutting off the Haqqani network can we make sure that at least the U.S. taxpayer is not supporting this terrorism.

I commend the action of the Foreign Operations Committee yesterday. I commend that it was a bipartisan action. Now I hope we stick to our guns and make sure we do not provide assistance to Pakistan unless they stop supporting this most dangerous now terrorist operation operating against our men and women in uniform serving in Afghanistan.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent to speak as in morning business for up to 5 minutes.

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

Mr. BROWN of Ohio. Madam President, I first rise to speak for 30 seconds on the trade adjustment assistance legislation and the amendment Senators BAUCUS and CASEY and I have been working on, to make sure that trade adjustment is available to workers who have lost their jobs because of service or manufacturing and trade competition—only not real competition, because so often the deck is stacked far too much against American workers and American companies. Other amendments notwithstanding, I don't want to see this restricted to only those workers who have lost their jobs from unfair competition from countries we do not have trade agreements with. It sounds almost silly to have to say that. We need to keep this program focused on all workers who need some assistance, who need to be retrained. They lost their jobs through no doing of their own.

It suggests the next issue, and that is something a bipartisan group of Senators has raised. Republican Senators, Senator BURR, Senator GRAHAM, Senator SESSIONS, Senator SNOWE, and Senator COLLINS, and Democratic Senators, Senator SCHUMER, Senator STABENOW, I am one of the five, Senator HAGAN, and Senator CASEY—each of us has pushed for legislation dealing with the problems of currency. The Chinese have clearly gamed the system.

We spent all this time on the budget deficit. It is certainly worth addressing in a big way. But we spend so little time on the trade deficit, and the trade deficit cuts right into eliminating American jobs.

Recent studies show that literally hundreds of thousands—some 2.8 million jobs have been lost to China since 2001, in a decade. Two-thirds of those were manufacturing jobs lost because of unfair trade practices, in part because of the way the Chinese game the system on currency. Our legislation says several things. One of the most important parts of this legislation is simply telling the U.S. Government, when it is doing an investigation on trade cases, it must consider currency manipulation by the Chinese.

This will result, we know, in significant job growth in our country. It will mean more exports of U.S. products to China because it takes off that advantage they have. It will mean American companies making products here can compete with Chinese competition trying to sell into our market—again because it takes away the unfair subsidies the Chinese have had.

You do not have to go very many places—in West Virginia, in Connecticut, in Ohio—to see how many cases there are of products sold in this country that used to be made here that are now being made in China. Currency is not the only reason but it is surely one of the reasons.

I will close with this, a brief story about a company in southwest Ohio which manufactures paper. Until a decade and a half ago, the Chinese, the People's Republic of China, did not even have a coated paper industry. That is the sort of magazine paper, glossy paper we are all familiar with. The Chinese did not even have the kind of technology to make that paper for a decade and a half. Since then, they started their industry. They buy their wood pulp in Brazil, they ship it a long way to China, they mill it in China, they ship it back to the United States and they undercut American companies by underpricing American companies—southwest Ohio, in many cases, southern Ohio, American companies, and other places. They undercut them with price.

They tell me when you make paper, only 10 percent of paper costs are labor costs. What that means is the Chinese are subsidizing in water and in credit, in land, in energy, and in labor, and in currency. We have been somewhat successful in fighting back and showing that the Chinese are cheating. But if we have that additional tool, they cannot game the currency system, and we will not see the kind of job loss, the hemorrhaging of jobs in West Virginia and Ohio and all over this country.

American companies are some of the most efficient in the world. The workers are the best in the world. We will be able to compete on a much more level playing field. That is the importance of the legislation that 10 Senators, 5 Democrats and 5 Republicans, are introducing. We spoke about it today. It is essential the Senate move forward on it.

I thank Senator BLUMENTHAL for yielding me these 5 minutes and I yield the floor.

The PRESIDING OFFICER. (Mr. MANCHIN). The Senator from Connecticut.

Mr. BLUMENTHAL. Mr. President, are we in morning business?

The PRESIDING OFFICER. We are not in morning business.

Mr. BLUMENTHAL. I will proceed, then, as in morning business.

First, I thank and commend the Senator from Ohio on his very important efforts on Chinese currency manipulation. I am proud to be a cosponsor with him on his legislation. I intend to introduce my own. He has been a very stalwart advocate and champion of U.S. trade interests and deserves the thanks and commendation of this body and the American people. I thank the Senator from Ohio.

ISRAEL

I rise today to restate at this crucial juncture my unwavering commitment, as stated so eloquently by many in this body over the years, to the United States-Israel relationship and America's unshakeable commitment to Israel's security.

I thank the President of the United States for his address to the United Nations, which very powerfully and courageously stated that commitment. The President's strong message shows again that our shared interests, as well as our friendship with Israel, are deep and enduring.

As my colleagues know all too well, the Israelis and Palestinians must reach agreement through negotiations on the issues that divide them, not through the United Nations. Israel has repeatedly endorsed a two-state solution that will sustain it as a Jewish and democratic homeland. To be achievable, any lasting peace and any plan for peace must acknowledge the real security concerns that Israel faces day in and day out and has faced throughout its history.

The President's powerful remarks at the United Nations were inspiring in a forum that has been repeatedly hijacked by dictators and despots for the purpose of delegitimizing Israel and fomenting anti-Semitism. The Palestinian Authority's bid for United Nations recognition is a distraction from the hard work, the really hard work needed to achieve peace and find an equitable solution.

As the President said, ''The fact is peace is hard.'' To succeed, ''peace depends upon compromise among people who must live together long after our speeches are over.''

Tough compromises will have to be made by both the Israelis and the Palestinians. The United States is ready to assist both peoples in taking necessary risks for peace, and Israel is willing to sit down and commence those talks immediately with the Palestinians.

The bid for United Nations recognition is also a distraction from the deteriorating situation in the Middle East, where governments of the region, both old and new, seem all too willing to use Israel as a target and as a scapegoat, rather than face the legitimate needs of their own people.

In Turkey, for example, the government has stretched to seek a confrontation with Israel rather than address the humanitarian disaster on its doorstep in Syria. In Egypt, the government honored those who attacked the Israeli Embassy in Cairo, rather than release from detention their citizens arrested for advocating for democratic reforms and freedom. Most concerning to this Chamber, Iran's Government has doggedly pursued nuclear weapons and threatens to destabilize the entire region. Nobody is fooled about the military dimensions of Iran's nuclear program.

On this day we do not yet know how the Palestinian Authority's bid for statehood recognition at the United Nations will be resolved. I do know my colleagues on both sides of the aisle will not be sidetracked from advocating for the hard work toward peace. By encouraging the Palestinian Authority to return to the negotiating table, which they have refused to do, and by continuing strong United States-Israel defense cooperation our Nation will deter those who would seek to achieve victory over Israel by either using the force of arms or manipulating international institutions such as the United Nations.

By sending the Iran, North Korea, and Syria Sanctions Consolidation Act of 2011 to the President for his signature, we can do our part to call attention to Iran's use of denial and deceit to advance its nuclear program. By passing a foreign operations appropriations bill for fiscal year 2012 that aligns our assistance with our international commitments—including over $3 billion in aid to Israel—this body will, again, demonstrate its leadership in striving for peace.

Finally, I would be remiss if I did not call attention to the fact that while each of us was free to hear the President's remarks, yesterday was and today remains another day that Gilad Shalit is held hostage by Hamas. As a nation founded on the unalienable right to liberty, we must repudiate those who seek to forge a nation while continuing to collaborate with his captors. I urge his release.

I look forward to working with my colleagues and the President on all of these efforts. They are truly bipartisan. They unite us as a body and they unite the American people. I thank you.

I yield to the distinguished Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I ask to speak as in morning business for up to 5 minutes.

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

Mr. WARNER. I would like to thank my friend, the Senator from Connecticut. Let me add my voice to his. There is no better friend or stronger ally. This is one of the key relationships our country has. Like the Senator from Connecticut and the Presiding Officer and others, we have a lot of things in this body we disagree with, but our firm support for Israel, particularly at a time when there is so much turmoil in that region, it is important the Senator from Connecticut, Mr. BLUMENTHAL, spoke on that issue.

RECOGNIZING FEDERAL EMPLOYEES

I am going to take a moment today to repeat something I do on a regular basis. It is something I inherited from the former Senator from Delaware, Mr. Kaufman, when he was here. He would, on a fairly regular basis, come down and recognize the great work of individual Federal employees.

We spend a lot of time in this body talking about what government does not do well and how we need to rein in and get our government in order. I know the Presiding Officer and I share those beliefs. There are an awful lot of good folks who work for our Federal Government day in and day out who do not get much recognition but provide incredibly valuable service to literally 300 million Americans.

So following in Mr. Kaufman's footsteps, I come down and pick a Federal employee to recognize. I will get to this Federal employee in a moment.

Let me just say we have already seen rumblings in the press of another potential political brinksmanship around the end of the fiscal year. I see my good friend, the Senator from Maryland, who, like me, a Senator from Virginia, has a disproportionate number of Federal employees in our respective States. The Presiding Officer from West Virginia probably has a disproportionate number of Federal employees as well.

Every time we get to that eleventh hour, we put all these Federal employees' lives in limbo, and that is not fair. It is not right. Every time we do this, we self-inflict upon this economy another effort imposed by us that slows our economic recovery. I know the majority leader and others are trying to work in good faith to make sure we do not have another brinksmanship around the end of the fiscal year.

Mr. CARDIN. Will the Senator yield?

Mr. WARNER. I will be happy to yield.

Mr. CARDIN. Let me thank my colleague from Virginia. He is absolutely right. We went through a pretty tough time a month ago when we reached an agreement on the funding levels. It should be a very simple process to get a continuing resolution passed that will extend the government based upon the agreement that was reached just a month ago.

The Senator from Virginia is right about our Federal workforce. Our Federal workforce is doing more work with less people. They are subjected to a 2-year pay freeze, which they were subjected to before we had an agreement to deal with the deficit. For the sake of our Federal employees, for the sake of the people who depend upon their service, and for the sake of our economy and for good governance, the passage of what we call a clean continuing resolution that allows us to work out the individual appropriations bills should be beyond any disagreement.

I thank the Senator from Virginia for his leadership not only on behalf of Federal employees, but also on behalf of sensible budgeting so we do not have to go through this type of ordeal and put people through this unnecessary anxiety.

Mr. WARNER. I thank the Senator from Maryland. I will now take a moment in this continuing effort to recognize examples of the kind of people who serve our government—oftentimes for not much recognition, a lot less pay and, candidly, some disdain from people on both sides of the aisle.

HONORING ALFONSO BATRES

Mr. President, I am pleased to honor Dr. Alfonso Batres, who is the chief readjustment counseling officer at the Veterans Health Administration. He has direct oversight of 300 vet centers, 50 mobile vet centers, and over 1,900 vet center staff providing readjustment service to war zone veterans and their families across the United States. He has worked extensively to ensure vet centers—which are small storefront operations located throughout the country—are accessible to as many people as possible. His efforts led to nearly 200,000 veterans and their families to visit vet centers a total of 1.2 million times in 2011 alone.

Dr. Batres has also expanded the scope of coverage for vet centers and worked to improve the quality of the services offered to veterans. For example, he provided family bereavement service and the Combat Call Center, which allows veterans to talk to other combat veterans about readjustment issues they may be experiencing.

Dr. Batres' dedication to providing quality veteran-centric care has led to praise throughout the health care community. According to Lawrence Deyton, a former Veterans Affairs colleague:

> Dr. Batres' combination of vision and personal experience . . . has translated into the Vet centers becoming the gold standard, and a model for public health programs.

In an interview, Dr. Batres said:

> The opportunity to serve veterans and their families as a civil servant through the Vet centers program has been a dream realized and an honor.

In 2009, when I first joined this body, I helped launch a comprehensive study that evaluated the quality of care and benefits we are providing to our returning combat veterans, especially women who are affected by post-traumatic stress syndrome and traumatic brain injury. I think we are very fortunate to

have someone as dedicated as Dr. Batres working on these important issues.

I hope my colleague will join me in honoring the doctor, as well as all of those at the Department of Veterans Affairs, for their excellent work today. I also am proud to recognize that Dr. Batres, as a Virginian and a Vietnam veteran, has dedicated 37 years to public service.

As I was saying earlier, along with the Senator from Maryland, there will be issues on which we disagree with our friends on the other side of the aisle. We have to have a way to argue, debate, and decide on those disagreements, but let's make sure we do not put this country and our Federal employees in more—and, equally important, the 300 million Americans who not only depend on those services that are provided, but mostly are about trying to recover in this economy—let's not have act 3 of that kind of political brinksmanship which started in the spring and then over the debt crisis and now potentially at the end of this month, which are, in effect, self-inflicted wounds on our economy that is struggling so much to recover.

I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 651

Mr. HATCH. Mr. President, I thank Senator RUBIO for offering his important amendment that will constrain spending on TAA by limiting TAA benefits to workers negatively impacted by free trade agreements negotiated by the U.S. Government.

As I explained in offering my amendment yesterday to tighten the standard of eligibility for TAA, the expanded TAA Program will grow and grow and cost more and more taxpayer money. The expanded TAA Program proposed by the chairman is no longer about trade policy but, rather, about expanding a domestic spending program. The TAA Program proposed by our friends across the aisle extends TAA to services workers and to workers impacted by shifts of production or services to any foreign country. In an integrated and rapidly expanding global economy, conceivably all business decisions made at home and abroad could trigger TAA's generous benefits.

As I predicted at the beginning of this debate, many of my friends who support TAA have argued that more people used the TAA Program when it was expanded in 2009; therefore, it must be working. I strongly reject this argument. Spending more money and certifying more workers does not mean a program is succeeding; it simply means the program is expanding and costing more and more taxpayer dollars.

Proponents of an expanded TAA Program tell us there is a moral obligation for the government to help mitigate the costs from job losses associated with increased imports and offshore outsourcing, which often occurs as a result of direct government policies, that is, trade agreements. But why do we choose to reward some Americans who lose their jobs due to adjusting to some Federal policies—in this case, trade policy—but not others? Even if one were to concede that the Federal Government has some obligation to help those who lose their jobs due to the trade policy actions of the United States, surely workers who lose their jobs for reasons that have nothing to do with Federal Government actions should not receive these favorable TAA benefits.

I have heard lots of talk about the improvements made in the 2009 TAA stimulus expansion. One word I do not hear much anymore is ''globalization,'' because if you go back and look at the actual bill, the 2009 stimulus TAA package was actually called TGAA, trade and globalization adjustment assistance. The chairman has dropped the ''globalization'' reference in the title of the TAA extension amendment we are considering today, but the legislation retains the untenable expansion of eligibility criteria included in the 2009 stimulus version.

The TAA Program we will vote on today, as offered by the chairman has lost any nexus to U.S. trade policy actions. Under the chairman's expanded TAA Program, workers who lose their jobs, allegedly due to shifts in production to non-free-trade agreement countries, will be eligible for the generous TAA benefits.

As I highlighted in my remarks yesterday about Solyndra, in a dynamic U.S. and global economy, businesses can start up and shut down for many reasons that have absolutely nothing to do with foreign trade and certainly nothing to do with any specific U.S. trade policy. Solyndra failed due to a bad business model and an ill-conceived Federal loan of a half a billion dollars in taxpayer money—it was a little bit more than that—not because of trade policy. That Solyndra workers may receive TAA benefits highlights the problems with the program.

Globalization has changed how our businesses operate—both large and small—and all the variables that now impact buying and selling decisions through global supply chains, shifting demographics, shifting demand trends, different tax regimes, and ever-changing investment climates will necessarily create opportunities and challenges for all American businesses. We should help American businesses and farmers compete for the new customers and consumers around the world, and we do this best by prying open those markets, protecting American intellectual property rights and investments, and strengthening the rule of law.

That is why my colleagues and I continue to push the White House to send the three pending free-trade agreements to Congress for a vote, so we can help our businesses and farmers better compete in a global economy. If we want to help our economy and create jobs, passing the FTAs should be our first order of business.

The best response to globalization is to harness its dynamic growth to our benefit, not to choose winners and losers and give them unproven training and additional income support and health care entitlements. If the purpose of TAA is to help workers adjust to trade policy actions by the government, then only those workers impacted by trade with U.S. free-trade agreement countries should be eligible.

Again, I thank my colleague and friend, Senator RUBIO, for offering this important amendment and trying to look out for the taxpayer and narrowly constrain spending on TAA. I urge my colleagues to support his amendment.

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

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

AMENDMENT NO. 650

Mr. THUNE. Mr. President, I call up amendment No. 650 to make it pending.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. THUNE] proposes an amendment numbered 650.

Mr. THUNE. I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

AMENDMENT NO. 650

(Purpose: To require a report on the consequences of failing to act on trade agreements)

At the end, add the following:

TITLE _____—ITC REPORT

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Quantifying the Effects of Failure to Act on Trade Act''.

SEC. ___02. ITC REPORT.

(a) IN GENERAL.—

(1) FAILURE TO ACT ON AGREEMENT.—Not later than 2 years after the date that the President enters into a trade agreement, the International Trade Commission shall submit a report described in subsection (b) to Congress, if —

(A) legislation to implement the agreement has not been submitted to Congress;

(B) a bill to implement the agreement has not been considered by either House of Congress; or

(C) the agreement has not entered into force with respect to the United States.

(2) FOLLOW UP REPORT.—The International Trade Commission shall update the report required by paragraph (1) each year thereafter, if legislation to implement the agreement has not been submitted to Congress, a

bill to implement the agreement has not been considered by either House of Congress, or the agreement has not entered into force.

(b) CONTENTS OF REPORT.—The report required by subsection (a) shall contain the following:

(1) A quantitative analysis of the impact on United States businesses and individuals caused by the delay in the implementation of the agreement. The analysis shall examine all relevant factors impacting United States businesses and individuals, including—

(A) lost market shares for United States exports in foreign markets resulting from new trade agreements implemented between the country with respect to which the trade agreement was entered into and any other country, and market shares lost for United States exports resulting from any other factor;

(B) how the delay in implementing the agreement is affecting the advancement of United States trade objectives, described in the Bipartisan Trade Promotion Authority Act of 2002 (or any subsequent trade promotion authority); and

(C) how the delay in implementing the agreement is affecting the protection of intellectual property rights of United States businesses operating in foreign markets.

(2) The impact on employment in the United States resulting from the delay in implementing the agreement.

(3) An estimate of the probable impact on United States businesses, in terms of exports, profitability, and employment, if the trade agreement does not enter into force by the end of the calendar year following the date of the Commission report

(c) APPLICABILITY.—The International Trade Commission shall submit the report required by this section with respect to—

(1) any trade agreement entered into on or after the date of the enactment of this Act; and

(2) any trade agreement entered into before the date of the enactment of this Act if such agreement has not entered into force with respect to the United States by June 30, 2012.

Mr. THUNE. Mr. President, I rise in support of this amendment, which I filed yesterday afternoon, which deals with what I believe is a very important topic; that is, the high cost of delay when it comes to the pending free-trade agreements. I raised this issue yesterday, and I wish to reemphasize my comments in light of the fact that we will be voting on this amendment this afternoon.

Most of the debate the last few days has been about the merits of trade adjustment assistance. But there is another aspect of trade adjustment assistance renewal we should consider. It is the fact that there has been a real cost to America's economy and to the American businesses as a result of the President's strategy to link passage of the three trade agreements to a renewal of an expanded Trade Adjustment Assistance Program.

This is very unfortunate, especially considering that even the White House acknowledges that passing the trade agreements is one of the best things we could do in the short term to create jobs. According to the Business Roundtable, the passage of the trade agreements will support 250,000 American jobs. The U.S. Chamber of Commerce estimates that as many as 380,000 U.S. jobs could be in jeopardy if we do not pass the free-trade agreements.

One would think passage of these trade agreements, which were signed in 2006 and 2007, would have been an early priority for the Obama administration. Yet here we are more than 2½ years into this administration, and the President still has not made a commitment to send us the trade agreements so we can consider them.

Perhaps some might say it takes time to get an agreement implemented after it has been signed. Let's consider some recent trade deals the United States has negotiated. Consider the U.S.-Australia Free Trade Agreement. This agreement with an important ally was signed on May 18, 2004, and entered into force on June 1, 2005, a little over 1 year later.

Consider the U.S.-Chile agreement. This agreement was signed on June 6, 2003, and entered into force on January 1, 2004, only a little over half a year later. Perhaps we should look at the U.S.-Peru agreement. This agreement was signed on April 12, 2006, was passed by the Democratically controlled House in November of 2007, and the Democratically controlled Senate in December of 2007.

Let me repeat. A Democratic House and Democratic Senate took up and passed an agreement, negotiated and signed by a Republican President, just over a year and a half after it was signed. So we know that even when the President and the majority in Congress come from different parties, we have still been able to implement our trade agreements expeditiously for the good of the country.

My point is not simply that the three pending free-trade agreements are long overdue. The point is, our process for considering trade agreements did not envision such long delays between signing and implementation. Nevertheless, we need to respond to this unfortunate reality, and my amendment helps us to do so.

It is very simple. Under current trade promotion authority procedures, the International Trade Commission must prepare a report that is submitted to the Congress no later than 90 days after a trade agreement is signed. However, there is currently no requirement that the ITC conduct a study to assess the negative impact on U.S. businesses when we delay implementation of an agreement, as we have for more than 4 years with Korea, Colombia, and Panama.

My amendment would simply require the ITC to assess the negative impact to U.S. businesses if a trade agreement is signed but has not been considered by Congress within 2 years. The ITC study would focus on lost U.S. export opportunities, how the delay has impacted U.S. trade objectives as set out under trade promotion authority, as well as how the delay impacts the protection of U.S. intellectual property overseas.

The study would also estimate the impact on U.S. employment if the trade agreement in question continues to languish. Finally, the ITC would be required to update their study in every subsequent year that the trade agreement is not considered by Congress or if it is still not entered into force.

My amendment follows a very basic principle. If the President believes a trade agreement is in America's national and economic interests, he needs to submit it to Congress. If he does not submit it to Congress, we need to have better information as to what the costs are of that delay. If we think these trade agreements are important—and the President spent much of the month of August talking about the need to pass them, so clearly he believes they are important—then we need to be able to more effectively weigh the disadvantages imposed upon American businesses and consumers as a result of not implementing them.

I wish to emphasize this is not a partisan amendment. It will apply to any future President who delays implementation of a trade agreement, Democratic or Republican. Why is this so important? Because the global economy in which American businesses compete is not static. It is dynamic, fast moving, and ever changing. As we stand here today, there are more than 100 new free-trade agreements currently under negotiation around the world. Yet the United States is a party to only one of those negotiations, the Trans-Pacific Partnership.

I have with me the ITC report on the U.S.-Colombia agreement issued shortly after it was signed. The date on this report is December 2006, over 4½ years ago. Would it not be helpful to have a recent report that would take into consideration the impact to U.S. businesses from the Canada-Colombia trade agreement that recently went into effect or the EU-Colombia Free Trade Agreement that will go into effect next year?

Let's consider the cost of delay to just one U.S. company, Caterpillar. As we all know, Caterpillar is a leading producer of large construction and mining equipment and a major U.S. exporter. Caterpillar exports 92 percent of its American-made large mining trucks. Caterpillar's large truck exports to Colombia face a 15-percent duty, which adds about $300,000 to the cost of each of those trucks exported to Colombia.

Just imagine the advantage Caterpillar could have had for the last several years over its Japanese and Chinese competitors if the Democratic House in 2008 had not refused to consider the Colombia agreement when President Bush submitted it or if President Obama had submitted it promptly upon taking office.

But the Caterpillar example is just one company. We did an unbiased, objective, and expert study on the cost to all U.S. businesses of delay. My amendment would accomplish this.

Consider that U.S. companies have paid more than $5 billion in tariffs to Colombia and Panama since the trade

agreements with these nations were signed more than 4 years ago. More importantly, U.S. businesses have lost countless business opportunities in Korea, Colombia, and Panama.

Consider another example, the market for agricultural products in Korea, which is the world's 13th largest economy. Korea's tariffs on imported agricultural goods average 54 percent, compared to an average 9-percent tariff on these imparts into the United States. Passage of the Korea Free Trade Agreement will level the playing field. Yet this administration continues to delay sending these agreements to Congress.

At a time of near-record unemployment and slow economic growth, this delay is unacceptable. This ongoing delay is having a real impact on American businesses, and it will only get worse as the EU-Korea agreement has now entered into force and European companies are getting the benefits of lower tariffs and market access.

The Colombian market for agricultural products is another good example of the high cost of delay. In 2010, for the first time in the history of U.S.-Colombia trade, the United States lost to Argentina its position as Colombia's No. 1 agricultural supplier.

Consider the story of the three main crops we grow in South Dakota: corn, wheat, and soybeans. The combined market share in Colombia for these three U.S. agricultural exports has decreased from 78 percent in 2008 to 28 percent in 2010, a staggering decline of 50 percentage points. This situation will only get worse now that the Canada-Colombia agreement has taken effect as of August 15 of this year.

As Gordon Stoner, a wheat grower from Outlook, MT, testified before the Finance Committee earlier this year: ''Our share of the Colombia wheat market has declined from 73 percent in 2008 to 43 percent in 2010, and industry representatives in Colombia indicate we could lose our entire market share following implementation of the Canada-Colombia free trade agreement.''

We are living in a global economy where America cannot afford to stand still on trade. There is another cost to the delay in submitting these free-trade agreements to Congress that we should consider. This is the loss of trust we may experience and be creating with new potential trade agreement partners. Consider, if a country is an emerging economy today and they have the opportunity to negotiate a comprehensive trade agreement with either the European Union or the United States, what message is our delay sending to those potential trading partners?

Unfortunately, the message appears to be that if they negotiate with the EU, they will get the benefits of an agreement much sooner than if they spend the time and effort to negotiate an agreement with the United States. This is best exemplified by the negotiations with South Korea, a large economy, a major market for agricultural goods, as I mention, and manufactured goods as well as services.

The U.S.-Korea Free Trade Agreement was signed in June of 2007. Korea's trade agreement with the EU was launched in May of 2007, just 1 month earlier. We had basically finished the entire negotiation process and wrapped up our agreement with Korea by the time the EU was just launching the beginning of their negotiations with Korea. As I mentioned earlier, the EU-Korea agreement has now taken effect, and the President has not even yet submitted our agreement with Korea to Congress for consideration.

Again, we are not creating a favorable impression for any future trade agreement partners. As emerging economies mature, millions of new middle-class consumers enter the global marketplace. This is an impression we simply cannot afford to let persist. American businesses and exporters need acces to fast-developing markets.

Imagine if American business operated the way Washington, DC operates. What if American companies, such as Apple or IBM, waited 4 or 5 years to develop their next product? Would they continue to outinnovate their foreign competition? Of course not. Just as U.S. businesses cannot afford to stand still, the U.S. Government cannot afford to stand still as we have on trade for these past several years.

In 1960, exports accounted for only 3.6 percent of U.S. GDP.

Today, exports account for 12.5 percent of our GDP. Exports of U.S. goods and services support over 10 million American jobs. It is long past time that we get back in the game by passing the three pending trade agreements.

My amendment will ensure that if we delay, if we fail to act, we will have a better assessment of the cost to American businesses and consumers of that delay. Hopefully, that information will make us more likely to act with a sense of urgency.

My amendment should not be controversial. It doesn't change the underlying bill or change trade adjustment assistance. It should not be something that would affect the ability of this legislation to pass the House. It is a forward-looking amendment that will improve the process under which we consider future trade agreements.

It is important that we get this done. The year 2006 is the last time we had an assessment of the impact of not acting on the Colombia Free Trade Agreement. Earlier today, Senator BAUCUS made some remarks about my amendment and referred to it as a ''backward-looking'' amendment. Nothing could be further from the truth. It is not about casting blame or looking back; it is about improving trade by giving Congress better, more comprehensive information on the impact of delay.

Senator BAUCUS said earlier that nobody disputes the harm from delaying agreements. But has the U.S. Government quantified the harm of the delay in a comprehensive fashion so that we know exactly the cost the delays are imposing on U.S. businesses and individuals and impact on U.S. employment or on the protection of U.S. intellectual property in foreign markets? The answer is no. As a result, it is more difficult than it should be to balance the benefits of this delay on the one hand, which would be any benefits from renewal of the expanded TAA, with the cost on the other hand. This is 9 months away. I certainly hope the Colombia, Korea, and Panama Free Trade Agreements will pass soon and go into effect long before next June.

This amendment is forward looking, as it applies to future trade agreements, if they are not submitted to Congress or considered by Congress or not entered into force within 2 years of being signed. This will apply to a trade agreement by a future Republican President just as much as by a Democratic President. If there is a substantial delay in implementing a trade agreement the United States signed in good faith with another nation, whatever the reason for the delay, maybe we in Congress should have better information as to the specific impact on U.S. businesses of this delay. That is all this amendment would do. It doesn't affect GSP or TAA. It would not imperil this bill in the House. There is no good reason to oppose this amendment. I hope we can adopt it today.

I yield the floor.

The PRESIDING OFFICER (Mr. SANDERS). The Senator from Utah.

Mr. HATCH. Mr. President, I rise to speak in support of the amendment filed by my colleague from South Dakota. This amendment deals with an important issue, namely, the cost of delay when it comes to free-trade agreements.

The President's desire to increase spending on TAA—an expensive domestic spending program of debatable worth—at a time when taxpayers are struggling to make ends meet during a recession makes no sense to me.

His strategy to link passage of FTAs to renewal of this expanded TAA program is equally perplexing. TAA is meant to assist workers who have allegedly lost their jobs due to trade. But the administration has repeatedly stated that the three pending trade agreements will create jobs, not cause people to lose them.

According to the Business Roundtable, passage of the three pending trade agreements will support 250,000 American jobs. Since jobs will be created rather than lost, it makes no sense to link the passage of an expanded version of trade adjustment assistance to these three FTAs. In fact, the only jobs lost to date have been those caused by the President's refusal to send these FTAs to Congress. His refusal to act has caused U.S. farmers, manufacturers, and service providers

to cede market share to our competitors in Panama, Colombia, and South Korea.

Given the state of the economy under this administration, one would think passage of these trade agreements—which were handed to the President wrapped up in a bow by his predecessor—would be the first order of business. Yet, here we are, more than halfway into this administration and the President has not even made a commitment to send us the trade agreements so we can consider them.

My colleague's amendment would help us assess the impact of the President's delay, and future Presidents as well, on the American economy.

The amendment would require the ITC to assess the negative impact to U.S. businesses if a trade agreement is signed but has not been considered by Congress within 2 years. Among other things, the ITC study would highlight lost U.S. export opportunities, the impact on the protection of U.S. intellectual property overseas, the impact on U.S. employment to date, and the prospective impact on U.S. employment if agreements are not sent to Congress.

If the President believes these trade agreements will create jobs, he needs to submit them to Congress. It is absurd that they are still sitting on the President's desk, while our companies and workers lose market share to our competitors in Colombia, South Korea, and Panama.

I encourage my colleagues to support this amendment.

I ask unanimous consent that the Senator from New Hampshire be permitted to make her remarks at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New Hampshire is recognized.

Mrs. SHAHEEN. I thank my colleague. I agree with both of my colleagues, who have spoken, that we live in a globalized economy, and it is important for us to make sure we have the benefits of that globalized economy in America. It has offered us incredible new opportunities. But there are opportunities that have not been shared equally across our economy and our workforce.

I believe that when given a level playing field, the American workforce has shown it can outcompete and outinnovate any economy in the world. That is the way we will get our economy moving again, by unleashing the power of American entrepreneurship.

I have spoken before about ending the false debate between so-called free trade and fair trade. I think we need competitive trade, a policy that focuses on growing U.S. exports, opening new markets for U.S. companies, job training for our workforce, and tough enforcement of trade rules.

We can help our workforce compete by giving them access to foreign markets. Fully 95 percent of the world's consumers live outside of the United States, but only 1 percent of U.S. small businesses is doing business outside of the United States, or exporting their products. Increasing our exports is vital to the long-term health of our economy.

At the same time, we have to acknowledge that trade creates new challenges for many American companies and American workers. We have to understand no graph showing GDP growth is a comfort to a mother who suddenly cannot feed her family because her factory has shut down; and no statistic about market efficiency is going to pay a young man's rent when his company moves its engineering operations overseas. When Congress promotes international trade, it enters into a compact with all American workers that they will not be left behind. Competitive trade means making sure all of us can compete.

For nearly 50 years, the Trade Adjustment Assistance Program has been lending a hand to workers faced with the negative consequences of international trade. It has been supported by liberals and conservatives, Democrats and Republicans. Its premise is simple: If you lose your job to foreign trade, we will help you prepare for a new career and help keep you afloat while you train. Over the last 2 years, almost a half million Americans have begun a new chapter in their lives with the help of trade adjustment assistance.

In 2009, Congress enacted some commonsense reforms to the TAA Program. For years, Americans who lost their jobs to India or China were denied access to this program because the United States doesn't have a specific trade agreement with either country. Given the growing economic power of those two nations, that left an unacceptable number of Americans facing trade effects on their own. In 2009, we changed the program so that TAA supported all Americans whose jobs were sent overseas. But those reforms have, unfortunately, expired. This week, we have the opportunity to restore them, and we should.

The 2009 reforms also updated the TAA Program to protect workers in service industries, in addition to those in manufacturing. Fifty years ago, when the program was created, no one could have imagined the advances in technology that would allow foreign service workers and engineers to compete with our own domestic workers in those fields. This week, we have an opportunity to restore the 21st century perspective to the TAA Program.

I want to share a couple of stories about New Hampshire workers who have benefited from trade adjustment assistance. The first is a story about Joanne Sanschagrin of Gilmanton, who worked at Aavid Thermalloy for 22 years. She was a buyer for the company, but the company was threatened by competition from several nations, including China. She knew she needed to get a new job before she was laid off. Under the old TAA terms, the ones we are operating under now, she would not qualify for help under TAA. Under the 2009 reforms, Joanne sought and received training as a licensed nursing assistant. She completed training in June, and last month she began a job in her new career, and she loves it. TAA has supported her through this process and paid for her training, so instead of being unemployed, she is now a dynamic part of our economy, working in one of its fastest growing fields.

Another New Hampshire worker, Robert Arsenault, who is a veteran, had worked for 21 years making paper at the mills in Gorham and Berlin. The paper industry has been devastated by offshore competition. As the Chair knows, we have lost so many of our mills throughout northern New England. When those mills in Berlin and Gorham closed, Robert used trade adjustment assistance to get a commercial driver's license at the White Mountains Community College. He recently started a new full-time job with a paving and contracting company.

TAA doesn't just help out individual workers; it also helps small businesses that are being hurt by international trade. New England Forest Products is a hardwood manufacturing company that has been operating in Greenfield, NH, since 1993. But during the recent recession, they found themselves losing business to cheap Chinese lumber. In search of answers, they applied to the local trade adjustment assistance center for help. They worked with TAA to develop a marketing strategy and advertising materials that now help the small business sell their hardwood flooring and other products directly to consumers. In part because of this important program, New England Forest Products saw sales increase 28 percent in the following year.

This isn't just one encouraging story. Of the 18 businesses in New Hampshire that have received TAA in the last 4 years, all 18 are still operating, and many are adding employees. These are the kinds of stories the Trade Adjustment Assistance Program makes possible, but only if we sustain these critical reforms and strengthen TAA's role as both a critical safety net and a driver of the American economy for decades to come.

I urge my colleagues to support the trade adjustment assistance amendment when it comes to the floor for a vote later today.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. THUNE. Mr. President, I want to emphasize one final time, as we get closer to votes on these amendments, the importance of getting the free-trade agreements passed and put into force, but also the importance of understanding that, as we move into the future, we not make the mistakes we have made with respect to these agreements, and that is to let them languish literally years, and at the same time be losing market share, be losing jobs for Americans, and be losing market opportunities for American businesses.

Again, I wish to point out just a couple things I think personalize this; one, as I mentioned in my earlier remarks, we have a company such as Caterpillar, which makes large mining trucks and exports 92 percent of them. They pay a $300,000-per-truck tariff to get into the Colombian market. Think of a country such as South Korea, with the 13th largest economy in the world. They are a big importer of American agricultural goods, with 54 percent right now being the average tariff on goods that are exported from the United States—agricultural products exported from here to Korea, but 9 percent is the average tariff on their goods coming into this country. That 54-to-9 ratio is an incredible disadvantage, putting American businesses at a tremendous disadvantage relative to the countries around the world with whom they have to compete.

At the same time these trade agreements have been languishing here for over 4 years, other countries have stepped in—the European Union, Australia, and Canada—and filled the vacuum we have left. As a consequence, American businesses have been hurt and hurt profoundly. More importantly, as we sit in this economy we are in and talk about the importance of job creation, there isn't anything we could do that would probably create jobs more quickly than to get these trade agreements enacted. It means thousands of jobs for Americans, it means business opportunities for American businesses overseas, and it means market share we should be maintaining or perhaps even acquiring and that we are losing as a result of not having these agreements entered in force after they have been negotiated these many years ago.

So my amendment looks prospectively into the future. It requires that we know specifically—quantitatively—what are the impacts of delay when it comes to getting these free-trade agreements not only ratified by the Congress but entered into force with these other countries. I think it is critical information we need to know. We need to know what harm, what economic consequences are the result of these trade agreements being delayed.

I hope we will get bipartisan support for this amendment today. It doesn't do anything to alter TAA. It doesn't do anything to alter GSP. It doesn't do anything to affect the passage of this agreement in the House. But it will, as we look into the future, make it much more clear to us what these economic impacts are with regard to these trade agreements and our delay in getting them implemented.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

AMENDMENT NO. 634

Mr. KERRY. Mr. President, I rise to speak about the amendment that has been introduced by the Senator from Texas, Mr. CORNYN. I think it is amendment No. 634. I will take only a few minutes, as I know my colleague from Indiana is waiting, but I do wish to speak to it, if I may.

The Senator from Texas has introduced an amendment that takes an unprecedented step in the Senate; that is, the step of actually requiring the President, by mandate—with respect to one weapon system in one singular amendment—to sell a specific weapon to another country. Specifically, the Senator wants to take the unprecedented step of requiring the President of the United States to sell 66 new F–16 fighter aircraft to Taiwan.

The amendment mandates the sale of these new aircraft, despite the fact that just yesterday the President and the administration notified Congress of their intention to provide Taiwan with nearly six billion dollars' worth of items in defense goods and services, on top of money they have already provided to Taiwan—including upgrades to Taiwan's current fleet of 145 F–16s.

I will stand by my record of 26-plus years of voting for the appropriate defense relationship with respect to Taiwan and China. We have always respected the Taiwan Relations Act, and I think we have consistently stood by Taiwan and kept faith with that act. Without a doubt, the growing military disparity between China and other countries in the region, as well as China and Taiwan, is something we need to be thinking about and taking into account as we contemplate the long-term future of all those relationships in that region. But that said, I am opposed to this specific amendment. I believe Senator BAUCUS, who has already spoken in opposition to it, and others, I believe, are opposed to it for two appropriate reasons: one, the substance of the amendment itself—and I will speak to that—but also, plain and simply, this is not the right vehicle to address this issue.

Everybody understands that consideration of TAA is part of a very complicated approach to what Senator THUNE just commented on—a much-too-long-awaited dealing with several trade agreements a lot of us want to pass and we think we should pass. Passage of this TAA proposal—without these other issues being added to it, which would put it in jeopardy—is critical to being able to help American workers as well as to lining up those three pending trade agreements which will create jobs in the United States and which will also enhance our security. So if we were to pass the Cornyn amendment—which we know the administration strongly opposes—that would imperil this very carefully crafted jobs package we are now considering.

On that basis alone, I would urge colleagues to vote against this amendment. But I believe there are powerful, substantive reasons for why this amendment shouldn't pass just on its own. Mandating the sale of one particular weapon is not the way for the United States to respond or to deal with or manage the complex national security challenge of that region and the complexity of the relationship with Taiwan.

I would remind colleagues that the $6 billion in new arms sales, of various kinds—including a major upgrade package to all the 145 F–16s—is an enormous, important package which Taiwan wants and needs and which Taiwan believes will bring it up to par with respect to those systems and the need to be able to defend itself.

I think we have to remember that ever since President Nixon opened the door to China nearly 40 years ago, the United States has worked very carefully to promote peace and stability in the Taiwan Strait. The Taiwan Relations Act has long governed our policy toward Taiwan because we don't have a formal diplomatic relationship or a formal treaty.

With respect to arms sales, let me share with my colleagues what the TRA says. It shall be the policy of the United States ''to provide Taiwan with arms of a defensive character'' and ''to maintain the capacity of the United States to resist any resort to force or other forms of coercion'' which would jeopardize the security of the people of Taiwan. Finally, the TRA obligates the United States to provide such defense goods and services to Taiwan as are ''necessary to enable Taiwan to maintain a sufficient self-defense capability.''

The Obama administration and the committees of jurisdiction in the Senate and House, with respect to it, take the provisions of that act very seriously. The administration has carefully analyzed, as have we, the military balance across the Taiwan Strait, and we have consulted closely with the Government of Taiwan as to how to best meet Taiwan's defensive needs.

On Wednesday, the administration formally notified Congress of its intent to send a very substantial retrofit package that would upgrade the current fleet. As I mentioned, there are 145 F–16s that Taiwan has today and that Taiwan relies on today for its current defense needs. These upgrades include state-of-the-art avionics and weaponry—including Actively Electronically Scanned Array Radars, targeting systems, the AIM–9X air-to-air missiles, and precision-guided munitions. So I don't believe there is any question but that the United States is now, and will continue to be, in full compliance with the requirements of the TRA.

But this package also makes clear that support for Taiwan is not a partisan issue. The Bush administration, in its 8 years—two full terms—notified Congress of the sale of roughly $15 billion total in arms sales to Taiwan. With the announcement of this sale of the additional items Taiwan needs, the administration—the Obama administration—in less than 3 years has approved the sale of over $12 billion in arms to Taiwan. So we have $15 billion

over 8 years from the Bush administration and $12 billion over 3 years from the Obama administration.

Moreover, the administration's $5.8 billion retrofit and training proposal provides the necessary parts, equipment, training, and logistical support for a cost-effective upgrade of Taiwan's current status; most importantly, it elevates Taiwan's current fleet of F–16s to a level of capability consistent with the most advanced export variants of this aircraft.

Let us understand where we are—what the state of play is. Taiwan has an urgent defense need today. They have 145 aircraft we have already sold them. We are prepared to provide them an upgrade that brings those aircraft up to the total state of the art of the most advanced export variants we are allowed to export to another country, and it will prevent these 145 aircraft from becoming obsolete. This is the most sensible, cost-effective, effective way to provide an upgrade and to provide Taiwan with the capacity it needs.

To the degree people are thinking jobs in the United States of America and what about selling, a lot of us have never believed we ought to use defense sales or weapons sales to create jobs. There are a lot more effective ways of creating jobs. But to whatever degree anybody wants to measure this by that standard, the $5.8 billion sale announced yesterday will be welcome news to the workers of Lockheed Martin, Northrop Grumman, Raytheon, Pratt & Whitney, and many other defense firms.

Again, I emphasize that is not the rationale for the sale, and none of us should resort to those kinds of sales for the purpose of jobs. But if that is going to be a measurement or a consideration in anybody's mind, make no mistake, the $6 billion the President has proposed will have its own impact.

Finally, let me point out to colleagues, and I think it is an important consideration, nothing in the proposed upgrade package will preclude the United States from providing new F–16s as we go down the road, as they may be necessary, as a judgment is made about them or any other similar platform to Taiwan in the future. The administration has taken pains to make clear to Congress and to Taiwan the approval of this sale does not and will not prejudice any future decision on new aircraft.

Yesterday, President Ma Ying-jeou of Taiwan said the upgrades to Taiwan's existing F–16A/B jets are aimed at maintaining the country's self-defense capabilities while pursuing peaceful development across the Taiwan Strait.

The President of Taiwan said of the upgrade package:

> We have to develop peaceful ties with Mainland China. But we haven't for one second let our guard down when it comes to Taiwan's security.

I don't believe the Taiwanese believe they are letting their guard down. I don't think they believe we are not meeting their needs. Obviously, Congress has an important role to play in determining how to meet those needs, but I don't think we should, in the wake of the evidence here, make an independent judgment outside of what is already happening. We certainly shouldn't blindly defer to the Executive on Taiwan arm sales. But I think to compel the Executive to make a specific arms sale to a specific country measured against the steps already taken and the steps being taken would be an unprecedented intervention by the Senate under circumstances where there just has not been made the kind of compelling, urgent argument that that is the only way to proceed. So I urge my colleagues to oppose this amendment when the time comes for us to vote on it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Mr. President, I yield myself 5 minutes out of my remaining time.

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

Mr. CORNYN. I thank my colleague from Indiana.

I would like to respond briefly to the Senator from Massachusetts.

This isn't an assessment I have made that Taiwan needs these aircraft; this is one made by the Department of Defense in their 2011 report on China's growing military power. They detailed the increasingly precarious situation in the Taiwan Strait, stating that China seeks the capability to deter Taiwan independence and influence Taiwan to settle the dispute on Beijing's terms.

So it is clear from the press reports from China's state-run newspaper, the very bellicose comments, that this is really an attempt by mainland China, the People's Republic of China, to intimidate not only Taiwan but also the United States, and we should not give in to that intimidation.

This chart which I pointed to earlier demonstrates the growing imbalance in the Taiwan Strait. This is why these additional aircraft are needed. The red one is 2,300 operational combat aircraft for the People's Republic of China versus 490 operational combat aircraft for the Taiwanese.

The Senator from Massachusetts is correct to the extent that the upgrades are welcome on the 145 F–16s we previously sold to Taiwan. But it is not adequate because 100 of these aircraft currently operational by Taiwan are obsolete and are going to be retired. Taiwan has intended that the new F–16C/D series replace the fleet of F–5s—those were previously sold U.S. aircraft from the 1975 to 1985 range which are now old and obsolete—and then the French-made Mirage 2000–5 fighters. So 100 of these planes demonstrated here, of the 490, are going to be retired, and the 66 aircraft that are the subject of this amendment will replace some of those retired vehicles.

So I don't think that thinking about the future of our relationship with Taiwan or problems we may see on the horizon is enough. We need to do something now.

I would also point out that you can't just take the production line at Lockheed Martin and basically eliminate it because there are no further demands or contracts for F–16 sales. Basically, all the personnel—the 23,000 people directly involved in those jobs—will be reassigned or be fired, let go, because there are no contracts in place as late as the fourth quarter of this year for new F–16s. So I think looking at this down the road doesn't take into account the current loss of jobs or the disruption of disbanding this production line, which cannot easily be reconstituted if there are no contracts, including the sale of these 66 F–16s.

I reserve the remainder of my time, and I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, may I inquire as to the allocation of time? The Senator from Vermont has generously yielded me the opportunity to speak for a few moments. I want to make sure I don't get the situation mixed up here so that we run out of time.

The PRESIDING OFFICER. The Senator from Florida, Mr. RUBIO, has 17 minutes. The Senator from South Dakota, Mr. THUNE, has 9 minutes.

Mr. COATS. I ask unanimous consent to take 6 minutes of Senator RUBIO's time.

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

The Senator from Vermont.

Mr. LEAHY. Mr. President, I would not object, but I ask consent that upon completion of that, I be allowed 7 minutes as though in morning business.

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

Mr. COATS. Mr. President I want to respond to some of the statements that have been made by my colleagues on the other side of the aisle regarding the need to add disaster relief to the Continuing Resolution we will consider this week.

There is no question that there is a need for some emergency supplemental appropriations for fiscal year 2011 disaster relief. There is agreement on both sides of the aisle that FEMA is short of money to meet its immediate needs in this fiscal year which expires at midnight on September 30. The Disaster Relief Fund is dangerously low, and on September 9 the President requested $500 million in emergency appropriations to finish out the immediate needs between now and the end of this fiscal year, which is just a little more than 1 week away, and that has been provided and taken care of.

The House is working on sending the Senate a continuing resolution that includes this emergency funding and more—more than the President's $500 million request. The House CR is expected to include $774 million for

FEMA—the Federal Emergency Management Agency—plus an additional $226 million for the Army Corps of Engineers for emergency flood control. This emergency funding is not covered by the Budget Control Act, so in accordance with procedures that have been put in place this year and in trying to be as careful with taxpayers' money as we can, the House offered an offset. That was defeated yesterday in the House.

While this funding covers FEMA's immediate needs, as requested by the President, through the rest of the fiscal year, the House bill also includes additional funding at the current level of $2.65 billion in fiscal year 2012 for FEMA's Disaster Relief Fund, which will provide the necessary funding to deal with the requests and make sure people get the support they need from losses in the various disasters through this continuing resolution period, which will go to around November 18.

It is important to note that, despite some of the allegations being made, Republicans support this disaster funding. It is critical to respond to the many disasters that have affected so many States over the past few months. However, the additional funding for fiscal year 2012 sought by Senator REID and Senate Democrats is not needed immediately. In fact, the President has not requested immediate passage of any of this additional funding beyond what is needed to provide FEMA what it needs to address the situations and to make the necessary payments between now and the expiration of this current resolution which we will be voting on this week.

This is not to say we should not consider additional disaster relief. I recognize the challenges that so many States face in response to the disasters that have recently struck across the country. My own home State of Indiana has experienced floods that merited a disaster declaration from the President earlier this year. As a nation, we need to step forward and address these immediate needs, but we have a process in place in this body to address this.

The Budget Control Act recently passed by Congress does allow a process for providing disaster relief in fiscal year 2012 through a disaster cap adjustment. As a result from that, the Senate Appropriations Committee—which I am the ranking member of the Homeland Security Subcommittee which oversees FEMA—has been considering the fiscal year 2012 bill and has included disaster assistance, where appropriate, pursuant to the disaster cap adjustment in the Budget Control Act. The key words here are ''where appropriate.'' We need to be in a position to provide additional funding should more disasters occur. But there is no need to go forward with what Senator REID has proposed, that is, dumping a lot of money that has not yet been certified as needed into an expenditure, particularly at a time when every dollar of expenditure needs to be carefully weighed in terms of our current fiscal situation.

Some have noted that while the CR may adequately fund FEMA, it doesn't address the other agencies that need additional disaster funding. If that is the case, then why hasn't the President requested these additional funds immediately?

On September 9, the President sent Congress his request for additional FEMA disaster relief funding, including the $500 million emergency funding for the remainder of fiscal year 2011. However, this request did not include any funding for the other agencies in Senator REID's proposal.

I ask unanimous consent for just 1 more minute.

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

Mr. COATS. If this is the case, why did he not ask for this? We don't need to include this additional funding to meet the needs of the people for the disasters that have already occurred. The funding necessary to do that is included in the House bill on which we will be voting.

Republicans want to ensure that the communities devastated by disasters receive the resources that will help them rebuild. We recognize that American citizens have had their lives turned upside down by Mother Nature. The CR will provide adequate disaster relief through November in accordance with the President's request and FEMA's stated needs. As a result, there is no need to have all of this additional assistance immediately as part of the CR. I urge Members to support passage of the CR the House will be sending us.

The PRESIDING OFFICER. The Senator from Vermont.

REMEMBERING MASTER SERGEANT SHAWN STOCKER

Mr. LEAHY. Mr. President, I have spoken many times here on the floor, as has the distinguished Presiding Officer, about the disaster and tragedy Vermont faced from Hurricane Irene.

We all learned with profound sadness that MSG Shawn Stocker of the Vermont Air National Guard suffered a fatal heart attack while working on a road reconstruction project in Cavendish, VT. Sergeant Stocker was the first sergeant of the Vermont Air Guard's Civil Engineering Squadron. We in Vermont mourn this tragic loss, and our thoughts and prayers are with Sergeant Stocker's wife Kristine and their children. When I spoke with Kristine today, I told her that I would talk about her husband on the floor, and his sacrifice for his community, and for our country.

It struck me that what happened on the morning of Sergeant Stocker's passing says much about him, and about the Vermont National Guard. When Sergeant Stocker passed, his troops gathered to consider how best to honor his memory that day. Ultimately, They decided to keep on working, to continue helping their neighbors in Cavendish. ''It is what Shawn would have wanted us to do,'' they said.

We have talked often of the loss and suffering in Vermont in the aftermath of Hurricane Irene. But we must recognize the skillful and tireless work of the Vermont National Guard, which has been so critical to rebuilding our state. They have answered the call to duty to help their neighbors in need. Sergeant Stocker and his fellow Guard members put their country first, do whatever the mission requires, and we will never forget that.

From the very beginning of the disaster up until today, the Vermont National Guard has been deployed to help Vermonters in need. I spoke to Secretary Panetta last night in Washington, and I told him what a great job the Vermont National Guard is doing.

Let me show my colleagues a photograph. This photo is of a Vermont airdrop of supplies to a Vermont town. That town was totally cut off. The only way we could get in the supplies was to bring them in by helicopter. In the days following Irene, the Vermont National Guard immediately went into action to make sure the storm victims cut off by Irene's destruction received emergency supplies. Helicopters airdropped food and water, and we reached out to other State Guards.

I talked with the Senators from Maine. They told me how happy their Guards were to be able to come down and help out. It demonstrates the versatility of the National Guard.

In addition to meeting our immediate needs, the Vermont Guard has taken on major projects such as debris removal and road construction. As in so many other States, when Vermont has a need, our National Guard is there for us. Often they are the first to arrive and the last to leave. Guard units who have come to Vermont to help include ones from New York, Ohio, Maine, West Virginia, Virginia, South Carolina, and Illinois. All of these Guard units have said: We are here. Call us. Tell us what you need. That is one of the things we love about the National Guard. When one State needs help, every State steps up.

One thing Vermont did need in the immediate aftermath of Irene was helicopters. The distinguished Presiding Officer and I helicoptered around the State. It was regrettable that our State needed more airlift. Why did we? Because many of our Black Hawk helicopters were still in Iraq following the most recent deployment. They are the most modern in the fleet, but they are in Iraq. In this season of war, it takes a moment to remember the troops and equipment sent overseas are not going to be available to help out at home if we need them in an emergency.

Like that deployment of equipment, every dollar we spend on the conflict in Iraq and Afghanistan is one less dollar we have to invest in recovery and rebuilding in America.

Let me show another photograph to my colleagues. Look at that National

Guard working to put in these roads. They are stretched thin, as are the National Guards all over this country because so many of them serve overseas in Iraq and Afghanistan. These are talented engineers, talented men and women, people who know what to do and have the equipment. They can do things nobody else can do, certainly not in our little State.

This is a time to choose investment at home first. I hear people tell me we can't pay for disasters in America unless we take money out of education or medical research or other things Americans need, but we can sign a blank check to rebuild Iraq and Afghanistan. I am saying, let's worry about America. Americans need help. We are asking for a tiny percentage of what we are spending on a credit card for Iraq and Afghanistan.

America needs us. The citizens in our States are suffering because of a natural disaster. The men and women of the Guard who have come to their aid deserve nothing less.

For the last decade we have waged two wars on the Nation's credit card. We totally ignored paying for it during that time, even though we have raised taxes to pay for every other war in this Nation's history. We did, however, pause to throw ourselves a party in the form of tax breaks tilted toward the very wealthiest among us. The policy was wrong, and it hurt America.

Now, after all these years of funding wars and rebuilding other countries overseas, the leadership of the House of Representatives, in their continuing budget resolution that was defeated yesterday, brazenly told the American people we can no longer afford to come to the aid of Americans in need. Instead we are going to offset the costs of rebuilding America by cutting a program that Americans badly need.

This is ''Alice in Wonderland.'' Are they asking the wealthy to pay their fair share? No. Are they asking the oil and gas companies making record profits quarter after quarter to sacrifice their tax giveaways? No. Are they asking a sacrifice from those companies who get tax breaks for shipping American jobs overseas? No.

That is wrong. We cannot ask these suffering people to sacrifice and refuse to ask those who have the most to contribute their fair share.

We can't cut programs that are going to create new jobs, that provide a basic safety net for struggling families and seniors, while giving every break possible to the very wealthiest among us. It is unconscionable. It is not the American way.

I have been privileged to be in the Senate representing our great State of Vermont for 37 years. We have always dealt with disaster bills together. We have worked across the aisle in the spirit of bipartisanship. Vermonters have not asked why we help out with an earthquake in California. We do it. Vermonters don't ask why we help out in Louisiana or Texas or Virginia. We do it.

We are the United States of America. We work together. We can not afford to toss aside that tradition.

The decision of some to inject politics and political point scoring into disaster relief is a new low for Congress, a Congress that is already scoring records for unfavorability. Leader REID is right to call for a continuing resolution that includes an emergency disaster relief package that will get aid to all 50 States suffering from the effects of these unprecedented natural disasters.

We try to rebuild Iraq and Afghanistan and nobody questions that. Instead, let's rebuild America.

I encourage my colleagues here and in the House of Representatives to do the right thing for people who need our help and move forward with Leader REID's bill. Our fellow Americans need our support. Let's start spending some time worrying about America.

I yield the floor and suggest the absence of a quorum, with the time to be equally divided.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 633

Mr. HATCH. Mr. President, I rise in opposition to the Casey-Reid amendment. Over the past several days we have had the opportunity to publicly discuss and debate a number of serious flaws in the Trade Adjustment Assistance Program and its proposed expansion. Perhaps the most egregious aspect is voting to spend more taxpayer dollars on an expanded domestic spending program of dubious value at the very same time our colleagues on the supercommittee are scrutinizing every penny of Federal spending in a bipartisan effort to get our Federal deficit under control.

It makes me wonder whether this body understands the gravity of the deficit we are facing. As a country, we are simply spending more money than we have. If it continues we are going to be bankrupt. We will bankrupt our country and leave behind a grim future for our children and grandchildren.

We will hear many of my colleagues talk about how important it is to spend this money, and I am sure a lot of them will feel good about their votes. But we all know the good feeling that comes from buying things we cannot afford is fleeting while the debt accrued hangs like a dark cloud over our daily lives. We simply cannot afford to continue to spend money our country does not have. This is why I, for one, am voting no.

Despite my concerns, I am convinced that this amendment and bill will pass. This spring, the President made it clear that if this domestic spending program was not expanded and approved he would abandon our allies in Colombia, Panama, and South Korea, and cede these growing markets to our foreign competitors. How shortsighted.

While the President may have been willing to accept that outcome, many of my colleagues were not. They stepped up to the plate and vowed to support efforts to move the process forward. As a result, the deck in favor of this bill was stacked long ago.

Still, I am glad we have had an open debate on the merits of this program. Earlier this year, the President attempted to shield TAA from strict scrutiny and debate by jamming it into the South Korea implementing bill. Doing so would have been a clear abuse of U.S. trade laws and would have denied the Senate an opportunity to fairly debate and amend TAA. The American people deserve better than this and Finance Committee Republicans fought hard to ensure that this did not happen. It is largely a result of their efforts that we are here today.

Even though the deck was stacked against our amendments long ago, this discussion has been a useful exercise. It has been over 9 years since the Senate engaged in a real trade debate on the Senate floor. Senators deserve an opportunity to have their voices heard on issues related to international trade, and by engaging in debate we are honoring our republican constitutional traditions. We are doing what the American people expect us to do: openly discussing problems and, in doing so helping to resolve them.

During this debate, a number of amendments were offered that enabled Senators to go on record regarding their trade priorities and core beliefs. For the first time in years, we were able to draw clear distinctions between rhetoric and action. Of course, there has been debate about the merits of the free-trade agreements themselves.

As I noted earlier, the President and many of my colleagues who purport to support these agreements made it clear that in reality they only support the FTAs in exchange for something else. That something else turned out to be a demand for more spending. I am worried that going forward this pattern will continue. I certainly hope not. As a nation we cannot afford to hold our international economic competitiveness hostage to unrelated demands for more spending or for a more liberal social agenda.

During the course of this debate, I have expressed concerns that the real cost of the TAA expansion bill is unknown. Recall that benefits under TAA are paid out on top of unemployment insurance, which is supposed to take care of those who are out of work. As more and more people take advantage of the program, and as the number of weeks of regular unemployment insurance contract, the cost of this entitlement program could spiral out of control. So a number of amendments were offered that would help constrain its future growth so we do not end up

sticking the American taxpayer with another out-of-control spending program.

Every single one of these amendments was rejected by my colleagues across the aisle. Their passion for spending runs so deep that even an amendment by my friend and colleague, Senator KYL, which implemented one of President Obama's recommendations to cut TAA funding for firms, was rejected. At a time when the supercommittee is struggling to cut spending in areas such as defense and health care, I find it astonishing that my colleagues cannot support eliminating a program that even President Obama agrees should be cut. That is a true rarity—that is, that President Obama agrees to any kind of a cut, not that my colleagues will not support eliminating a program. That, we know, has happened around here for all of the 35 years I have been in the Senate. But even when President Obama, one of the biggest spenders in the history of the world, agrees that a program should be cut, they will not even do that.

My colleagues across the aisle also chose to reject an amendment to provide their own President with the authority to negotiate new trade agreements. Can you believe that? We all know the authority to negotiate trade agreements expired years ago. Since then the United States has been sitting on the sidelines while other countries negotiate agreements all around the world. Everyone knows if we are not in the game we do not even have a small chance to win. Right now, the United States is not in the game.

While it is true that the President is in the process of negotiating an agreement to create a transpacific partnership, we all know that the chances of it actually succeeding are actually almost nonexistent without trade promotion authority.

While the protrade rhetoric sounds good from the other side, when it comes down to concrete action, President Obama and his Democratic colleagues are absent once again. I am perhaps most disturbed by their rejection of my amendment which would have made the expansion of this domestic spending program contingent upon submission, approval, and signature of our pending free-trade agreements with Colombia, Panama, and South Korea. This amendment simply held President Obama accountable.

The President said there would be no FTAs unless Congress passed TAA. The insinuation is that if Congress does pass TAA, the President will submit, support, and sign all three FTAs.

Yet, even today we do not know if that is the case. My understanding is the White House has given no indication they will actually submit these agreements for a vote. That is truly pathetic. They are willing to spend more. They are willing to pass TAA so they can spend more regardless of whether they are sincere about doing these free-trade agreements that will provide almost 250,000 new jobs in this country, or at least jobs.

My amendment simply called for Presidential accountability. But even Presidential accountability was rejected by the other side. Once again, protrade rhetoric of the past several months has been shown to be nothing but a facade. I will be voting against the amendment to expand TAA, and if it is approved, I will vote against final passage of the bill. I simply cannot condone more spending on a program with dubious value at a time when our Nation is clearly broke. I remain hopeful President Obama will submit our pending free-trade agreements to Congress. If he does, and they are approved, I am confident President Obama and his team will drape themselves in the protrade flag and claim responsibility for moving these agreements forward. The fact of the matter is the authority to negotiate these agreements and the actual negotiation of these agreements themselves is due to the hard work of late nights of President Bush and his team. This is one instance where President Obama can rightly place responsibility at the feet of his predecessor.

My Republican colleagues and I put forward a number of amendments during the week to constrain government spending, open foreign markets for our products, and hold the President accountable for his rhetoric. Unfortunately, every single one was defeated, mostly along party lines. But we will not be deterred. We will continue to fight against out-of-control government spending. We will continue to fight for Presidential authority to open foreign markets to U.S. exports. We will continue to fight for transparency and accountability in our international trade policy. While we may not win the battle today, I am confident we will win in the end.

Over the next year I plan to conduct rigorous oversight of President Obama's trade policy. If these agreements are eventually submitted and approved, I will work hard to make sure they enter into force quickly. I also plan to conduct extensive and continued oversight of the operation of the Trade Adjustment Assistance Program. I am convinced it is a flawed program and that strong congressional oversight will help expose those flaws. I will also work hard to make sure our next President, whoever that may be, has the authority to negotiate strong trade agreements that tear down barriers to American exports. Over the past several days many of my colleagues expressed interest in updating this authority. I welcome that interest and want to express my sincere desire to work with them to immediately see that trade promotion authority is renewed. Our Nation and our workers cannot afford to wait.

I ask unanimous consent that we divide the quorum call I am about to suggest equally between both sides.

The PRESIDING OFFICER (Mrs. MCCASKILL). Without objection, it is so ordered.

Mr. HATCH. 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. BAUCUS. Madam 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. I ask unanimous consent the votes with respect to amendments and passage of H.R. 2832, the GSP bill, occur at 4:30 p.m.; that all after the first vote be 10-minute votes; that prior to the vote in relation to the Cornyn amendment, there be 10 minutes equally divided, with remaining provisions of the previous order remaining in effect; finally, the amount of additional time this agreement adds for debate on the bill and amendments prior to the votes be equally divided between the two leaders or their designees.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

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

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

EDUCATION REFORM

Mr. ALEXANDER. Madam President, according to the Washington Post this morning, the President and his Education Secretary will announce tomorrow that the Department of Education will begin a process to grant waivers to States from the provisions of No Child Left Behind. No Child Left Behind, of course, is a law that was passed with bipartisan support in 2001 and 2002 by Congress. We are in its ninth year of its implementation.

It needs to be fixed, and Congress needs to act to fix it. Republican Senators and Members of the House have already offered legislation that will begin to do that, which I will talk about in a minute. But my purpose in coming to the floor is to talk about the waiver requests the Secretary of Education may begin to approve. My request of the Secretary and of the President is that as they establish a waiver process and as they begin to approve waivers, they show restraint and not take unto themselves responsibilities that are the responsibilities of Congress.

The truth is, the Secretary has the States over a barrel. We have about 100,000 public schools in America, and as he has correctly said, about 80 percent of them, under the current law,

are going to be deemed as failing schools soon.

The President and the Secretary and we Republicans would like to take the responsibility for determining which schools are succeeding or failing and put that back in the hands of the States. We would like to take the responsibility for determining which teachers are highly qualified and put that back in the hands of the States. That is a part of the legislation we introduced last week.

Substantially, those ideas are ideas the President and the Secretary either have advanced or agree with. So we have a lot of agreement about this. But the Secretary has the States over a barrel. Most Governors want a waiver. Almost every State, from Missouri to Tennessee to Georgia, will be asking for a waiver.

What I hope the Secretary will do is to look at the applications, and if those applications submitted by the States for exemption from the requirements of No Child Left Behind, if they would enhance student achievement, then approve them. If they would not advance student achievement, then deny them.

But the restraint I am asking for is that the Secretary not use this occasion, when the States are over a barrel, to become a national school board and begin to impose on the States those requirements that Congress would not do through legislation and that States ought to be deciding for themselves. This is the request of the States themselves.

The States have been working over the last 10 years in very good ways to take steps forward together. They have created common standards. They have created tests to measure performance against those standards. The chief State school officers are in the middle of creating an accountability system. A lot of progress has been made in what I like to call the holy grail of elementary and secondary education: finding a way to reward outstanding teaching by connecting it to student achievement. This is something Tennessee became the first State in the country to do when I was Governor in 1983 and 1984 and which many school districts in many States are trying to do now.

So the difference of opinion I have, potentially, with this Secretary and this President on what to do about No Child Left Behind may seem very small. Let me compliment the President and let me compliment the Secretary in this way. They stuck their necks out and have taken some positions to help make better schools that are not popular with their natural constituents.

I admire that. I respect that. They have advocated a number of changes in the schools; for example, getting rid of the adequate yearly progress provision, moving out of Washington the responsibility for deciding whether schools are succeeding or failing; changing the highly qualified teacher provision so States can figure that out through their own systems.

All those are things we agree on, Republicans and Democrats. Where we may disagree, and the reason we have not advanced ahead with bipartisan legislation on No Child Left Behind, is what I would call the difference between Washington mandates and approving State requests or one might even say, the difference between a national school board and giving States the responsibility for making their own decisions.

Here is an example of what I mean. There is agreement, as I said, that this process called adequate yearly progress for a lot of schools should not be decided here. We will read in the paper that such and such school is not succeeding or it is failing. It is a good idea for Tennessee or for Missouri or for California to set performance targets to replace adequate yearly progress. But those performance targets ought to be in the States' application and not be required and defined by the U.S. Department of Education in Washington, which could turn it into a national school board.

A growth model, the idea of giving States and school districts credit for making progress, sort of an A for effort, to go along with an A for achievement, that is a good idea. President Bush, in his administration, began to permit that exemption from No Child Left Behind.

But superintendents ought not to be flying to Washington from Nashville and Denver and different parts of America and asking anybody in Washington to approve their growth model or even be required to have one if they have some other way to decide whether schools are succeeding or failing.

Let me take another example that I have a very deep interest in. Teacher and principal evaluation systems related to student achievement. Tennessee became the first State in 1984 to pay teachers more for teaching well. Up until then, not one State paid teachers one penny more for teaching well. In my office this morning were the two Principals of the Year from Tennessee and three representatives of the Tennessee Education Association. Four out of the five were voluntary participants in our Master Teacher Program or Career Ladder Program and were telling me how grateful they were for that.

But let me tell you this, it was a controversial and difficult effort. It was opposed massively by the National Education Association, whose members this morning were thanking me for the program, because it is not easy to determine, in a fair way, how to reward outstanding teaching, particularly if we are going to relate it to student achievement and particularly if we are going to relate it to performance pay.

The best way to do that is to encourage States and encourage school districts to try different ways of doing it and hope they succeed and borrow ideas from one another. This is what the Teacher Incentive Fund has done for the last few years as a part of No Child Left Behind. I fully support that program and hope we will continue giving money to help school districts who want to try different forms of performance-based pay.

But to require a student-teacher evaluation in order to get a waiver from No Child Left Behind runs the risk of school districts all over the country—100,000 schools—being supervised by a national school board.

I have had very good conversations with well-meaning superintendents and others in school districts who say: But Congress has to make us do it or we will not do it. I do not buy that. I do not think you can make schools better from Washington, DC. We can create an environment in which they might succeed. Schools are similar to jobs. We have a national responsibility for them, but we cannot create them here. We can create an environment to make it easier and cheaper to create jobs, private sector jobs. We can create an environment to make it easier to create better schools.

Then, the next thing someone would say is: There is no harm in just saying in a Federal law or in a requirement for a waiver that we must have a growth model or we must have a performance standard or we must have a teacher-principal evaluation program. What is wrong with that?

Here is what is wrong with it. That is not the end of it. Because there is the habit then, every time I have seen it—one time when we passed a law saying the Secretary of Education could not do it, of creating regulations to interpret what the Federal Government means by growth models, performance standards or teacher-principal evaluation systems, a lot of well-meaning staff members and other people and peer review groups then decided what a teacher-principal evaluation system related to student achievement looks like. That is going to be very hard to do since nobody knows what it looks like. That would be akin to telling people—requiring them to drive cars before the car was invented.

We have had several good experiments around the country that are identifying good teaching, rewarding performance, relating it to student achievement and relating it to better pay. But it has been very hard to do. No one is absolutely sure how to do it.

The worst thing we could do at this time with teacher and principal evaluations related to student achievement, even though I believe it is the holy grail of school reform, is to impose any version of it from Washington.

I am simply asking the President and the Secretary to show restraint tomorrow. I have a lot of admiration for this Secretary and respect for the President's positions on kindergarten through the 12th grade education. Many of the ideas in the legislation advanced by Republican Senators last

week to fix No Child Left Behind were suggested by Secretary Duncan. He has gone out of his way to work with Republicans, as well as Democrats. He has been an energetic, able Secretary, and I support most of his ideas.

For example, he supported the idea—we agreed to it, Democrats and Republicans, Senate and House—that instead of reauthorizing this big law, we would fix it. Then we identified nine areas we tried to fix. The Secretary was comfortable with that, and so were Democratic colleagues and Republican Senators. We set a new, realistic, challenging goal to help all students succeed. We agree on that: Instead of a goal that would require 80 percent schools to be labeled as failing, we will have a new goal that says students will be college and career ready when they graduate from high school.

We agreed we should free 95 percent of schools from the Federal requirement of conforming to a federally defined adequate yearly progress mandate. What that simply means is, instead of Washington deciding whether a school in Nashville is succeeding or failing, that decision will be made by the State of Tennessee. The State of Tennessee will be able to do it a lot better today than it could in 2001, because since then we have had common standards adopted by 44 States—tests of those standards adopted by about the same number. We have chief state school officers agreeing on the principles of accountability systems—these are the performance targets, growth models, and other such things. In the case of Tennessee, they won the Race to the Top competition, which I also support.

The third thing is that the Federal Government will help States fix the bottom 5 percent of their schools—that is 4,500 schools picked by the States. The Secretary agrees with that, and we Republicans agree, and I believe our Democratic colleagues agree.

We agree on requiring States to have high standards that promote college and career readiness for all students. We agree on encouraging the creation of State and school district teacher and principal evaluation systems to replace Federal highly qualified teacher requirements. But for us that means allowing States—if they choose to do it—to use title II money to pay for it. We are not going to require it or define it. We are going to let it flourish.

We believe in continuing the necessary reporting requirements. This may be the greatest contribution of No Child Left Behind since 2002. It requires reports on how schools are doing by subgroup, not on the average. So we can find out if African-American children or Hispanic children are doing as well as other children. We have this great volume of information now from school districts all over the State, so that we have, in effect, better report cards.

We believe on the Republican side—and I think there is agreement, in principle, at least, on the Democratic side—that we should allow school districts to transfer Federal funds more easily to meet their needs and to consolidate Federal programs.

We believe in empowering parents. In my office this morning, one of the State Principals of the Year from Tennessee was from Powell Middle School in Knoxville. Their enrollment is up this year, from 920 to 1,060, because parents were choosing to take their children out of schools that weren't succeeding, and they were permitted to transfer them to another school—in this case, the Powell Middle School, where they could succeed.

That is my request of a Secretary I admire and a President whose K–12 education policies I respect: Please show restraint. Just because you have every State over a barrel, doesn't mean you should be tempted to use this opportunity to become a national school board. Step back, look at the applications for waivers. If they enhance student achievement, say yes; if they don't, say no.

Then one last point. Someone might say, and they'd be exactly right, that the real reason the Secretary is granting waivers is because Congress hasn't done its job. We're in our ninth year of No Child Left Behind and we should have fixed it 4 years ago when the law expired. It has just continued, according to the provisions of the original law. We have substantial agreement in the Senate, except for these accountability provisions, these differences over whether we are creating a national school board. We should come to a conclusion about this. We should get a result. We shouldn't create a situation where every Governor has to come to Washington to get a waiver from standards that don't work anymore. That is our job. The Secretary has the power to grant waivers, but he should do it in a limited way and Congress should get to work fixing No Child Left Behind so there is no need for waivers. I call on our Democratic colleagues, with whom we have met dozens of times, to redouble our joint effort to get a result.

This is not a case where we don't want President Obama to succeed, as some have suggested. We want him to succeed, because if the President succeeds on K–12 education, the country succeeds. We substantially agree on how we need to fix No Child Left Behind. We still have a few differences of opinion. The Secretary's regulatory action should not do what the Congress ought to be doing. I respectfully suggest that he should show restraint and we should get to work.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. HAGAN). Without objection, it is so ordered.

Mr. LAUTENBERG. Madam President, I ask unanimous consent to speak as in morning business for 10 minutes.

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

DISASTER RELIEF

Mr. LAUTENBERG. Madam President, we find ourselves in a peculiar condition. We must have the people across this country scratching their heads and wondering: What are those guys doing? We know the American people do not think much of us as it is, but they are surely going to think less of us when they see what is happening.

We have a tradition in our country that when disaster strikes, we respond. Americans pull together and help each other. We saw that happening in the aftermath of Hurricane Irene, which devastated New Jersey and other States along the east coast, and other natural disasters hitting our country across its breadth—forest fires in one State, water shortages in another, and other problems in others. There isn't a State in this country that hasn't felt the wrath of a storm or the difficulty that nature presents. But the one thing we don't see is the spirit of cooperation. It certainly doesn't extend to some of our colleagues.

I look at the House disaster relief proposal, and one thing is for sure: It is totally inadequate. Madam President, this is an emergency, and it is just plain heartless for our colleagues to turn their backs on families who are struggling to rebuild their shattered lives. I don't know what they are thinking because we know difficulties have struck all 50 of our States at one time or another, a lot fairly recently. Yet these people are saying: No, we are not going to give you enough money to deal with the emergencies that we have.

I hope the people who are in their districts or in their States look at their representatives and say: Hey, wait a second. We have problems here. And these people who are so negatively disposed are raising havoc within the families of their own States or their own districts. They are just turning their backs on them.

The early estimates suggest that Hurricane Irene could become 1 of the 10 costliest storms in American history, with damages that could exceed $10 billion. This violent storm produced some of the worst flooding in a century, destroying homes and displacing countless families.

In my State of New Jersey alone, 11 lives were lost, people were turned out of their houses. In many cases, as I saw them—as President Obama saw them when he came to my State—they can't go back to those houses. They certainly, for the most part—those who had to evacuate their homes and put their furniture out on the front lawn—their furniture is unusable even if they can get in their houses. So life has a grim picture for these people.

The President came to New Jersey to see for himself the destruction that Hurricane Irene caused. I joined him on a tour of the city of Paterson, NJ. It is my hometown. I was born there. It was one of the cities hardest hit by flooding. We have a picture. It has lots of pretty colors, but it is a disastrous portrayal—water all over the place, a bridge just about underwater. We witnessed unforgettable images—streets and sidewalks covered in mud, and in some houses the second floors were covered in mud as well.

But Paterson is not alone. This picture shows the damage in Bound Brook, NJ. Here we see, again, flooded roadways. By the way, my State of New Jersey happens to be the most densely populated State in the country. We have 9 million people living in a very small area. So when something like this hits, it hits a lot of people in a hurry.

In Cranford, NJ, this material we see here you might call trash, but the people who lived here didn't call it trash. These were their possessions. These were the things their kids slept on night after night, or tables they ate from every day. Trash. These people across the Capitol—people on the other side in the House of Representatives—they say: Oh, too bad. First of all, we will have to go find the money if we are going to do anything; and, secondly, we are just not going to give enough money to deal with the problem.

We have a city called Boonton, NJ. People are unable to get what they need. There was a bridge there before. It is gone. How do they get across town? Well, maybe they just don't.

With Hurricane Irene we witnessed nature's power to destroy, and now it is time to see the Federal Government step up; get in there to repair, rebuild, restore, and give people encouragement. When the President of the United States stood before the people in New Jersey, I saw them weep when they held his hand. They wept not because it was a sad picture for the President, but because it was a sad picture for their lives. They are thinking about their own kids and their own lives, and seeing the President was a sign of relief. They were thinking: The President of the United States is here. He is going to make sure we get help in a hurry.

But our Republican friends on the other side, they say: No hurry. No hurry. I hope the people in these States, the people in these districts, will record these moments. We will remind them about it.

Even before this hurricane struck, FEMA's primary source of funding for cleanup and recovery—the Disaster Relief Fund—was already on life support. They didn't have enough money to do their job. The fund was depleted by recent tornadoes, flooding that wreaked havoc across the Midwest and South, and wildfires that ranged across the South and the West. So here in the Senate we passed a bill, and it wasn't easy.

A lot of our colleagues stood up to the assignment and said: OK, I don't necessarily agree, but I agree conceptually. Therefore, I will agree to make $7 billion in funding available to help victims of Hurricane Irene as well as victims of the recent tornadoes and wildfires. Our bill provides funding to get us through the end of the month because the fiscal year ends at the end of September—just a few days away—and to support emergency needs when the next fiscal year begins in October.

Last week, 10 Republicans had the guts to stand up and say: I don't care that it is the Democrats who are proposing this; I care about the people it is going to serve. They stood up and voted with us. It took courage. They stood up for their constituents and people across the country who are trying to rebuild their lives. This was a courageous vote for them, and it shows there is bipartisan support for the Senate disaster relief bill.

In contrast, the House Republicans couldn't even get enough support from their own party to pass their measly proposal last night. It is time for them to embrace the Senate plan on disaster relief and stop using disaster victims as political pawns.

Who are they going to hurt? Are they going to hurt President Obama? Are they going to hurt Democrats who are in office? No. The pain goes to the ordinary people who work for a living and take care of their families and those proud Americans serving in our military. Those are the people to whom they are saying no.

It is too bad. It is too bad. A lot of these people are veterans and have come back from dangerous duty. They go home, their unemployment rate is high, and very often they are rebuilding their lives. If they have a home, a domicile, in these areas, they say we can't help them.

The House Republicans' halfhearted approach offers little more than $3½ billion in disaster relief. That sounds like a lot of money, but it is not even close to being enough. It is going to leave our residents, our States, our cities and towns out in the cold at a time when they desperately need help.

In addition to shortchanging FEMA, the House provides zero funding for many of the programs that are needed to help us recover. Our Senate bill includes funding for the community development block grants—a very important program. It gives communities money and the latitude to deal with the problems that face them. It provides our communities with long-term support and Economic Development Administration grants to help businesses grow again—to hire people and to produce product. It also includes funding for the Department of Agriculture to help farmers and residents in rural areas to recover. It is the kind of help we offered in 2008 and 2010 when hurricanes and heavy rains caused destruction in States such as Texas and Kentucky, Tennessee and Indiana, and it is what we have to do again.

The House Republicans failed to provide funding for farmers, economic development, or long-term support for local communities to rebuild. That is what you do when you have a crisis or a natural disaster, and there can't be any debate about the help that is required in all 50 States. It requires bipartisan support because we can't get it done with only one party.

Every State has experienced a disaster in recent years. This year alone, Federal disasters have been declared in 48 States. FEMA is working in every one of those States to help communities rebuild and recover—if they have the resources. If they don't, they will not be on the job and people will continue to suffer. So if the House Republicans get their way, every State is on the verge of disaster.

Incredibly, the House proposal pays for disaster relief by taking money from advanced technological development that will help our automobile industry, for instance, and create jobs. In the Senate, we have to reject this misguided approach. We have to say no way. We are not going to rob Peter to pay Paul. They simply want to rob Peter and Paul—that is what they want to do—of assistance and help.

We should ask why it was acceptable to provide more than $800 million to invade and then rebuild Iraq without paying for it, no questions asked. Ask the families who made sacrifices in that war how they felt about it. We turn our back on it. That is what we have done. But when the time comes to rebuild America, some Republicans want to hold the money hostage until painful spending cuts are inflicted elsewhere.

They are gunning for the President of the United States. They think they are going to be able to smash President Obama's accomplishments: getting a couple million people to work, the packages that got the decline stopped where it was and started to turn around.

We have to remember something. I was once the senior Democratic member on the Budget Committee, so I know about balancing budgets. But when these reckless tax cuts came up for the wealthy and cost $700 billion over 10 years, they were approved without being paid for. It is pretty clear, when it comes to giving big tax breaks to millionaires and billionaires, the wealthy among us—and I say this without meaning to boast. I ran a very good company, a company I helped start with two other fellows that now employs 45,000 people, where there were three of us, and I, with my education being paid for by the government because I served in the Army for 3 years and I got the G.I. bill.

So I will tell you this—and I will tell this to all my colleagues and I hope they hear me. I think it is time for people like me who have made money to pay something back, to give strength to our country, and not argue about whether they pay enough tax. They

don't pay enough tax. Warren Buffet says they don't pay enough. They listen to him, that they don't pay enough tax. It doesn't hurt those of us who have been successful the least bit to pay a few more percent in taxes. We can feel good about it. Look in the mirror after we have put something in of value that our country needs, that strengthens the working class of people that tells them: Listen, we have gotten our share, and now it is our responsibility to give back some part of that share.

It is pretty clear; when it comes to giving big tax breaks to millionaires and billionaires, the Republicans don't give a second thought as to how much they cost. But to our country's disaster victims, they have to go to the back of the line and wait their turn.

When disaster strikes, victims don't want us to reach for the budget ax. They want us to extend that helping hand that gets their lives back started again. The fact is, disaster victims have enough to worry about. In many years, people's lives have seen moments of jeopardy and difficulty, and they fully gave what they had to help their country, feeling all the time that the government is going to stand behind them.

That is what this country of ours is about, this democracy. The Constitution demands that we improve the lives of our citizens; that we give them rights, we give them support, we give them a view of life.

House Republicans want to turn their backs on storm victims. A lot of them are new here. They ought to enjoy these terms because they may not have another one when the public finds out what they are doing, turning their backs on storm victims, local communities, regional economies, and farmers. Their proposal will cost us jobs, and I hope their jobs will be included in it when it comes time next year to vote.

I appeal to my Republican colleagues, stand—stand for those who live in your States, including our neighbors, including the States' children, including the States' families. Remember this, Republican Senators, Republican House Members. We represent people across political lines, across religious lines, across all different lines, and our obligation is to take care of those people when they need help; to give them some support, to give them some hope, to give them some vision.

That is what we are supposed to be doing. We are supposed to be encouraging our citizens, our constituents, and not simply turning our back. What we ought to have is a camera in here that shows every time people vote no on issues and make sure it is clearly understood when people turn their backs on their fellow citizens.

We face serious fiscal challenges in our country, but we cannot put a price on human life. Nothing—nothing is more important than keeping our communities, our families, and our economy safe.

I yield the floor, and I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 651

Under the previous order, the question occurs on amendment No. 651, offered by the Senator from Florida, Mr. RUBIO. There will be 2 minutes of debate equally divided prior to the vote.

Mr. RUBIO. Madam President, I will be brief.

The amendment is simple and straightforward. It just returns the TAA Program back to its original intent. It was designed to help workers who were displaced from their jobs or lost their jobs as a result of trade practices, primarily as a result of free-trade agreements between the United States and other countries. It is one of the reasons why, I believe, the majority has brought this issue before us before proceeding to the free-trade agreements with South Korea, with Panama, and with Colombia. What this does is it returns it back to that. It clearly recognizes there are workers who have been hurt by unfair trade practices unrelated to trade agreements, whether it is what China does or other nations do, and those things need to be dealt with, but they need to be dealt with separately.

This program was originally designed to help workers who were harmed in the short term. That is why it is called adjustment. These are workers who are trying to adjust as a result of some disruptions that may have occurred as a result of a trade agreement.

I think what we can take solace in knowing is that the best thing you can do for a worker who has lost his job is to get him a job. Ultimately, that is what free-trade agreements do. They create jobs in America, as the White House has recognized.

My hope is that we will proceed quickly to the passage of the three free-trade agreements, and again I urge the White House to submit those and that this body take them up as soon as possible.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Madam President, the conflict here with regard to the amendment that has been proposed is that on our side of this debate, we think this should be a broad array of help for workers. If a worker loses his or her job and we can provide eligibility for trade adjustment assistance, we shouldn't limit that just to the 17 countries with which we have a trade agreement.

Say if we have a problem with massive job loss as a result of what China is doing, either because they are cheating on currency or not playing by the rules—as we know they have not in many instances. I have a table here that indicates that in fiscal year 2012, when you look at the estimated number of workers certified under trade adjustment, whether they are import-related certifications or whether they are all other certifications, you add it up and there are more than 287,000 people who are impacted. A lot of those are impacted by way of unfair trade from China.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASEY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The bill clerk called the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Tennessee (Mr. CORKER), the Senator from Kentucky (Mr. PAUL), the Senator from Wyoming (Mr. BARRASSO), and the Senator from Wyoming (Mr. ENZI).

Further, if present and voting, the Senator from Tennessee (Mr. CORKER) would have voted ''yea.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 34, nays 62, as follows:

[Rollcall Vote No. 146 Leg.]

YEAS—34

Alexander	Hatch	McCain
Ayotte	Heller	McConnell
Blunt	Hoeven	Moran
Boozman	Hutchison	Murkowski
Burr	Inhofe	Risch
Chambliss	Isakson	Roberts
Coats	Johanns	Rubio
Coburn	Johnson (WI)	Thune
Cochran	Kirk	Toomey
Cornyn	Kyl	Vitter
Crapo	Lee	
DeMint	Lugar	

NAYS—62

Akaka	Grassley	Portman
Baucus	Hagan	Pryor
Begich	Harkin	Reed
Bennet	Inouye	Reid
Bingaman	Johnson (SD)	Rockefeller
Blumenthal	Kerry	Sanders
Boxer	Klobuchar	Schumer
Brown (MA)	Kohl	Sessions
Brown (OH)	Landrieu	Shaheen
Cantwell	Lautenberg	Shelby
Cardin	Leahy	Snowe
Carper	Levin	Stabenow
Casey	Lieberman	Tester
Collins	Manchin	Udall (CO)
Conrad	McCaskill	Udall (NM)
Coons	Menendez	Warner
Durbin	Merkley	Webb
Feinstein	Mikulski	Whitehouse
Franken	Murray	Wicker
Gillibrand	Nelson (NE)	Wyden
Graham	Nelson (FL)	

NOT VOTING—4

Barrasso	Enzi
Corker	Paul

The PRESIDING OFFICER. On this vote, the yeas are 34, the nays 62. Under the previous order requiring 60 votes for the adoption of this amendment, the amendment is rejected.

AMENDMENT NO. 650

The PRESIDING OFFICER. Under the previous order, the question occurs on amendment No. 650, offered by the Senator from South Dakota, Mr. THUNE. There will be 2 minutes of debate equally divided.

The Senator from South Dakota.

Mr. THUNE. Madam President, my amendment simply requires a study by the International Trade Commission when a trade agreement has been signed but the implementing legislation has not been taken up by Congress within 2 years. The study will examine the impact of lost export opportunities, the impact on U.S. jobs, and the impact on and the protection of U.S. intellectual property resulting from the delay.

Today we have anecdotal evidence, but there isn't a comprehensive government report on what delay means for U.S. businesses in our economy. I wish we did not need this amendment, but we have seen with the Korea, with the Colombia, and with the Panama agreements we cannot assume an agreement will be implemented swiftly after it is signed.

This amendment is not about casting blame. The study will apply to trade agreements whether negotiated by a Democratic or a Republican President. It is not about the past. It is just the fact that Congress deserves better information about the impact when we delay these trade agreements. This does not affect TAA, it does not affect the underlying bill, and it does not affect passage in the House. It is a commonsense amendment.

I hope my colleagues will support it.

The PRESIDING OFFICER (Mr. FRANKEN). The Senator from Oregon.

Mr. WYDEN. Mr. President, I rise in opposition to this amendment. Our exporters face major challenges in global markets. We are faced with surging imports from China. China has a regime in place that is cheating American innovators and forcing them to share their intellectual property.

Instead of dedicating the scarce resources of the International Trade Commission to look into these issues and to identify other foreign trade barriers that impede our exporters, we would essentially task the International Trade Commission to tell us what we already know.

For example, we know that in the case of the pending agreements, we had an opportunity to get a better deal for our companies that export automobiles and to promote human rights in Colombia by reducing violence.

We are on the precipice of considering these agreements. Let's not turn back the clock. Instead of using scarce resources to have an armchair debate about what we already know, let's dedicate the resources of this agency to help workers and businesses.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. THUNE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Wyoming (Mr. BARRASSO), the Senator from Tennessee (Mr. CORKER), the Senator from Wyoming (Mr. ENZI), and the Senator from Kentucky (Mr. PAUL).

Further, if present and voting, the Senator from Tennessee (Mr. CORKER) would have voted ''yea.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 52, as follows:

[Rollcall Vote No. 147 Leg.]

YEAS—44

Alexander	Grassley	McConnell
Ayotte	Hatch	Moran
Blunt	Heller	Murkowski
Boozman	Hoeven	Portman
Brown (MA)	Hutchison	Risch
Burr	Inhofe	Roberts
Chambliss	Isakson	Rubio
Coats	Johanns	Sessions
Coburn	Johnson (WI)	Shelby
Cochran	Kirk	Snowe
Collins	Kyl	Thune
Cornyn	Lee	Toomey
Crapo	Lieberman	Vitter
DeMint	Lugar	Wicker
Graham	McCain	

NAYS—52

Akaka	Hagan	Nelson (FL)
Baucus	Harkin	Pryor
Begich	Inouye	Reed
Bennet	Johnson (SD)	Reid
Bingaman	Kerry	Rockefeller
Blumenthal	Klobuchar	Sanders
Boxer	Kohl	Schumer
Brown (OH)	Landrieu	Shaheen
Cantwell	Lautenberg	Stabenow
Cardin	Leahy	Tester
Carper	Levin	Udall (CO)
Casey	Manchin	Udall (NM)
Conrad	McCaskill	Warner
Coons	Menendez	Webb
Durbin	Merkley	Whitehouse
Feinstein	Mikulski	Wyden
Franken	Murray	
Gillibrand	Nelson (NE)	

NOT VOTING—4

Barrasso	Enzi
Corker	Paul

The PRESIDING OFFICER. On this vote, the yeas are 44, the nays are 52. Under the previous order requiring 60 votes for the adoption of this amendment, the amendment is rejected.

AMENDMENT NO. 634

There is now 10 minutes of debate prior to a vote in relation to amendment No. 634 offered by the Senator from Texas, Mr. CORNYN.

The Senator from Texas.

Mrs. FEINSTEIN. Mr. President, I rise today to express my opposition to the Cornyn amendment that would force the administration to sell new F–16s to Taiwan.

Yesterday, the administration announced details of a $5.8 billion arms package to Taiwan.

The central element of this package is the decision to support a substantial upgrade to Taiwan's existing fleet of 145 F–16 A/Bs.

The upgrades include state-of-the-art avionics and weaponry such as targeting systems, AIM–9X air-to-air missiles and precision guided munitions.

The deal also includes the active electronically scanned array radars that, according to Taiwan's Defense Ministry, will allow its planes to detect China's new J–20 stealth aircraft.

The package also includes pilot training and spare parts for Taiwan's F–5 jets and C–130 transport planes.

It will significantly improve Taiwan's self-defense capabilities without increasing cross-strait tensions.

As we all know, Taiwan has asked the administration to accept a letter of request to sell 66 of the newer F–16 C/Ds.

Those who support the sale of new F–16s to Taiwan were clearly disappointed by the decision to move forward with only upgrades to Taiwan's existing fleet.

Senator CORNYN described the decision as a ''capitulation to Communist China'' and a ''slap in the face to strong ally and longtime friend.''

Nothing could be further from the truth.

First, let's be clear: The administration has deferred the decision on the sale of new F–16s to Taiwan, it has not rejected it outright.

It has acted in a manner consistent with the previous administration that also refused to accept Taiwan's request for new F–16s.

Let me remind my colleagues that under the Obama administration, total arms sales to Taiwan have totaled $12.25 billion, more than double the amount sold during President George W. Bush's first term.

It is clear these attacks are more about politics than the security and self-defense capability of Taiwan.

Next, let's look at the arms sales package itself.

The decision to upgrade Taiwan's existing fleet of F–16 A/Bs will provide many of the same capabilities as the new F–16 C/Ds.

According to the Pentagon, with a robust retrofit the F–16 A/B and F–16 C/D are comparable aircrafts. The upgraded F–16 A/Bs will have active electronically scanned array, AESA, radars, equal to the new F–16s; embedded global positioning system inertial navigation systems, equal to the new F–16s; ALQ–213 warfare management systems, equal to the new F–16s; night vision goggles, equal to the new F–16s; AIM–9X Sidewinder missiles, equal to the new F–16s; sensor fused weapons and laser guided bombs, equal to the new F–16s.

And the list goes on.

According to Mark Stokes of the Project 2049 Institute and a former Pentagon China expert, the radar ''offers a significant capability that would be able to maintain Taiwan's qualitative advantage'' over China.

Michael Pillsbury, a current Pentagon consultant on China, argued that the A/B upgrades could be perceived as

providing Taiwan with more capabilities than the C/Ds.

Supporters of this amendment will argue in favor of both upgrades and new planes, as requested by Taiwan.

Allow me to repeat: The administration has not formally rejected the sale of new F–16s. It is still under active consideration.

Clearly, the decision to upgrade the F–16 A/Bs does not prevent the administration from later selling Taiwan the newer planes.

Regardless of timing, we have to consider carefully what impact the sale of new F–16s to Taiwan would have on cross-straits relations.

In May 2010, I had the pleasure of visiting China and Taiwan for a series of meetings with Senators MARK UDALL and KAY HAGAN.

We had full and rewarding discussions on a range of issues, including cybersecurity, energy, trade, and cross-strait relations.

One bright story in the region, I believe, is that of Taiwan and its relationship with the mainland.

The reports we received on our visit were encouraging.

The three direct lines—air service, sea service and postal service—are all in place.

The number of flights between Beijing and Taiwan has reached 270 per week, and I understand they are packed to the brim.

There is also substantial Taiwanese in China today.

Taiwan President Ma Ying-jeou told us he was thrilled that negotiations were successful on an Economic Framework Agreement, known as ECFA, which he subsequently signed and was ratified by Taiwan's legislature.

On the 1-year anniversary of its passage, Taiwanese officials announced that agricultural exports to China covered by the agreement jumped 262 percent—to $69.31 million—in the first 7 months of 2011 compared to the same period in 2010.

Overall, Taiwanese exports to the mainland in the first half of 2011 totaled $61.56 billion, up 10.53 percent from the year before.

Follow-on talks have recently begun between both sides which will focus on the trade in goods and services and dispute resolution.

With the momentum generated by the agreement, I believe China and Taiwan should begin to address the security situation across the strait.

It is my strong belief that China should begin to reduce its more than 1,000 ballistic missiles deployed along its coast.

I deeply believe that enhanced economic cooperation and constructive dialogue will move China and Taiwan away from military confrontation to a clear path of resolving differences diplomatically.

In my view, the arms sales package for Taiwan announced by the administration will improve Taiwan's self-defense capabilities and still enhance this ongoing cooperation and dialogue.

Selling the new F–16's to Taiwan would only serve to undermine the progress we have made with China this year.

Military escalation between Taiwan and China, which the sale of the F–16 C/D variant would be construed as, is not in the best interests of the United States.

Finally, let me discuss how this amendment is being proposed.

Simply put, a trade bill to renew the Generalized System of Preferences and the Trade Adjustment Assistance Program is not the proper vehicle for a sensitive foreign policy debate.

The administration and most of my colleagues on this side of the aisle have made it clear that we must renew trade adjustment assistance before we consider the trade agreements.

If this amendment passes, it will threaten the chances of passing trade adjustment assistance in the House and, ultimately, consideration of the three outstanding free trade agreements with South Korea, Panama and Colombia.

If we are to have this debate, it should be during consideration of the Defense authorization bill.

I urge my colleagues to oppose the Cornyn amendment.

Mrs. BOXER. Mr. President, I rise today to speak on the amendment offered by Senator CORNYN regarding the sale of F–16C/D fighter aircraft to Taiwan.

Let me begin by reiterating that I am a strong supporter of Taiwan's right to self-defense. That is why I am proud to support the proposed arms sale package to Taiwan that the Obama administration transmitted to Congress just yesterday.

This package would provide an estimated $5.85 billion in arms sales to Taiwan, including a significant advanced technology upgrade to 145 F–16A/B aircraft that are currently part of Taiwan's air defense fleet.

But what I cannot support is the process by which Senator CORNYN is seeking to require the sale of additional F–16C/D aircraft to Taiwan.

Instead of mandating this sale on a trade adjustment bill, I would like Congress to continue to work with the Obama administration to determine how to best meet our obligations under the Taiwan Relations Act to ''make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.''

A defeat of the Cornyn amendment does not take the potential sale of F–16C/D aircraft to Taiwan off the table. In fact, the administration has stated that it is still considering the possibility of F–16C/D sales to Taiwan.

I am confident that the United States will continue to help ensure Taiwan's security and stability long into the 21st century.

Mr. CORNYN. I would like to offer a bipartisan proposition to my colleagues here in the nature of this amendment. The reason I say this idea enjoys bipartisan support is 47 Senators, Democrats and Republicans, have joined in a letter to the administration asking that the administration grant a sale of F–16C/D models to our ally Taiwan.

This amendment would compel that sale because unfortunately the administration declined to make that sale yesterday, notwithstanding the fact that the Taiwan Relations Act signed by Jimmy Carter and passed by a bipartisan Congress requires the United States to provide Taiwan with defense articles necessary to enable Taiwan to maintain sufficient self-defense capabilities.

They have lost that capability, as demonstrated by this chart taken from Defense Department records. Currently, the People's Republic of China has about 2,300 operational combat aircraft to Taiwan's 490. Taiwan, by comparison, has 490 operational aircraft, of which about 100 need to be retired, French Mirage aircraft, F–5 aircraft. About 100 of them need to be retired because they are literally obsolete.

What this amendment would do would be to compel the sale of 66 F–16C/D models to our friends in Taiwan. Why is this important? Well, the Department of Defense reports that China's military power is in an increasingly precarious situation for the region and that China seeks the capability both to deter Taiwan independence and influence Taiwan to settle the dispute between them on China's terms.

This amendment would compel that sale. My colleague from Massachusetts argued earlier that the retrofit of 145 of the F–16A/B models, which Taiwan has, which the United States sold, is an adequate substitute. It is not. All that will do is help upgrade 145 of these aircraft that I identified earlier. It will not meet the need created by the retirement of the obsolete French Mirages and the F–5.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I think all of us agree with the intent and the direction the Senator from Texas wants to go here with respect to our friendship and our support of Taiwan. In the 26 years I have been here, I have never not supported doing what is necessary to live up to the Taiwan Relations Act. But the Senator is reaching way beyond what we have ever done in the Senate, which is to compel a single weapons systems sale by the President with respect to a complex relationship such as China-Taiwan and the entire presence of the United States in the areas of the straits and in that region. We have never done that.

Moreover, the President of Taiwan has said it is entirely adequate. He feels they will have the defensive capacity necessary under the TRA in

order to be able to defend themselves at the current level with the upgrade we are providing.

Let me point out that under President Bush, over 8 years, we provided $12 billion to Taiwan—over 8 years. In 3 years of the Obama administration, he has provided about $12 billion—3 years. So there was $15 billion by Bush over 8 years, $12 billion by Obama over 3 years.

The upgrade that is being provided—$6 billion worth of upgrade, sales of weapons—includes state-of-the-art avionics and weaponry, including the Active Electronically Scanned Array Radars, targeting systems, Aim-9X air-to-air missiles, and precision-guided munitions. Those airplanes, those 145 F–16s, will have state-of-the-art capacity at the highest level of any F–16 that we are allowed to sell to any country in the world.

Moreover, the administration has made it absolutely clear that this does not preclude the sale of F–16s maybe in the next months, maybe in the next year, but that ought to be done by any administration, Republican or Democratic, in an orderly way as a matter of good arms policy and as a matter of good foreign policy. In addition to that, the administration is unalterably opposed to this.

So here we are working hard under a fairly careful script to get TAA out of here so we can move to three trade agreements that a lot of us want to move and pass, which means jobs for America. They have been long overdue. We pass this amendment, we lose that opportunity. It is that simple.

So these are all tradeoffs, but this is a tradeoff measured against the lack of any need for urgency as a matter of defense policy and foreign policy to do this. So I say to my colleagues, why, for the first time, without that showing of urgency and need, particularly given the President of Taiwan's own statements, are we going to for the first time compel a President to do something he does not think he wants to do in the context of the relationship with both China and Taiwan?

I reserve the remainder of my time.

Mr. CORNYN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two minutes 30 seconds.

Mr. CORNYN. Mr. President, as my colleagues know, under article I, section 8 of the U.S. Constitution, Congress is given the power to regulate commerce with foreign nations. That is why this amendment is relevant to this trade bill we are getting ready to pass, because it is important that products manufactured in the United States, and produce grown here, that we sell it to markets abroad because it creates jobs here at home, in addition to fulfilling our legal obligation under the Taiwan Relations Act.

I must say I disagree with my colleague from Massachusetts. The upgrade on the 145 aircraft does nothing to substitute for the retiring of the French Mirage aircraft and the F–5s, given the disparity of air power between China and Taiwan.

Because we are all concerned about jobs, let me remind my colleagues that 32 different States will receive benefits by way of jobs as a result of these sales. This isn't the primary reason why this is important. This is about American prestige, keeping our promises, and not letting the bullies of the world, including China, intimidate the United States; and it is about keeping solemn commitments to our allies.

I ask my colleagues to vote yes, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KERRY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 1 minute 24 seconds.

Mr. KERRY. Let me say, very quickly, that the sale of weapons measured against the policy decisions in a set of relationships that are critical to the balance of power and the threat and danger and so forth has never been translated into a jobs program. If you want it to be—$6 billion spent on these upgrades—Northrop Grumman, Lockheed Martin, and a host of companies will benefit from that $6 billion and may benefit from the sale of weapons down the road.

This is a policy issue. The policy question is whether the President of Taiwan can speak for Taiwan as the Senator from Texas speaks for Taiwan. It is whether we are going to be adequately meeting the needs of the TRA and the foreign policy priorities of an administration that, it seems to me, given the statements of the President of Taiwan, not only don't violate it but sustain the relationship of the TRA.

I have proudly voted in support of Taiwan for the entire time I have been here, 26 years. I believe I am voting for them today, even as I oppose this amendment but support the administration's $6 billion program for upgrade and those 145 F–16s—and maybe we will sell them some others.

The PRESIDING OFFICER. The Senator's time has elapsed.

Mr. CORNYN. Mr. President, briefly, once this production line is shut down for the production of the F–16, it cannot be reconstituted. The 2,000 people currently working on the F–16 production line will be reassigned or fired and so this is important.

This isn't something we can take up willy-nilly later on because we finally have gotten around to it. It is timely, and it needs to be done now to keep our commitment to our ally and show the Chinese what they need to see from America; that is, strength, not weakness.

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is on agreeing to the amendment. The clerk will call the roll.

The legislative clerk called the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Tennessee (Mr. CORKER), the Senator from Wyoming (Mr. BARRASSO), the Senator from Wyoming (Mr. ENZI), and the Senator from Kentucky (Mr. PAUL).

Further, if present and voting, the Senator from Tennessee (Mr. CORKER) would have voted ''yea.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 48, as follows:

[Rollcall Vote No. 148 Leg.]

YEAS—48

Alexander	Grassley	McConnell
Ayotte	Hatch	Menendez
Blumenthal	Heller	Moran
Blunt	Hoeven	Murkowski
Boozman	Hutchison	Nelson (FL)
Brown (MA)	Inhofe	Portman
Burr	Isakson	Risch
Chambliss	Johanns	Roberts
Coats	Johnson (WI)	Rubio
Coburn	Kirk	Sessions
Cochran	Kyl	Shelby
Collins	Lee	Snowe
Cornyn	Lieberman	Thune
Crapo	Lugar	Toomey
DeMint	Manchin	Vitter
Graham	McCain	Wicker

NAYS—48

Akaka	Gillibrand	Nelson (NE)
Baucus	Hagan	Pryor
Begich	Harkin	Reed
Bennet	Inouye	Reid
Bingaman	Johnson (SD)	Rockefeller
Boxer	Kerry	Sanders
Brown (OH)	Klobuchar	Schumer
Cantwell	Kohl	Shaheen
Cardin	Landrieu	Stabenow
Carper	Lautenberg	Tester
Casey	Leahy	Udall (CO)
Conrad	Levin	Udall (NM)
Coons	McCaskill	Warner
Durbin	Merkley	Webb
Feinstein	Mikulski	Whitehouse
Franken	Murray	Wyden

NOT VOTING—4

Barrasso	Enzi
Corker	Paul

The PRESIDING OFFICER. On this vote, the yeas are 48, the nays are 48. Under the previous order requiring 60 votes for the adoption of this amendment, the amendment is rejected.

AMENDMENT NO. 633

Under the previous order, there is now 2 minutes of debate, equally divided, in relation to amendment No. 633 offered by the Senator from Nevada (Mr. REID) on behalf of Mr. CASEY.

The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I ask an affirmative vote on this amendment.

Trade adjustment assistance is very simple. We have a job crisis in the country. This program for decades now has helped people get through crises and, very importantly, has allowed them to be trained and retrained for the jobs of the future. We need this program, our workers need it, and our economy needs it.

I commend the work of Chairman BAUCUS and my colleague from Ohio, Senator BROWN. I ask for an affirmative vote on this amendment.

My colleague from Ohio.

Mr. BROWN of Ohio. Mr. President, I thank Senator BAUCUS and Senator CASEY for their leadership.

This is about helping people who have lost their jobs, not only through no fault of their own but because of actions taken in this body and the House of Representatives on trade agreements and on trade policy.

I met a woman in Youngstown the other day who lost her job in manufacturing and she went back to school. She and her daughter are both now in nursing school training to be nurses. That is what TAA is about.

Vote for the Casey-Baucus-Brown amendment.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, this is a caustic program of dubious value. In our hearings, the representatives of the administration couldn't come up with one job that would be lost as a result of these free-trade agreements.

There is no evidence that TAA works and, in all honesty, there is no commitment from the President we are going to have the free-trade agreements come up anyway. I have to say that even though we haven't done a trade agreement in years, TAA continues to grow and TAA is on top of unemployment insurance that we are paying anyway, and it isn't justified.

All I can say is, literally, this program should not be adopted at this particular point. And if it is adopted, it ought to be adopted based upon reason and so forth.

Mr. MENENDEZ. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to amendment No. 633.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Tennessee (Mr. CORKER), the Senator from Wyoming (Mr. BARRASSO), and the Senator from Wyoming (Mr. ENZI).

Further, if present and voting, the Senator from Tennessee (Mr. CORKER) would have voted ''nay.''

The result was announced—yeas 69, nays 28, as follows:

[Rollcall Vote No. 149 Leg.]

YEAS—69

Akaka	Gillibrand	Murkowski
Baucus	Hagan	Murray
Begich	Harkin	Nelson (NE)
Bennet	Heller	Nelson (FL)
Bingaman	Hoeven	Portman
Blumenthal	Inouye	Pryor
Blunt	Isakson	Reed
Boozman	Johanns	Reid
Boxer	Johnson (SD)	Rockefeller
Brown (MA)	Kerry	Sanders
Brown (OH)	Klobuchar	Schumer
Cantwell	Kohl	Shaheen
Cardin	Landrieu	Shelby
Carper	Lautenberg	Snowe
Casey	Leahy	Stabenow
Coats	Levin	Tester
Cochran	Lieberman	Udall (CO)
Collins	Manchin	Udall (NM)
Conrad	McCaskill	Warner
Coons	Menendez	Webb
Durbin	Merkley	Whitehouse
Feinstein	Mikulski	Wicker
Franken	Moran	Wyden

NAYS—28

Alexander	Hatch	Paul
Ayotte	Hutchison	Risch
Burr	Inhofe	Roberts
Chambliss	Johnson (WI)	Rubio
Coburn	Kirk	Sessions
Cornyn	Kyl	Thune
Crapo	Lee	Toomey
DeMint	Lugar	Vitter
Graham	McCain	
Grassley	McConnell	

NOT VOTING—3

Barrasso	Corker	Enzi

The PRESIDING OFFICER (Mrs. SHAHEEN). On this vote, the yeas are 69, the nays are 28. Under the previous order requiring 60 votes for the adoption of this amendment, the amendment is agreed to.

Under the previous order, the clerk will read the bill for a third time.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The Senator from Montana is recognized.

There is now 10 minutes of debate equally divided prior to a vote on the passage of the measure.

Mr. BAUCUS. Madam President, this bill addresses our country's most urgent priority—jobs. It helps American workers acquire the skills they need to compete and win in the global economy. It gives American businesses better access to the materials they need to make world-class products, and that is just the beginning. It also opens the door to an ambitious trade agenda, an agenda that will increase U.S. exports, grow our economy, and create jobs. That agenda includes our pending free-trade agreements with Colombia, Panama, and South Korea.

The first step is to renew the trade adjustment assistance. Trade adjustment assistance has been an essential part of U.S. trade policy for nearly 50 years. When we negotiate trade agreements, we create new economic opportunity and spur growth but also increase competition. TAA helps American workers and businesses meet that competition with job training, income support, health coverage, and technical assistance.

Over the years we have reformed TAA to keep pace with the changing global economy. In 2009 we extended TAA to cover service industry workers and workers whose jobs shifted overseas to any country, and we increased funding for job training and health care. But the 2009 reforms expired. They expired last February.

Congress has never approved one free-trade agreement, much less three, with TAA expired. This year must be no exception. This legislation will restore the 2009 TAA reforms and responsible program cuts to achieve necessary cost savings. This legislation will clear the path to consider and approve our free-trade agreements with Colombia, Panama, and South Korea.

If we do not approve this legislation we will impose a roadblock that could derail our three free-trade agreements. We cannot afford to fail. Weak consumer demand at home threatens to stall our recovery. We need these agreements to increase sales of U.S. farm products, manufactured goods, and services abroad.

The International Trade Commission estimates that these agreements will boost U.S. exports by $13 billion. Most important, these additional exports will increase economic growth and support tens of thousands of American jobs. We cannot delay.

This summer, for example, trade agreements between the European Union and Korea, and between Canada and Colombia entered into force. U.S. exporters are losing sales to their European and Canadian competitors. American jobs are at risk. Let's restore U.S. trade adjustment assistance for American workers, let's expand trade preferences for the benefit of American manufacturers, and let's move quickly to our pending free-trade agreements with Colombia, Panama, and South Korea.

I urge my colleagues to support this legislation.

Mr. LEVIN. Madam President, I will vote in support of the amendment to renew and extend both the General System of Preferences and trade adjustment assistance. It is the correct approach for Congress to extend trade adjustment assistance, TAA, including an extension of the 2009 bipartisan reforms, before considering the pending trade agreements with South Korea, Colombia, and Panama.

TAA is not a substitute for fighting to keep jobs here in the United States. However, given the realities of a global economy we must provide a safety net so workers who lose their jobs as a result of expanded trade and globalization are able to transition to new jobs through retraining and that they have access to affordable health care coverage.

The 2002 TAA law covered only manufacturing workers who lost jobs as a result of imports or if those jobs shifted to FTA partner countries. In 2009, as part of the Recovery Act, the TAA Program was expanded through bipartisan efforts to increase training funding. It also expanded eligibility to include the service sector and farmers and to cover workers whose jobs were been moved anywhere offshore, not just to a FTA partner country. Finally, it expanded access to TAA's health coverage tax credit, which helps certified workers purchase private health insurance.

Those 2009 expansions expired on February 13, 2011 and are overdue for reauthorization. The bill the Senate is considering today is a bipartisan agreement to restore most of the 2009 provisions through December 31, 2013. It will also apply the benefits retroactively from February 12, 2011.

There is clearly a need for an expanded TAA Program. Since the 2009 reforms, almost 450,000 workers have been certified for TAA assistance: over 40 percent of whom were certified

under the expanded provisions and coming from every state in the union. As a leading manufacturing state and a significant contributor to global trade, Michigan has relied on the TAA Program to retrain workers for new careers and certified nearly 50,000 workers since the 2009 reforms.

Michigan also houses the Great Lakes Trade Adjustment Assistance Center. The Great Lakes TAA Center helps hundreds of firms in Michigan, Indiana and Ohio compete in the global economy. The TAA for firms program assists mostly small and medium-sized companies that experience loss of jobs and sales because of foreign imports. TAA for firms has helped to retain or create tens of thousands of jobs by saving companies and jobs imperiled by import competition. This TAA extension includes $16 million for this important program—TAA for firms.

Ms. SNOWE. Madam President, I rise today to express my strong support for the renewal of Trade Adjustment Assistance programs which for decades have served as a critical lifeline for thousands of Mainers whose jobs have been adversely affected by increases in foreign imports and shifts in production overseas.

During my entire tenure in Congress, I have worked tirelessly with my colleagues to reform and expand TAA programs to assist workers, businesses, and communities harmed by trade liberalization in competing in an increasingly global marketplace.

And frankly if there were ever a moment to rebuild and equip our workforce to make greater strides when it comes to competing in the global economy is there any doubt, that time is now?

Consider that China will surpass the U.S. economically in 2016—a mere five years from now—according to the International Monetary Fund. Consider that the total U.S. international trade deficit for 2010 was $497 billion, up from $374 billion in 2009. And our trade deficit with China increased from $226 billion in 2009 to $273 billion in 2010—a 20-percent increase in just 1 year alone!

Whoever is elected President in 2012 will be the last President to preside over a U.S. economy on top of China's if we continue with our current policies, which, in large part are fueling our decline and China's rise. Make no mistake, this is the regrettable direction in which we are headed as long as we import more than we export, amass soaring deficits, consume more than we produce, and outsource thousands of jobs.

Domestically, our Nation's $14.7 trillion debt is projected to reach 100 percent of GDP this year; unemployment has been hovering near or above 9 percent; and 22 million Americans are either unemployed or underemployed. Indeed, we are experiencing the longest unemployment period in American history since data collection started in 1948, surpassing even the 1982 double-dip recession.

Manufacturing has also grown at the slowest pace in 2 years. The housing downturn is still plaguing the country, with no plausible end to foreclosures in sight. Home prices in March fell to their lowest level since 2002. Consumers, confronted with higher gas and food prices, are spending less on discretionary items.

And in my home State of Maine wage and salary employment levels have fallen precipitously through December 2010, with job losses of 26,900, a 4.4-percent drop. Overall, employment numbers in my State have returned to year 1999 levels, erasing the economic gains of the past decade.

At a time when Maine and our Nation are struggling to revive our lackluster economy—the worst since World War II, renewing and reforming TAA represents a central avenue we must take if we are to reinvigorate our workforce so that American enterprise is positioned to battle for customers with our counterparts in countries like China.

TAA programs—such as TAA for Workers, TAA for Firms, and TAA for Farmers have proved invaluable to accelerating the adjustment process and expediting the means by which laid-off workers are able to rejoin the workforce and contribute to the bottom-line at a high level.

TAA is crucial in providing Americans with the skills and assistance needed to meet this challenge. As President Kennedy said in 1962, TAA is ''a program to afford time for American initiative, American adaptability and American resiliency to assert themselves.''

Under the TAA for Workers Program, eligible beneficiaries in Maine—such as laid-off pulp and paper manufacturers—participate full-time in customized and on-the-job training or pursue coursework at local colleges and universities to acquire the skills they need to reenter the workforce. As of the end of 2010, thousands of Mainers had been certified for TAA and reentered the workforce.

Additionally, under the TAA for Farmers Program, hundreds of blueberry producers and lobstermen in my state, facing increased pressure from foreign products, have found the program's technical assistance and training extremely useful in retooling their businesses to ensure Maine's agriculture industry and fisherman remain among the best in the world.

Likewise, the New England Trade Adjustment Assistance Center recently reported that 15 Maine companies have taken part in the TAA for Firms Program over the last several years. These companies have taken advantage of the program to reconfigure their business models, develop new strategies, and make other adjustments necessary to remain competitive in the international economy—benefiting a combined 1,120 Mainers employed by these firms.

However, despite these irrefutable successes, I have no doubt that some of my colleagues will argue in favor of allowing TAA to expire. And they might argue that we should not be giving ''special treatment'' to individuals whose jobs have been affected by trade.

Allowing this vital program to lapse would amount to a colossal missed opportunity not only for American workers but for our economy as well. When a Maine saw or paper mill closes and the orders it used to handle are filled by a Canadian or Chinese plant, that has a cascading affect across not just Maine's forestry industry but shipping businesses, our service sector, and the thousands of additional workers and rural communities that rely on this industry for their very survival.

The fact is, losing one's job to trade is not equivalent to losing one's job because of technological advancements or economic adversity and downturn. The difference is that trade liberalization actions—such as implementing NAFTA or accepting China into the WTO—are the chosen policy of the U.S. Government—a path I would argue has often sacrificed manufacturing jobs in order to gain market access for other sectors of our economy. Consequently, our government is all the more obligated to aid our workers and communities hurt by foreign trade.

To those who point out that there are inefficiencies associated with TAA, I agree that efforts at reform must reduce costs and eliminate waste. That is why this bill lowers program expenditures, includes cost-cutting provisions from areas such as case management and administrative expenses, and grants States greater discretion to manage the programs.

Furthermore, the reforms made in this legislation require new performance measures, metrics, and accountability as a precondition for receiving training and benefits. In fact, the bill raises the standards by which applicants may receive waivers from training program requirements—eliminating many of the loopholes that previously could have been used to avoid participation in key job skill programs.

Finally, I am pleased that the legislation before us maintains the expanded eligibility for service workers and those displaced by trade with non-FTA partners like China and India. And it maintains initiatives I have championed such as the health coverage tax credit—all of which are vital components to helping sustain both workers and businesses and enable them to contribute to our economic recovery.

Along with the enforcement of our existing trade laws, trade adjustment assistance must be a central pillar of our Nation's trade agenda. On February 8 I sent a letter to the Senate's leadership urging that they work with me to secure a long-term reauthorization of TAA so that families in Maine and across the U.S. are prepared for new employment opportunities. Unfortunately, as so often seems to be the

case in the Senate, action on this job creation package has been delayed for far too long—over 7 months since I sent my letter.

Congress still has an opportunity to overcome this legislative inertia in order to benefit U.S. industries that have been devastated by foreign imports. American businesses and their employees are doing their part—Congress must do likewise.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Madam President, I rise in opposition to this bill before us. It extends the generalized system of preferences program for 2 years, as amended and, as amended, expands the trade adjustment assistance program.

I want to be clear. I support the underlying bill passed by the House that extends the GSP Program. GSP helps American companies compete in the global marketplace while helping developing countries grow their economies and achieve sustainable economic growth to lift their people out of poverty.

As I have made clear over the past few days, I have serious concerns with expanding the Trade Adjustment Assistance Program as it has been amended by this bill. We can no longer afford to increase domestic spending on programs that have dubious value and unproven results. That is what this bill will do.

I cannot condone this spending, so I will vote no. I offered an amendment that would have ended the mystery surrounding the sequencing of TAA and the three pending free-trade agreements that have been the subject of much intrigue and speculation.

My amendment would have called off the expansion of TAA until our free-trade agreements with Colombia, Panama, and South Korea were enacted. Everything would move together. Isn't that what this whole bargain is supposed to be about?

Well, that amendment did not pass and the White House still refuses to say when they will send up the FTAs for a vote. That does not seem right or fair to me. TAA is an unproven and costly and counterproductive program.

I urge my colleagues to also oppose this bill, but should it pass, I hope the President finally matches actions with words and sends the FTAs up for a vote. I am convinced all three will receive strong bipartisan votes. American businesses, farmers, and workers, and our friends and allies in Colombia, Panama, and South Korea cannot afford any delay.

Mr. McCONNELL. Madam President, has the time expired?

The PRESIDING OFFICER. Three minutes remain.

Mr. McCONNELL. After today's vote, the White House has no more excuses. The time has come to send the three pending trade agreements to Congress. We waited for the chance to pass these trade agreements that our economy desperately needs and that even the White House admits will create tens of thousands of jobs.

The White House asks us for a path forward on trade adjustment assistance in exchange for sending these deals up to Congress and we gave it to them. I cannot say I am happy about that. This is a program that I and many Republican Members have serious questions about. Thanks to the leadership of two of our Members, Senator BLUNT and Senator PORTMAN, we are where we are today, and the Senate will soon pass TAA without an amendment. Both parties in the Senate have acted in good faith to move this process forward. Now it is the President's turn. No more moving the goalposts; no more excuses. It is time for the administration to demonstrate something that seems to be in short supply on the other end of Pennsylvania Avenue, and that is trust. The Senate today will have acted on trust in passing TAA even before we have received the agreements. The White House has refused to show the same trust in congressional Republicans who have assured them that TAA will move along with the free-trade agreements.

I kept my promise I would allow TAA to move forward in the Senate as long as Republicans had a chance to amend it. It is time for the administration to deliver theirs. It is time for the President to send up these long-pending free-trade agreements without further delay.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. REID. For the benefit of the Senators, so we can look at the schedule a little bit this evening, first of all, I appreciate the support for this trade adjustment assistance from my Republican colleagues. It is an important piece of legislation. I am glad we are able to complete this at least in the Senate.

As I have said many times, we have to make sure the House also passes this. I have been told by the Speaker and others in the Republican leadership in the House that they will do that. I am hopeful and confident they will. Once that is done—and they have ways of making sure through a rule they can issue, it would not be sent to the President. They do not have to enroll it until the trade bill is passed. Once the trade bill is passed, of course, they would send the trade adjustment assistance to the White House.

This is the first step of this agreement, I don't need to tell everyone here—I have spoken to the Republican leader many times—I do not support any of those trade agreements, but I am going to live up to what I said I would do and do what I can to move those through the Senate as quickly as possible so there are fair votes on all of them. We are waiting for the House to take action also.

Finally, without belaboring the point on trade adjustment assistance, I repeat what I said earlier. I appreciate very much the support of the Republicans in getting the votes necessary to pass this bill. It was a nice vote and I appreciate it very much.

As far as the rest of the evening, I just talked with the House Democratic leadership, some of them, and right now the Republicans are still trying to get enough votes to pass something over there. Right now they have not been able to do that so they have not even asked for the rule to be issued. We are waiting to see what they do. Some of the reports out of the House are troubling, to say the least. One of the latest proposals we have heard—remember, one reason this went so bad is that 53 House Republicans wrote a letter to the Republican leadership in the House and said, unless you cut back the CR—remember, that is an agreement we worked on for 3 months to get agreements so we took care of the 301(a)s and 301(b)s for the rest of the year. They said until you cut that by $28 billion, we are not going to vote for it—$28 billion.

The latest we have heard from the House in an effort to satisfy the $28 billion that the 53 Republicans want is they said they are going to cut renewable energy projects by another $110 million. So if that goes through, then the 53 Republicans, instead of settling for $28 billion, are going to settle for $110 million. From Las Vegas, those are not very good odds in a card game.

I hope we do something that is fair and realistic. I hope they send us a CR. I hope they send a reasonably important number on FEMA. We know what is needed. The Secretary of Homeland Security was in Joplin, MO, today, looking at the devastation there and the work that has stopped in that town that was struck by winds of 300 miles an hour.

We are here. We are going to have a caucus in 20 minutes, but I cannot see us doing anything tonight.

Mr. McCONNELL. If my friend would yield on that point.

Mr. REID. Surely.

Mr. McCONNELL. I think I can probably speak for everybody on this side that if we had a choice between wrapping all of this up sometime tonight, as opposed to coming back tomorrow, I think I am pretty safe in saying we prefer, if it is possible, to complete the job tonight knowing full well we are scheduled not to be here next week. Presumably if we finish the job in a way that is satisfactory to both the House and the Senate, I think our preference would be to grind through and to try to get to the end tonight.

Mr. REID. I understand what my friend is saying. I am sure if we took a vote, everyone would agree on that. If we don't get that bill until after midnight tonight, there is a limit as to what we can do. It may be necessary to come back sometime tomorrow morning. I have a number of us over here who have important things to do, not only legislatively but some with their own personal business. So I understand

if we have to come back tomorrow, we will try to do it as early as possible. We have some very serious things to do here. We have millions of people who are struggling because of this disaster relief. We talk about disaster relief as if it is some number up in the air, but these are jobs we are talking about. These are millions of dollars we are talking about providing for renovation, repair, and all of the other things that need to be done in the disaster areas. These are jobs. People are waiting to do that work and, of course, the CR is very important.

I would hope the House would send us something that is fair and reasonable, because if it is more of the same as yesterday, I do not think they are going to get the Democratic votes in the House. I do not think they will get any over here. This is not a high school game of ''I've gotcha.'' We are willing to be reasonable, but we are not willing to vote unreasonably.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill (H.R. 2832), as amended, pass?

Mr. FRANKEN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? ''There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. KYL. The following Senators are necessarily absent: the Senator from Tennessee (Mr. CORKER), the Senator from Wyoming (Mr. BARRASSO), and the Senator from Wyoming (Mr. ENZI).

Further, if present and voting, the Senator from Tennessee (Mr. CORKER) would have voted ''nay.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 70, nays 27, as follows:

[Rollcall Vote No. 150 Leg.]

YEAS—70

Akaka	Graham	Murkowski
Baucus	Hagan	Murray
Begich	Harkin	Nelson (NE)
Bennet	Heller	Nelson (FL)
Bingaman	Hoeven	Portman
Blumenthal	Inouye	Pryor
Blunt	Isakson	Reed
Boozman	Johanns	Reid
Boxer	Johnson (SD)	Rockefeller
Brown (MA)	Kerry	Sanders
Brown (OH)	Klobuchar	Schumer
Cantwell	Kohl	Shaheen
Cardin	Landrieu	Snowe
Carper	Lautenberg	Stabenow
Casey	Leahy	Tester
Coats	Levin	Udall (CO)
Cochran	Lieberman	Udall (NM)
Collins	Lugar	Warner
Conrad	Manchin	Webb
Coons	McCaskill	Whitehouse
Durbin	Menendez	Wicker
Feinstein	Merkley	Wyden
Franken	Mikulski	
Gillibrand	Moran	

NAYS—27

Alexander	DeMint	Kyl
Ayotte	Grassley	Lee
Burr	Hatch	McCain
Chambliss	Hutchison	McConnell
Coburn	Inhofe	Paul
Cornyn	Johnson (WI)	Risch
Crapo	Kirk	Roberts
Rubio	Shelby	Toomey
Sessions	Thune	Vitter

NOT VOTING—3

Barrasso	Corker	Enzi

The PRESIDING OFFICER. On this vote, the yeas are 70, the nays are 27. Under the previous order requiring 60 votes for passage of the bill, the bill, as amended, is passed.

The bill (H.R. 2832), as amended, was passed, as follows:

H.R. 2832

Resolved, That the bill from the House of Representatives (H.R. 2832) entitled ''An Act to extend the Generalized System of Preferences, and for other purposes.'', do pass with the following amendment:

At the end, add the following:

TITLE II—TRADE ADJUSTMENT ASSISTANCE

SEC. 200. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the ''Trade Adjustment Assistance Extension Act of 2011''.

(b) TABLE OF CONTENTS.—The table of contents for this title is as follows:

TITLE II—TRADE ADJUSTMENT ASSISTANCE

Sec. 200. Short title; table of contents.

Subtitle A—Extension of Trade Adjustment Assistance

PART I—APPLICATION OF PROVISIONS RELATING TO TRADE ADJUSTMENT ASSISTANCE

Sec. 201. Application of provisions relating to trade adjustment assistance.

PART II—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Sec. 211. Group eligibility requirements.
Sec. 212. Reductions in waivers from training.
Sec. 213. Limitations on trade readjustment allowances.
Sec. 214. Funding of training, employment and case management services, and job search and relocation allowances.
Sec. 215. Reemployment trade adjustment assistance.
Sec. 216. Program accountability.
Sec. 217. Extension.

PART III—OTHER ADJUSTMENT ASSISTANCE

Sec. 221. Trade adjustment assistance for firms.
Sec. 222. Trade adjustment assistance for communities.
Sec. 223. Trade adjustment assistance for farmers.

PART IV—GENERAL PROVISIONS

Sec. 231. Applicability of trade adjustment assistance provisions.
Sec. 232. Termination provisions.
Sec. 233. Sunset provisions.

Subtitle B—Health Coverage Improvement

Sec. 241. Health care tax credit.
Sec. 242. TAA pre-certification period rule for purposes of determining whether there is a 63-day lapse in creditable coverage.
Sec. 243. Extension of COBRA benefits for certain TAA-eligible individuals and PBGC recipients.

Subtitle C—Offsets

PART I—UNEMPLOYMENT COMPENSATION PROGRAM INTEGRITY

Sec. 251. Mandatory penalty assessment on fraud claims.
Sec. 252. Prohibition on noncharging due to employer fault.
Sec. 253. Reporting of rehired employees to the directory of new hires.

PART II—ADDITIONAL OFFSETS

Sec. 261. Improvements to contracts with Medicare quality improvement organizations (QIOs) in order to improve the quality of care furnished to Medicare beneficiaries.
Sec. 262. Rates for merchandise processing fees.
Sec. 263. Time for remitting certain merchandise processing fees.

Subtitle A—Extension of Trade Adjustment Assistance

PART I—APPLICATION OF PROVISIONS RELATING TO TRADE ADJUSTMENT ASSISTANCE

SEC. 201. APPLICATION OF PROVISIONS RELATING TO TRADE ADJUSTMENT ASSISTANCE.

(a) REPEAL OF SNAPBACK.—Section 1893 of the Trade and Globalization Adjustment Assistance Act of 2009 (Public Law 111–5; 123 Stat. 422) is repealed.

(b) APPLICABILITY OF CERTAIN PROVISIONS.—Except as otherwise provided in this subtitle, the provisions of chapters 2 through 6 of title II of the Trade Act of 1974, as in effect on February 12, 2011, and as amended by this subtitle, shall—

(1) take effect on the date of the enactment of this Act; and

(2) apply to petitions for certification filed under chapters 2, 3, or 6 of title II of the Trade Act of 1974 on or after such date of enactment.

(c) REFERENCES.—Except as otherwise provided in this subtitle, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a provision of chapters 2 through 6 of title II of the Trade Act of 1974, the reference shall be considered to be made to a provision of any such chapter, as in effect on February 12, 2011.

PART II—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

SEC. 211. GROUP ELIGIBILITY REQUIREMENTS.

(a) IN GENERAL.—Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(1) by striking subsection (b);

(2) by redesignating subsections (c) through (f) as subsections (b) through (e), respectively;

(3) in paragraph (2) of subsection (b), as redesignated, by striking ''(d)'' and inserting ''(c)'';

(4) in subsection (c), as redesignated, by striking paragraph (5); and

(5) in paragraph (2) of subsection (d), as redesignated, by striking '', (b), or (c)'' and inserting ''or (b)''.

(b) CONFORMING AMENDMENTS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking ''Subject to section 222(d)(5), the term'' and inserting ''The term''; and

(B) in subparagraph (A), by striking '', service sector firm, or public agency'' and inserting ''or service sector firm'';

(2) by striking paragraph (7); and

(3) by redesignating paragraphs (8) through (19) as paragraphs (7) through (18), respectively.

SEC. 212. REDUCTIONS IN WAIVERS FROM TRAINING.

(a) IN GENERAL.—Section 231(c) of the Trade Act of 1974 (19 U.S.C. 2291(c)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraphs (A), (B), and (C); and

(B) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (A), (B), and (C), respectively; and

(2) in paragraph (3)(B), by striking ''(D), (E), or (F)'' and inserting ''or (C)''.

(b) GOOD CAUSE EXCEPTION.—Section 234(b) of the Trade Act of 1974 (19 U.S.C. 2294(b)) is amended to read as follows:

''(b) SPECIAL RULE ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.—The Secretary shall establish procedures and criteria that allow for a waiver for good cause of the time limitations with respect to an application for a trade readjustment allowance or enrollment in training under this chapter.''.

SEC. 213. LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES.

Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)—

(A) in paragraph (2), in the matter preceding subparagraph (A), by striking ''(or'' and all that follows through ''period)''; and

(B) in paragraph (3)—

(i) in the matter preceding subparagraph (A), by striking ''78'' and inserting ''65''; and

(ii) by striking ''91-week period'' each place it appears and inserting ''78-week period''; and

(2) by amending subsection (f) to read as follows:

''(f) PAYMENT OF TRADE READJUSTMENT ALLOWANCES TO COMPLETE TRAINING.—Notwithstanding any other provision of this section, in order to assist an adversely affected worker to complete training approved for the worker under section 236 that leads to the completion of a degree or industry-recognized credential, payments may be made as trade readjustment allowances for not more than 13 weeks within such period of eligibility as the Secretary may prescribe to account for a break in training or for justifiable cause that follows the last week for which the worker is otherwise entitled to a trade readjustment allowance under this chapter if—

''(1) payment of the trade readjustment allowance for not more than 13 weeks is necessary for the worker to complete the training;

''(2) the worker participates in training in each such week; and

''(3) the worker—

''(A) has substantially met the performance benchmarks established as part of the training approved for the worker;

''(B) is expected to continue to make progress toward the completion of the training; and

''(C) will complete the training during that period of eligibility.''.

SEC. 214. FUNDING OF TRAINING, EMPLOYMENT AND CASE MANAGEMENT SERVICES, AND JOB SEARCH AND RELOCATION ALLOWANCES.

(a) IN GENERAL.—Section 236(a)(2) of the Trade Act of 1974 (19 U.S.C. 2296(a)(2)) is amended—

(1) by inserting ''and sections 235, 237, and 238'' after ''to carry out this section'' each place it appears;

(2) in subparagraph (A)—

(A) in the matter preceding clause (i), by striking ''of payments that may be made under paragraph (1)'' and inserting ''of funds available to carry out this section and sections 235, 237, and 238''; and

(B) by striking clauses (i) and (ii) and inserting the following:

''(i) $575,000,000 for each of fiscal years 2012 and 2013; and

''(ii) $143,750,000 for the 3-month period beginning on October 1, 2013, and ending on December 31, 2013.'';

(3) in subparagraph (C)(ii)(V), by striking ''relating to the provision of training under this section'' and inserting ''to carry out this section and sections 235, 237, and 238''; and

(4) in subparagraph (E), by striking ''to pay the costs of training approved under this section'' and inserting ''to carry out this section and sections 235, 237, and 238''.

(b) LIMITATIONS ON ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.—

(1) IN GENERAL.—Section 235A of the Trade Act of 1974 (19 U.S.C. 2295a) is amended—

(A) in the section heading, by striking ''**FUNDING FOR**'' and inserting ''**LIMITATIONS ON**''; and

(B) by striking subsections (a) and (b) and inserting the following:

''Of the funds made available to a State to carry out sections 235 through 238 for a fiscal year, the State shall use—

''(1) not more than 10 percent for the administration of the trade adjustment assistance for workers program under this chapter, including for—

''(A) processing waivers of training requirements under section 231;

''(B) collecting, validating, and reporting data required under this chapter; and

''(C) providing reemployment trade adjustment assistance under section 246; and

''(2) not less than 5 percent for employment and case management services under section 235.''.

(2) CLERICAL AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by striking the item relating to section 235A and inserting the following:

''Sec. 235A. Limitations on administrative expenses and employment and case management services.''.

(c) REALLOTMENT OF FUNDS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by adding at the end the following:

''(c) REALLOTMENT OF FUNDS.—

''(1) IN GENERAL.—The Secretary may—

''(A) reallot funds that were allotted to any State to carry out sections 235 through 238 and that remain unobligated by the State during the second or third fiscal year after the fiscal year in which the funds were provided to the State; and

''(B) provide such realloted funds to States to carry out sections 235 through 238 in accordance with procedures established by the Secretary.

''(2) REQUESTS BY STATES.—In establishing procedures under paragraph (1)(B), the Secretary shall include procedures that provide for the distribution of realloted funds under that paragraph pursuant to requests submitted by States in need of such funds.

''(3) AVAILABILITY OF AMOUNTS.—The reallotment of funds under paragraph (1) shall not extend the period for which such funds are available for expenditure.''.

(d) JOB SEARCH ALLOWANCES.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended—

(1) in subsection (a)(1)—

(A) by striking ''An adversely affected worker'' and inserting ''Each State may use funds made available to the State to carry out sections 235 through 238 to allow an adversely affected worker''; and

(B) by striking ''may'' and inserting ''to'';

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking ''An'' and inserting ''Any''; and

(ii) by striking ''all necessary job search expenses'' and inserting ''not more than 90 percent of the necessary job search expenses of the worker''; and

(B) in paragraph (2), by striking ''$1,500'' and inserting ''$1,250''; and

(3) in subsection (c), by striking ''the Secretary shall'' and inserting ''a State may''.

(e) RELOCATION ALLOWANCES.—Section 238 of the Trade Act of 1974 (19 U.S.C. 2298) is amended—

(1) in subsection (a)(1)—

(A) by striking ''Any adversely affected worker'' and inserting ''Each State may use funds made available to the State to carry out sections 235 through 238 to allow an adversely affected worker''; and

(B) by striking ''may file'' and inserting ''to file''; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''The'' and inserting ''Any''; and

(ii) by striking ''includes'' and inserting ''shall include'';

(B) in paragraph (1), by striking ''all'' and inserting ''not more than 90 percent of the''; and

(C) in paragraph (2), by striking ''$1,500'' and inserting ''$1,250''.

(f) CONFORMING AMENDMENTS.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended—

(1) in subsection (b), in the first sentence, by striking ''approppriate'' and inserting ''appropriate''; and

(2) by striking subsection (g) and redesignating subsection (h) as subsection (g).

SEC. 215. REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 246(a) of the Trade Act of 1974 (19 U.S.C. 2318(a)) is amended—

(1) in paragraph (3)(B)(ii), by striking ''$55,000'' and inserting ''$50,000''; and

(2) in paragraph (5)—

(A) in subparagraph (A)(i), by striking ''$12,000'' and inserting ''$10,000''; and

(B) in subparagraph (B)(i), by striking ''$12,000'' and inserting ''$10,000''.

(b) EXTENSION.—Section 246(b)(1) of the Trade Act of 1974 (19 U.S.C. 2318(b)(1)) is amended by striking ''February 12, 2011'' and inserting ''December 31, 2013''.

SEC. 216. PROGRAM ACCOUNTABILITY.

(a) CORE INDICATORS OF PERFORMANCE.—

(1) IN GENERAL.—Section 239(j)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2311(j)(2)(A)) is amended to read as follows:

''(A) IN GENERAL.—The core indicators of performance described in this paragraph are—

''(i) the percentage of workers receiving benefits under this chapter who are employed during the first or second calendar quarter following the calendar quarter in which the workers cease receiving such benefits;

''(ii) the percentage of such workers who are employed during the 2 calendar quarters following the earliest calendar quarter during which the worker was employed as described in clause (i);

''(iii) the average earnings of such workers who are employed during the 2 calendar quarters described in clause (ii); and

''(iv) the percentage of such workers who obtain a recognized postsecondary credential, including an industry-recognized credential, or a secondary school diploma or its recognized equivalent if combined with employment under clause (i), while receiving benefits under this chapter or during the 1-year period after such workers cease receiving such benefits.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall—

(A) take effect on October 1, 2011; and

(B) apply with respect to agreements under section 239 of the Trade Act of 1974 (19 U.S.C. 2311) entered into before, on, or after October 1, 2011.

(b) COLLECTION AND PUBLICATION OF DATA.—

(1) IN GENERAL.—Section 249B(b) of the Trade Act of 1974 (19 U.S.C. 2323(b)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (B), by inserting ''(including such allowances classified by payments under paragraphs (1) and (3) of section 233(a), and section 233(f), respectively) and payments under section 246'' after ''readjustment allowances''; and

(ii) by adding at the end the following:

''(D) The average number of weeks trade readjustment allowances were paid to workers.

''(E) The number of workers who report that they have received benefits under a prior certification issued under this chapter in any of the 10 fiscal years preceding the fiscal year for which the data is collected under this section.'';

(B) in paragraph (3)—

(i) in subparagraph (A), by inserting ''training leading to an associate's degree, remedial education, prerequisite education,'' after ''distance learning,'';

(ii) by amending subparagraph (B) to read as follows:

''(B) The number of workers who complete training approved under section 236 who were enrolled in pre-layoff training or part-time training at any time during that training.'';

(iii) in subparagraph (C), by inserting '', and the average duration of training that does not include remedial or prerequisite education'' after ''training'';

(iv) in subparagraph (E), by striking ''duration'' and inserting ''average duration''; and

(v) in subparagraph (F), by inserting ''and the average duration of the training that was completed by such workers'' after ''training''; and

(C) in paragraph (4)—

(i) by redesignating subparagraph (B) as subparagraph (D); and

(ii) by inserting after subparagraph (A) the following:

''(B) A summary of the data on workers in the quarterly reports required under section 239(j) classified by the age, pre-program educational level, and post-program credential attainment of the workers.

''(C) The average earnings of workers described in section 239(j)(2)(A)(i) in the second, third, and fourth calendar quarters following the calendar quarter in which such workers cease receiving benefits under this chapter, expressed as a percentage of the average earnings of such workers in the 3 calendar quarters before the calendar quarter in which such workers began receiving benefits under this chapter.''; and

(D) by adding at the end the following:

''(6) DATA ON SPENDING.—

''(A) The total amount of funds used to pay for trade readjustment allowances, in the aggregate and by each State.

''(B) The total amount of the payments to the States to carry out sections 235 through 238 used for training, in the aggregate and for each State.

''(C) The total amount of payments to the States to carry out sections 235 through 238 used for the costs of administration, in the aggregate and for each State.

''(D) The total amount of payments to the States to carry out sections 235 through 238 used for job search and relocation allowances, in the aggregate and for each State.''.

(2) EFFECTIVE DATE.—Not later than October 1, 2012, the Secretary of Labor shall update the system required by section 249B(a) of the Trade Act of 1974 (19 U.S.C. 2323(a)) to include the collection of and reporting on the data required by the amendments made by paragraph (1).

(3) ANNUAL REPORT.—Section 249B(d) of the Trade Act of 1974 (19 U.S.C. 2323(d)) is amended by striking ''December 15'' and inserting ''February 15''.

SEC. 217. EXTENSION.

Section 245(a) of the Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by striking ''February 12, 2011'' and inserting ''December 31, 2013''.

PART III—OTHER ADJUSTMENT ASSISTANCE

SEC. 221. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) ANNUAL REPORT.—

(1) IN GENERAL.—Chapter 3 of title II of the Trade Act of 1974 (19 U.S.C. 2341 et seq.) is amended by inserting after section 255 the following:

''SEC. 255A. ANNUAL REPORT ON TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

''(a) IN GENERAL.—Not later than December 15, 2012, and annually thereafter, the Secretary shall prepare a report containing data regarding the trade adjustment assistance for firms program under this chapter for the preceding fiscal year. The data shall include the following:

''(1) The number of firms that inquired about the program.

''(2) The number of petitions filed under section 251.

''(3) The number of petitions certified and denied by the Secretary.

''(4) The average time for processing petitions after the petitions are filed.

''(5) The number of petitions filed and firms certified for each congressional district of the United States.

''(6) Of the number of petitions filed, the number of firms that entered the program and received benefits.

''(7) The number of firms that received assistance in preparing their petitions.

''(8) The number of firms that received assistance developing business recovery plans.

''(9) The number of business recovery plans approved and denied by the Secretary.

''(10) The average duration of benefits received under the program nationally and in each region served by an intermediary organization referred to in section 253(b)(1).

''(11) Sales, employment, and productivity at each firm participating in the program at the time of certification.

''(12) Sales, employment, and productivity at each firm upon completion of the program and each year for the 2-year period following completion of the program.

''(13) The number of firms in operation as of the date of the report and the number of firms that ceased operations after completing the program and in each year during the 2-year period following completion of the program.

''(14) The financial assistance received by each firm participating in the program.

''(15) The financial contribution made by each firm participating in the program.

''(16) The types of technical assistance included in the business recovery plans of firms participating in the program.

''(17) The number of firms leaving the program before completing the project or projects in their business recovery plans and the reason the project or projects were not completed.

''(18) The total amount expended by all intermediary organizations referred to in section 253(b)(1) and by each such organization to administer the program.

''(19) The total amount expended by intermediary organizations to provide technical assistance to firms under the program nationally and in each region served by such an organization.

''(b) CLASSIFICATION OF DATA.—To the extent possible, in collecting and reporting the data described in subsection (a), the Secretary shall classify the data by intermediary organization, State, and national totals.

''(c) REPORT TO CONGRESS; PUBLICATION.—The Secretary shall—

''(1) submit the report described in subsection (a) to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives; and

''(2) publish the report in the Federal Register and on the website of the Department of Commerce.

''(d) PROTECTION OF CONFIDENTIAL INFORMATION.—

''(1) IN GENERAL.—The Secretary may not release information described in subsection (a) that the Secretary considers to be confidential business information unless the person submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such person subsequently consents to the release of the information.

''(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit the Secretary from providing information the Secretary considers to be confidential business information under paragraph (1) to a court in camera or to another party under a protective order issued by a court.''.

(2) CLERICAL AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by inserting after the item relating to section 255 the following:

''Sec. 255A. Annual report on trade adjustment assistance for firms.''.

(3) CONFORMING REPEAL.—Effective on the day after the date on which the Secretary of Commerce submits the report required by section 1866 of the Trade and Globalization Adjustment Assistance Act of 2009 (19 U.S.C. 2356) for fiscal year 2011, such section is repealed.

(b) EXTENSION.—Section 255(a) of the Trade Act of 1974 (19 U.S.C. 2345(a)) is amended—

(1) by striking ''$50,000,000'' and all that follows through ''February 12, 2011.'' and inserting ''$16,000,000 for each of the fiscal years 2012 and 2013, and $4,000,000 for the 3-month period beginning on October 1, 2013, and ending on December 31, 2013.''; and

(2) by striking ''shall—'' and all that follows through ''otherwise remain'' and inserting ''shall remain''.

SEC. 222. TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES.

(a) IN GENERAL.—Chapter 4 of title II of the Trade Act of 1974 (19 U.S.C. 2371 et seq.) is amended—

(1) by striking subchapters A, C, and D;

(2) in subchapter B, by striking the subchapter heading; and

(3) by redesignating sections 278 and 279 as sections 271 and 272, respectively.

(b) ANNUAL REPORT.—

(1) IN GENERAL.—Subsection (e) of section 271 of the Trade Act of 1974, as redesignated by subsection (a)(3), is amended—

(A) in the matter preceding paragraph (1), by striking ''December 15 in each of the calendar years 2009 through'' and inserting ''December 15, 2009,'';

(B) in paragraph (1), by striking ''and'' at the end;

(C) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(3) providing the following data relating to program performance and outcomes:

''(A) Of the grants awarded under this section, the amount of funds spent by grantees.

''(B) The average dollar amount of grants awarded under this section.

''(C) The average duration of grants awarded under this section.

''(D) The percentage of workers receiving benefits under chapter 2 that are served by programs developed, offered, or improved using grants awarded under this section.

''(E) The percentage and number of workers receiving benefits under chapter 2 who obtained a degree through such programs and the average duration of the participation of such workers in training under section 236.

''(F) The number of workers receiving benefits under chapter 2 served by such programs who did not complete a degree and the average duration of the participation of such workers in training under section 236.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall—

(A) take effect on October 1, 2011; and

(B) apply with respect to reports submitted under subsection (e) of section 271 of the Trade Act of 1974, as redesignated by subsection (a)(3), on or after October 1, 2012.

(c) CONFORMING AMENDMENTS.—

(1) Section 271 of the Trade Act of 1974, as redesignated by subsection (a)(3), is amended—

(A) in subsection (c)—

(i) in paragraph (4)—

(I) in subparagraph (A)—

(aa) in clause (ii), by striking the semicolon and inserting ''; and'';

(bb) by striking clauses (iii) and (iv); and

(cc) by redesignating clause (v) as clause (iii);

(II) in subparagraph (B), by striking ''(A)(v)'' and inserting ''(A)(iii)''; and

(ii) in paragraph (5)(A)—

(I) in clause (i)—

(aa) in the matter preceding subclause (I), by striking '', and other entities described in section 276(a)(2)(B)''; and

(bb) in subclause (II), by striking the semicolon and inserting ''; and'';

(II) by striking clause (iii); and

(B) in subsection (d), by striking paragraph (2) and redesignating paragraph (3) as paragraph (2).

(2) Subsection (b) of section 272 of the Trade Act of 1974, as redesignated by subsection (a)(3), is amended by striking ''278(a)(2)'' and inserting ''271(a)(2)''.

(d) CLERICAL AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by striking the items relating to chapter 4 of title II and inserting the following:

''CHAPTER 4—TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES

''Sec. 271. Community College and Career Training Grant Program.

''Sec. 272. Authorization of appropriations.''.

SEC. 223. TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.

(a) ANNUAL REPORT.—

(1) IN GENERAL.—Section 293(d) of the Trade Act of 1974 (19 U.S.C. 2401b(d)) is amended to read as follows:

''(d) ANNUAL REPORT.—Not later than January 30 of each year, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report containing the following information with respect to the trade adjustment assistance for farmers program under this chapter during the preceding fiscal year:

''(1) A list of the agricultural commodities covered by a certification under this chapter.

''(2) The States or regions in which agricultural commodities are produced and the aggregate amount of such commodities produced in each such State or region.

''(3) The number of petitions filed.

''(4) The number of petitions certified and denied by the Secretary.

''(5) The average time for processing petitions.

''(6) The number of petitions filed and agricultural commodity producers approved for each congressional district of the United States.

''(7) Of the number of producers approved, the number of agricultural commodity producers that entered the program and received benefits.

''(8) The number of agricultural commodity producers that completed initial technical assistance.

''(9) The number of agricultural commodity producers that completed intensive technical assistance.

''(10) The number of initial business plans approved and denied by the Secretary.

''(11) The number of long-term business plans approved and denied by the Secretary.

''(12) The total number of agricultural commodity producers, by congressional district, receiving initial technical assistance and intensive technical assistance, respectively, under this chapter.

''(13) The types of initial technical assistance received by agricultural commodity producers participating in the program.

''(14) The types of intensive technical assistance received by agricultural commodity producers participating in the program.

''(15) The number of agricultural commodity producers leaving the program before completing the projects in their long-term business plans and the reason those projects were not completed.

''(16) The total number of agricultural commodity producers, by congressional district, receiving benefits under this chapter.

''(17) The average duration of benefits received under this chapter.

''(18) The number of agricultural commodity producers in operation as of the date of the report and the number of agricultural commodity producers that ceased operations after completing the program and in the 1-year period following completion of the program.

''(19) The number of agricultural commodity producers that report that such producers received benefits under a prior certification issued under this chapter in any of the 10 fiscal years preceding the date of the report.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall—

(A) take effect on October 1, 2011; and

(B) apply with respect to reports submitted under section 293(d) of the Trade Act of 1974 (19 U.S.C. 2401b(d)) on or after October 1, 2012.

(b) EXTENSION.—Section 298(a) of the Trade Act of 1974 (19 U.S.C. 2401g(a)) is amended—

(1) by striking ''and there are appropriated''; and

(2) by striking ''not to exceed'' and all that follows through ''February 12, 2011'' and inserting ''not to exceed $90,000,000 for each of the fiscal years 2012 and 2013, and $22,500,000 for the 3-month period beginning on October 1, 2013, and ending on December 31, 2013''.

PART IV—GENERAL PROVISIONS

SEC. 231. APPLICABILITY OF TRADE ADJUSTMENT ASSISTANCE PROVISIONS.

(a) TRADE ADJUSTMENT ASSISTANCE FOR WORKERS.—

(1) PETITIONS FILED ON OR AFTER FEBRUARY 13, 2011, AND BEFORE DATE OF ENACTMENT.—

(A) CERTIFICATIONS OF WORKERS NOT CERTIFIED BEFORE DATE OF ENACTMENT.—

(i) CRITERIA IF A DETERMINATION HAS NOT BEEN MADE.—If, as of the date of the enactment of this Act, the Secretary of Labor has not made a determination with respect to whether to certify a group of workers as eligible to apply for adjustment assistance under section 222 of the Trade Act of 1974 pursuant to a petition described in clause (iii), the Secretary shall make that determination based on the requirements of section 222 of the Trade Act of 1974, as in effect on such date of enactment.

(ii) RECONSIDERATION OF DENIALS OF CERTIFICATIONS.—If, before the date of the enactment of this Act, the Secretary made a determination not to certify a group of workers as eligible to apply for adjustment assistance under section 222 of the Trade Act of 1974 pursuant to a petition described in clause (iii), the Secretary shall—

(I) reconsider that determination; and

(II) if the group of workers meets the requirements of section 222 of the Trade Act of 1974, as in effect on such date of enactment, certify the group of workers as eligible to apply for adjustment assistance.

(iii) PETITION DESCRIBED.—A petition described in this clause is a petition for a certification of eligibility for a group of workers filed under section 221 of the Trade Act of 1974 on or after February 13, 2011, and before the date of the enactment of this Act.

(B) ELIGIBILITY FOR BENEFITS.—

(i) IN GENERAL.—Except as provided in clause (ii), a worker certified as eligible to apply for adjustment assistance under section 222 of the Trade Act of 1974 pursuant to a petition described in subparagraph (A)(iii) shall be eligible, on and after the date that is 60 days after the date of the enactment of this Act, to receive benefits only under the provisions of chapter 2 of title II of the Trade Act of 1974, as in effect on such date of enactment.

(ii) ELECTION FOR WORKERS RECEIVING BENEFITS ON THE 60TH DAY AFTER ENACTMENT.—

(I) IN GENERAL.—A worker certified as eligible to apply for adjustment assistance under section 222 of the Trade Act of 1974 pursuant to a petition described in subparagraph (A)(iii) who is receiving benefits under chapter 2 of title II of the Trade Act of 1974 as of the date that is 60 days after the date of the enactment of this Act may, not later than the date that is 150 days after such date of enactment, make a one-time election to receive benefits pursuant to—

(aa) the provisions of chapter 2 of title II of the Trade Act of 1974, as in effect on such date of enactment; or

(bb) the provisions of chapter 2 of title II of the Trade Act of 1974, as in effect on February 13, 2011.

(II) EFFECT OF FAILURE TO MAKE ELECTION.—A worker described in subclause (I) who does not make the election described in that subclause on or before the date that is 150 days after the date of the enactment of this Act shall be eligible to receive benefits only under the provisions of chapter 2 of title II of the Trade Act of 1974, as in effect on February 13, 2011.

(III) COMPUTATION OF MAXIMUM BENEFITS.—Benefits received by a worker described in subclause (I) under chapter 2 of title II of the Trade Act of 1974, as in effect on February 13, 2011, before the worker makes the election described in that subclause shall be included in any determination of the maximum benefits for which the worker is eligible under the provisions of chapter 2 of title II of the Trade Act of 1974, as in effect on the date of the enactment of this Act, or as in effect on February 13, 2011, whichever is applicable after the election of the worker under subclause (I).

(2) PETITIONS FILED BEFORE FEBRUARY 13, 2011.—A worker certified as eligible to apply for adjustment assistance pursuant to a petition filed under section 221 of the Trade Act of 1974—

(A) on or after May 18, 2009, and on or before February 12, 2011, shall continue to be eligible to apply for and receive benefits under the provisions of chapter 2 of title II of such Act, as in effect on February 12, 2011; or

(B) before May 18, 2009, shall continue to be eligible to apply for and receive benefits under the provisions of chapter 2 of title II of such Act, as in effect on May 17, 2009.

(3) QUALIFYING SEPARATIONS WITH RESPECT TO PETITIONS FILED WITHIN 90 DAYS OF DATE OF ENACTMENT.—Section 223(b) of the Trade Act of 1974, as in effect on the date of the enactment of this Act, shall be applied and administered by substituting ''before February 13, 2010'' for ''more than one year before the date of the petition on which such certification was granted'' for purposes of determining whether a worker is eligible to apply for adjustment assistance pursuant to a petition filed under section 221 of the Trade Act of 1974 on or after the date of the enactment of this Act and on or before the date that is 90 days after such date of enactment.

(b) TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.—

(1) CERTIFICATION OF FIRMS NOT CERTIFIED BEFORE DATE OF ENACTMENT.—

(A) CRITERIA IF A DETERMINATION HAS NOT BEEN MADE.—If, as of the date of the enactment of this Act, the Secretary of Commerce has not made a determination with respect to whether to certify a firm as eligible to apply for adjustment assistance under section 251 of the Trade Act of 1974 pursuant to a petition described in subparagraph (C), the Secretary shall make that determination based on the requirements of section 251 of the Trade Act of 1974, as in effect on such date of enactment.

(B) RECONSIDERATION OF DENIAL OF CERTAIN PETITIONS.—If, before the date of the enactment of this Act, the Secretary made a determination not to certify a firm as eligible to apply for adjustment assistance under section 251 of the Trade Act of 1974 pursuant to a petition described in subparagraph (C), the Secretary shall—

(i) reconsider that determination; and

(ii) if the firm meets the requirements of section 251 of the Trade Act of 1974, as in effect on such date of enactment, certify the firm as eligible to apply for adjustment assistance.

(C) PETITION DESCRIBED.—A petition described in this subparagraph is a petition for a certification of eligibility filed by a firm or its representative under section 251 of the Trade Act of 1974 on or after February 13, 2011, and before the date of the enactment of this Act.

(2) CERTIFICATION OF FIRMS THAT DID NOT SUBMIT PETITIONS BETWEEN FEBRUARY 13, 2011, AND DATE OF ENACTMENT.—

(A) IN GENERAL.—The Secretary of Commerce shall certify a firm described in subparagraph (B) as eligible to apply for adjustment assistance under section 251 of the Trade Act of 1974, as in effect on the date of the enactment of this Act, if the firm or its representative files a petition for a certification of eligibility under section 251 of the Trade Act of 1974 not later than 90 days after such date of enactment.

(B) FIRM DESCRIBED.—A firm described in this subparagraph is a firm that the Secretary determines would have been certified as eligible to apply for adjustment assistance if—

(i) the firm or its representative had filed a petition for a certification of eligibility under section 251 of the Trade Act of 1974 on a date during the period beginning on February 13, 2011, and ending on the day before the date of the enactment of this Act; and

(ii) the provisions of chapter 3 of title II of the Trade Act of 1974, as in effect on such date of enactment, had been in effect on that date during the period described in clause (i).

SEC. 232. TERMINATION PROVISIONS.

Section 285 of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended—

(1) by striking ''February 12, 2011'' each place it appears and inserting ''December 31, 2013'';

(2) in subsection (a)(2)—

(A) in the matter preceding subparagraph (A), by striking ''that chapter'' and all that follows through ''the worker is—'' and inserting ''that chapter if the worker is—''; and

(B) in subparagraph (A), by striking ''petitions'' and inserting ''a petition''; and

(3) in subsection (b)—

(A) in paragraph (1)(B), in the matter preceding clause (i), by inserting ''pursuant to a petition filed under section 251'' after ''chapter 3'';

(B) in paragraph (2)(B), in the matter preceding clause (i), by inserting ''pursuant to a petition filed under section 292'' after ''chapter 6''; and

(C) by striking paragraph (3).

SEC. 233. SUNSET PROVISIONS.

(a) APPLICATION OF PRIOR LAW.—Subject to subsection (b), beginning on January 1, 2014, the provisions of chapters 2, 3, 5, and 6 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.), as in effect on February 13, 2011, shall apply, except that in applying and administering such chapters—

(1) paragraph (1) of section 231(c) of that Act shall be applied and administered as if subparagraphs (A), (B), and (C) of that paragraph were not in effect;

(2) section 233 of that Act shall be applied and administered—

(A) in subsection (a)—

(i) in paragraph (2), by substituting ''104-week period'' for ''104-week period'' and all that follows through ''130-week period)''; and

(ii) in paragraph (3)—

(I) in the matter preceding subparagraph (A), by substituting ''65'' for ''52''; and

(II) by substituting ''78-week period'' for ''52-week period'' each place it appears; and

(B) by applying and administering subsection (g) as if it read as follows:

''(g) PAYMENT OF TRADE READJUSTMENT ALLOWANCES TO COMPLETE TRAINING.—Notwithstanding any other provision of this section, in order to assist an adversely affected worker to complete training approved for the worker under section 236 that leads to the completion of a degree or industry-recognized credential, payments may be made as trade readjustment allowances for not more than 13 weeks within such period of eligibility as the Secretary may prescribe to account for a break in training or for justifiable cause that follows the last week for which the worker is otherwise entitled to a trade readjustment allowance under this chapter if—

''(1) payment of the trade readjustment allowance for not more than 13 weeks is necessary for the worker to complete the training;

''(2) the worker participates in training in each such week; and

''(3) the worker—

''(A) has substantially met the performance benchmarks established as part of the training approved for the worker;

''(B) is expected to continue to make progress toward the completion of the training; and

''(C) will complete the training during that period of eligibility.'';

(3) section 245 of that Act shall be applied and administered by substituting ''2014'' for ''2007'';

(4) section 246(b)(1) of that Act shall be applied and administered by substituting ''December 31, 2014'' for ''the date that is 5 years'' and all that follows through ''State'';

(5) section 256(b) of that Act shall be applied and administered by substituting ''the 1-year period beginning on January 1, 2014'' for ''each of fiscal years 2003 through 2007, and $4,000,000 for the 3-month period beginning on October 1, 2007'';

(6) section 298(a) of that Act shall be applied and administered by substituting ''the 1-year period beginning on January 1, 2014'' for ''each of the fiscal years'' and all that follows through ''October 1, 2007''; and

(7) section 285 of that Act shall be applied and administered—

(A) in subsection (a), by substituting ''2014'' for ''2007'' each place it appears; and

(B) by applying and administering subsection (b) as if it read as follows:

''(b) OTHER ASSISTANCE.—

''(1) ASSISTANCE FOR FIRMS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), assistance may not be provided under chapter 3 after December 31, 2014.

''(B) EXCEPTION.—Notwithstanding subparagraph (A), any assistance approved under chapter 3 on or before December 31, 2014, may be provided—

''(i) to the extent funds are available pursuant to such chapter for such purpose; and

''(ii) to the extent the recipient of the assistance is otherwise eligible to receive such assistance.

''(2) FARMERS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), assistance may not be provided under chapter 6 after December 31, 2014.

''(B) EXCEPTION.—Notwithstanding subparagraph (A), any assistance approved under chapter 6 on or before December 31, 2014, may be provided—

''(i) to the extent funds are available pursuant to such chapter for such purpose; and

''(ii) to the extent the recipient of the assistance is otherwise eligible to receive such assistance.''.

(b) EXCEPTIONS.—The provisions of chapters 2, 3, 5, and 6 of title II of the Trade Act of 1974, as in effect on the date of the enactment of this Act, shall continue to apply on and after January 1, 2014, with respect to—

(1) workers certified as eligible for trade adjustment assistance benefits under chapter 2 of title II of that Act pursuant to petitions filed under section 221 of that Act before January 1, 2014;

(2) firms certified as eligible for technical assistance or grants under chapter 3 of title II of that Act pursuant to petitions filed under section 251 of that Act before January 1, 2014; and

(3) agricultural commodity producers certified as eligible for technical or financial assistance under chapter 6 of title II of that Act pursuant to petitions filed under section 292 of that Act before January 1, 2014.

Subtitle B—Health Coverage Improvement

SEC. 241. HEALTH CARE TAX CREDIT.

(a) TERMINATION OF CREDIT.—Subparagraph (B) of section 35(b)(1) of the Internal Revenue Code of 1986 is amended by inserting '', and before January 1, 2014'' before the period.

(b) EXTENSION THROUGH CREDIT TERMINATION DATE OF CERTAIN EXPIRED CREDIT PROVISIONS.—

(1) PARTIAL EXTENSION OF INCREASED CREDIT RATE.—Section 35(a) of such Code is amended by striking ''65 percent (80 percent in the case of eligible coverage months beginning before February 13, 2011)'' and inserting ''72.5 percent''.

(2) EXTENSION OF ADVANCE PAYMENT PROVISIONS.—

(A) Section 7527(b) of such Code is amended by striking ''65 percent (80 percent in the case of eligible coverage months beginning before February 13, 2011)'' and inserting ''72.5 percent''.

(B) Section 7527(d)(2) of such Code is amended by striking ''which is issued before February 13, 2011''.

(C) Section 7527(e) of such Code is amended by striking ''80 percent'' and inserting ''72.5 percent''.

(D) Section 7527(e) of such Code is amended by striking ''In the case of eligible coverage months beginning before February 13, 2011—''.

(3) EXTENSION OF CERTAIN OTHER RELATED PROVISIONS.—

(A) Section 35(c)(2)(B) of such Code is amended by striking ''and before February 13, 2011''.

(B) Section 35(e)(1)(K) of such Code is amended by striking ''In the case of eligible coverage months beginning before February 13, 2012, coverage'' and inserting ''Coverage''.

(C) Section 35(g)(9) of such Code, as added by section 1899E(a) of the American Recovery and Reinvestment Tax Act of 2009 (relating to continued qualification of family members after certain events), is amended by striking ''In the case of eligible coverage months beginning before February 13, 2011—''.

(D) Section 173(f)(8) of the Workforce Investment Act of 1998 is amended by striking ''In the case of eligible coverage months beginning before February 13, 2011—''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to coverage months beginning after February 12, 2011.

(2) ADVANCE PAYMENT PROVISIONS.—

(A) The amendment made by subsection (b)(2)(B) shall apply to certificates issued after the date which is 30 days after the date of the enactment of this Act.

(B) The amendment made by subsection (b)(2)(D) shall apply to coverage months beginning after the date which is 30 days after the date of the enactment of this Act.

SEC. 242. TAA PRE-CERTIFICATION PERIOD RULE FOR PURPOSES OF DETERMINING WHETHER THERE IS A 63-DAY LAPSE IN CREDITABLE COVERAGE.

(a) IN GENERAL.—The following provisions are each amended by striking ''February 13, 2011'' and inserting ''January 1, 2014'':

(1) Section 9801(c)(2)(D) of the Internal Revenue Code of 1986.

(2) Section 701(c)(2)(C) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)(C)).

(3) Section 2701(c)(2)(C) of the Public Health Service Act (as in effect for plan years beginning before January 1, 2014).

(4) Section 2704(c)(2)(C) of the Public Health Service Act (as in effect for plan years beginning on or after January 1, 2014).

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after February 12, 2011.

(2) TRANSITIONAL RULES.—

(A) BENEFIT DETERMINATIONS.—Notwithstanding the amendments made by this section (and the provisions of law amended thereby), a plan shall not be required to modify benefit determinations for the period beginning on February 13, 2011, and ending 30 days after the date of the enactment of this Act, but a plan shall not fail to be qualified health insurance within the meaning of section 35(e) of the Internal Revenue Code of 1986 during this period merely due to such failure to modify benefit determinations.

(B) GUIDANCE CONCERNING PERIODS BEFORE 30 DAYS AFTER ENACTMENT.—Except as provided in subparagraph (A), the Secretary of the Treasury (or his designee), in consultation with the Secretary of Health and Human Services and the Secretary of Labor, may issue regulations or other guidance regarding the scope of the application of the amendments made by this section to periods before the date which is 30 days after the date of the enactment of this Act.

(C) SPECIAL RULE RELATING TO CERTAIN LOSS OF COVERAGE.—In the case of a TAA-related loss of coverage (as defined in section 4980B(f)(5)(C)(iv) of the Internal Revenue Code of 1986) that occurs during the period beginning

on February 13, 2011, and ending 30 days after the date of the enactment of this Act, the 7-day period described in section 9801(c)(2)(D) of the Internal Revenue Code of 1986, section 701(c)(2)(C) of the Employee Retirement Income Security Act of 1974, and section 2701(c)(2)(C) of the Public Health Service Act shall be extended until 30 days after such date of enactment.

SEC. 243. EXTENSION OF COBRA BENEFITS FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS AND PBGC RECIPIENTS.

(a) IN GENERAL.—The following provisions are each amended by striking ''February 12, 2011'' and inserting ''January 1, 2014'':

(1) Section 602(2)(A)(v) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(2)(A)(v)).

(2) Section 602(2)(A)(vi) of such Act (29 U.S.C. 1162(2)(A)(vi)).

(3) Section 4980B(f)(2)(B)(i)(V) of the Internal Revenue Code of 1986.

(4) Section 4980B(f)(2)(B)(i)(VI) of such Code.

(5) Section 2202(2)(A)(iv) of the Public Health Service Act (42 U.S.C. 300bb–2(2)(A)(iv)).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to periods of coverage which would (without regard to the amendments made by this section) end on or after the date which is 30 days after the date of the enactment of this Act.

Subtitle C—Offsets

PART I—UNEMPLOYMENT COMPENSATION PROGRAM INTEGRITY

SEC. 251. MANDATORY PENALTY ASSESSMENT ON FRAUD CLAIMS.

(a) IN GENERAL.—Section 303(a) of the Social Security Act (42 U.S.C. 503(a)) is amended—

(1) in paragraph (10), by striking the period at the end of subparagraph (B) and inserting ''; and''; and

(2) by adding at the end the following new paragraph:

''(11)(A) At the time the State agency determines an erroneous payment from its unemployment fund was made to an individual due to fraud committed by such individual, the assessment of a penalty on the individual in an amount of not less than 15 percent of the amount of the erroneous payment; and

''(B) The immediate deposit of all assessments paid pursuant to subparagraph (A) into the unemployment fund of the State.''.

(b) APPLICATION TO FEDERAL PAYMENTS.—

(1) IN GENERAL.—As a condition for administering any unemployment compensation program of the United States (as defined in paragraph (2)) as an agent of the United States, if the State determines that an erroneous payment was made by the State to an individual under any such program due to fraud committed by such individual, the State shall assess a penalty on such individual and deposit any such penalty received in the same manner as the State assesses and deposits such penalties under provisions of State law implementing section 303(a)(11) of the Social Security Act, as added by subsection (a).

(2) DEFINITION.—For purposes of this subsection, the term ''unemployment compensation program of the United States'' means—

(A) unemployment compensation for Federal civilian employees under subchapter I of chapter 85 of title 5, United States Code;

(B) unemployment compensation for ex-servicemembers under subchapter II of chapter 85 of title 5, United States Code;

(C) trade readjustment allowances under sections 231 through 234 of the Trade Act of 1974 (19 U.S.C. 2291–2294);

(D) disaster unemployment assistance under section 410(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5177(a));

(E) any Federal temporary extension of unemployment compensation;

(F) any Federal program which increases the weekly amount of unemployment compensation payable to individuals; and

(G) any other Federal program providing for the payment of unemployment compensation.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to erroneous payments established after the end of the 2-year period beginning on the date of the enactment of this Act.

(2) AUTHORITY.—A State may amend its State law to apply such amendments to erroneous payments established prior to the end of the period described in paragraph (1).

SEC. 252. PROHIBITION ON NONCHARGING DUE TO EMPLOYER FAULT.

(a) IN GENERAL.—Section 3303 of the Internal Revenue Code of 1986 is amended—

(1) by striking subsections (f) and (g); and

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

''(f) PROHIBITION ON NONCHARGING DUE TO EMPLOYER FAULT.—

''(1) IN GENERAL.—A State law shall be treated as meeting the requirements of subsection (a)(1) only if such law provides that an employer's account shall not be relieved of charges relating to a payment from the State unemployment fund if the State agency determines that—

''(A) the payment was made because the employer, or an agent of the employer, was at fault for failing to respond timely or adequately to the request of the agency for information relating to the claim for compensation; and

''(B) the employer or agent has established a pattern of failing to respond timely or adequately to such requests.

''(2) STATE AUTHORITY TO IMPOSE STRICTER STANDARDS.—Nothing in paragraph (1) shall limit the authority of a State to provide that an employer's account not be relieved of charges relating to a payment from the State unemployment fund for reasons other than the reasons described in subparagraphs (A) and (B) of such paragraph, such as after the first instance of a failure to respond timely or adequately to requests described in paragraph (1)(A).''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to erroneous payments established after the end of the 2-year period beginning on the date of the enactment of this Act.

(2) AUTHORITY.—A State may amend its State law to apply such amendments to erroneous payments established prior to the end of the period described in paragraph (1).

SEC. 253. REPORTING OF REHIRED EMPLOYEES TO THE DIRECTORY OF NEW HIRES.

(a) DEFINITION OF NEWLY HIRED EMPLOYEE.—Section 453A(a)(2) of the Social Security Act (42 U.S.C. 653a(a)(2)) is amended by adding at the end the following:

''(C) NEWLY HIRED EMPLOYEE.—The term 'newly hired employee' means an employee who—

''(i) has not previously been employed by the employer; or

''(ii) was previously employed by the employer but has been separated from such prior employment for at least 60 consecutive days.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by this section shall take effect 6 months after the date of the enactment of this Act.

(2) COMPLIANCE TRANSITION PERIOD.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan under part D of title IV of the Social Security Act to meet the additional requirement imposed by the amendment made by subsection (a), the plan shall not be regarded as failing to meet such requirement before the first day of the second calendar quarter beginning after the close of the first regular session of the State legislature that begins after the effective date of such amendment. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.

PART II—ADDITIONAL OFFSETS

SEC. 261. IMPROVEMENTS TO CONTRACTS WITH MEDICARE QUALITY IMPROVEMENT ORGANIZATIONS (QIOS) IN ORDER TO IMPROVE THE QUALITY OF CARE FURNISHED TO MEDICARE BENEFICIARIES.

(a) AUTHORITY TO CONTRACT WITH A BROAD RANGE OF ENTITIES.—

(1) DEFINITION.—Section 1152 of the Social Security Act (42 U.S.C. 1320c–1) is amended by striking paragraphs (1) and (2) and inserting the following new paragraphs:

''(1) is able, as determined by the Secretary, to perform its functions under this part in a manner consistent with the efficient and effective administration of this part and title XVIII;

''(2) has at least one individual who is a representative of health care providers on its governing body; and''.

(2) NAME CHANGE.—Part B of title XI of the Social Security Act (42 U.S.C. 1320c et seq.) is amended—

(A) in the headings for sections 1152 and 1153, by striking ''UTILIZATION AND QUALITY CONTROL PEER REVIEW'' and inserting ''QUALITY IMPROVEMENT'';

(B) in the heading for section 1154, by striking ''PEER REVIEW'' and inserting ''QUALITY IMPROVEMENT''; and

(C) by striking ''utilization and quality control peer review'' and ''peer review'' each place it appears before ''organization'' or ''organizations'' and inserting ''quality improvement''.

(3) CONFORMING AMENDMENTS TO THE MEDICARE PROGRAM.—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is amended—

(A) by striking ''utilization and quality control peer review'' and inserting ''quality improvement'' each place it appears;

(B) by striking ''quality control and peer review'' and inserting ''quality improvement'' each place it appears;

(C) in paragraphs (1)(A)(iii)(I) and (2) of section 1842(l), by striking ''peer review organization'' and inserting ''quality improvement organization'';

(D) in subparagraphs (A) and (B) of section 1866(a)(3), by striking ''peer review'' and inserting ''quality improvement'';

(E) in section 1867(d)(3), in the heading, by striking ''PEER REVIEW'' and inserting ''QUALITY IMPROVEMENT''; and

(F) in section 1869(c)(3)(G), by striking ''peer review organizations'' and inserting ''quality improvement organizations''.

(b) IMPROVEMENTS WITH RESPECT TO THE CONTRACT.—

(1) FLEXIBILITY WITH RESPECT TO THE GEOGRAPHIC SCOPE OF CONTRACTS.—Section 1153 of the Social Security Act (42 U.S.C. 1320c–2) is amended—

(A) by striking subsection (a) and inserting the following new subsection:

''(a) The Secretary shall establish throughout the United States such local, State, regional, national, or other geographic areas as the Secretary determines appropriate with respect to which contracts under this part will be made.'';

(B) in subsection (b)(1), as amended by subsection (a)(2)—

(i) in the first sentence, by striking ''a contract with a quality improvement organization'' and inserting ''contracts with one or more quality improvement organizations''; and

(ii) in the second sentence, by striking ''meets the requirements'' and all that follows before the period at the end and inserting ''will be operating in an area, the Secretary shall ensure that there is no duplication of the functions carried out by such organizations within the area'';

(C) in subsection (b)(2)(B), by inserting ''or the Secretary determines that there is a more qualified entity to perform one or more of the functions in section 1154(a)'' after ''under this part'';

(D) in subsection (b)(3)—

(i) in subparagraph (A), by striking '', or association of such facilities,*''; and*

(ii) in subparagraph (B)—

(I) by striking ''or association of such facilities''; and

(II) by striking ''or associations''; and

(E) by striking subsection (i).

(2) EXTENSION OF LENGTH OF CONTRACTS.—Section 1153(c)(3) of the Social Security Act (42 U.S.C. 1320c–2(c)(3)) is amended—

(A) by striking ''three years'' and inserting ''five years''; and

(B) by striking ''on a triennial basis'' and inserting ''for terms of five years''.

(3) AUTHORITY TO TERMINATE IN A MANNER CONSISTENT WITH THE FEDERAL ACQUISITION REGULATION.—Section 1153 of the Social Security Act (42 U.S.C. 1320c–2) is amended—

(A) in subsection (b), by adding at the end the following new paragraph:

''(4) The Secretary may consider a variety of factors in selecting the contractors that the Secretary determines would provide for the most efficient and effective administration of this part, such as geographic location, size, and prior experience in health care quality improvement. Quality improvement organizations operating as of January 1, 2012, shall be allowed to compete for new contracts (as determined appropriate by the Secretary) along with other qualified organizations and are eligible for renewal of contracts for terms five years thereafter (as determined appropriate by the Secretary).'';

(B) in subsection (c), by striking paragraphs (4) through (6) and redesignating paragraphs (7) and (8) as paragraphs (4) and (5), respectively; and

(C) by striking subsection (d).

(4) ADMINISTRATIVE IMPROVEMENT.—Section 1153(c)(5) of the Social Security Act (42 U.S.C. 1320c–2(c)(5)), as redesignated by this subsection, is amended to read as follows:

''(5) reimbursement shall be made to the organization on a monthly basis, with payments for any month being made consistent with the Federal Acquisition Regulation.''.

(c) AUTHORITY FOR QUALITY IMPROVEMENT ORGANIZATIONS TO PERFORM SPECIALIZED FUNCTIONS AND TO ELIMINATE CONFLICTS OF INTEREST.—Part B of title XI of the Social Security Act (42 U.S.C. 1320c et seq.) is amended—

(1) in section 1153—

(A) in subsection (b)(1), as amended by subsection (b)(1)(B), by inserting after the first sentence the following new sentence: ''In entering into contracts with such qualified organizations, the Secretary shall, to the extent appropriate, seek to ensure that each of the functions described in section 1154(a) are carried out within an area established under subsection (a).''; and

(B) in subsection (c)(1), by striking ''the functions set forth in section 1154(a), or may subcontract for the performance of all or some of such functions'' and inserting ''a function or functions under section 1154 directly or may subcontract for the performance of all or some of such function or functions''; and

(2) in section 1154—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1)—

(I) by striking ''Any'' and inserting ''Subject to subsection (b), any''; and

(II) by inserting ''one or more of'' before ''the following functions'';

(ii) in paragraph (4), by striking subparagraph (C);

(iii) by inserting after paragraph (11) the following new paragraph:

''(12) As part of the organization's review responsibility under paragraph (1), the organization shall review all ambulatory surgical procedures specified pursuant to section 1833(i)(1)(A) which are performed in the area, or, at the discretion of the Secretary, a sample of such procedures.''; and

(iv) in paragraph (15), by striking ''significant on-site review activities'' and all that follows before the period at the end and inserting ''on-site review activities as the Secretary determines appropriate''.

(B) by striking subsection (d) and redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(C) by inserting after subsection (a) the following new subsection:

''(b) A quality improvement organization entering into a contract with the Secretary to perform a function described in a paragraph under subsection (a) must perform all of the activities described in such paragraph, except to the extent otherwise negotiated with the Secretary pursuant to the contract or except for a function for which the Secretary determines it is not appropriate for the organization to perform, such as a function that could cause a conflict of interest with another function.''.

(d) QUALITY IMPROVEMENT AS SPECIFIED FUNCTION.—Section 1154(a) of the Social Security Act (42 U.S.C. 1320c–3(a)) is amended by adding at the end the following new paragraph:

''(18) The organization shall perform, subject to the terms of the contract, such other activities as the Secretary determines may be necessary for the purposes of improving the quality of care furnished to individuals with respect to items and services for which payment may be made under title XVIII.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to contracts entered into or renewed on or after January 1, 2012.

SEC. 262. RATES FOR MERCHANDISE PROCESSING FEES.

(a) FEES FOR PERIOD FROM JULY 1, 2014, TO NOVEMBER 30, 2015.—For the period beginning on July 1, 2014, and ending on November 30, 2015, section 13031(a)(9) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)) shall be applied and administered—

(1) in subparagraph (A), by substituting ''0.3464'' for ''0.21''; and

(2) in subparagraph (B)(i), by substituting ''0.3464'' for ''0.21''.

(b) FEES FOR PERIOD FROM OCTOBER 1, 2016, TO SEPTEMBER 30, 2019.—For the period beginning on October 1, 2016, and ending on September 30, 2019, section 13031(a)(9) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)) shall be applied and administered—

(1) in subparagraph (A), by substituting ''0.1740'' for ''0.21''; and

(2) in subparagraph (B)(i), by substituting ''0.1740'' for ''0.21''.

SEC. 263. TIME FOR REMITTING CERTAIN MERCHANDISE PROCESSING FEES.

(a) IN GENERAL.—Notwithstanding any other provision of law, any fees authorized under paragraphs (9) and (10) of section 13031(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a) (9) and (10)) with respect to processing merchandise entered on or after October 1, 2012, and before November 12, 2012, shall be paid not later than September 25, 2012, in an amount equivalent to the amount of such fees paid by the person responsible for such fees with respect to merchandise entered on or after October 1, 2011, and before November 12, 2011, as determined by the Secretary of the Treasury.

(b) RECONCILIATION OF MERCHANDISE PROCESSING FEES.—

(1) IN GENERAL.—Not later than December 12, 2012, the Secretary of the Treasury shall reconcile the fees paid pursuant to subsection (a) with the fees for services actually provided on or after October 1, 2012, and before November 12, 2012.

(2) REFUNDS OF OVERPAYMENTS.—

(A) After making the reconciliation required under paragraph (1), the Secretary of the Treasury shall refund with interest any overpayment of such fees made under subsection (a) and make proper adjustments with respect to any underpayment of such fees.

(B) No interest may be assessed with respect to any such underpayment that was based on the amount of fees paid for merchandise entered on or after October 1, 2012, and before November 12, 2012.

MORNING BUSINESS

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I ask unanimous consent that the Senate proceed to a period of morning business, with Senator MORAN to be recognized for up to 10 minutes; that following his remarks that the Senate recess subject to the call of the Chair.

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

The Senator from Kansas.

MIDDLE EAST PEACE

Mr. MORAN. Madam President, this is a historically significant week for the United States and for all those who care about peace and stability in the Middle East. As we know, it is a region that is already roiled by protests and war and faces the prospect now of even more tension, more uncertainty, and potentially more violence.

We know this to be the case if the Palestinian Authority's President Abbas goes forward with his plan to seek recognition of Palestinian statehood at the United Nations in New York. We have known for some time that this was coming and, thankfully, the U.S. Government has expressed opposition to this ill-conceived idea, and the administration plans to direct a veto of the measure.

Our government has also worked to persuade other nations to join us in opposing the Palestinian statehood bid. But I am afraid we have not done enough to convince the Palestinians there will be consequences for their actions.

By pursuing recognition of a state at the U.N., President Abbas is choosing confrontation rather than negotiations with Israel. In doing so, he is violating the Oslo peace agreements signed 18 years ago which state that the conflict between Israel and the Palestinians must be solved through direct negotiations between the two parties. Direct negotiations are not just the best way to achieve peace, they are the only way to achieve lasting peace.

Direct negotiations are meant to bring the two sides to the finish line, where all the final status issues, including borders, can be resolved. By rejecting negotiations with Israel and appealing to the U.N., the Palestinians are trying to make the previous agreed-upon finish line the new start line. If President Abbas pursues statehood this week at the U.N., the Palestinians will find it more difficult to