democracy and hope will take place. Good will triumph over evil. Democracy will triumph over tyranny. Security will triumph over terrorism. Peace will come to Iraq. And all of us in America will be safer as a result.

SCHOOL VOUCHERS

Mr. COLEMAN. Mr. President, in the time remaining, I raise one other issue, the issue of opportunity scholarships, of expanded choice for students, the issue of the debate we are having over the opportunity for the children of the District of Columbia to take advantage of a ''voucher'' program. We do not like to use that word. In my State, it is a pretty divisive word.

The Mayor of Washington, Anthony Williams, says this is the right thing to do. As a former mayor, I will stand with Mayor Williams. This is a very divisive issue in my city of St. Paul. When I ran, I said I would not push vouchers for the people of Minnesota. We had our debate. We have gone a different path, expanding charter schools. St. Paul, my city, had the first charter school in the Nation. As mayor, we started 20 more charter schools, providing tax incentives and tax credits so parents could get money back and use money they need to support their kids' education, to give their kids more choice. That makes sense.

But more needs to be done. I recognize that. This is a divisive issue. When the Mayor of the District of Columbia is saying we need to do this for our kids, why not do it? It is not taking any money from my kids in Minnesota. It is not taking any money from any kids in any of the other States. We have a local, elected official saying we need to do this; our kids are failing and we need to give them more hope and opportunity. Why not do it? What are we afraid of?

When I was mayor of St. Paul, the Governor offered, I believe, $13 million to any community that would simply do a pilot project offering opportunity scholarships to the poorest of the poor and only the kids who were not succeeding.

So you were not going to take the cream of the crop. You were not going to cherry-pick. You were going to take those who were not making it. You have to do something. In fact, the offer was that out of this $13 million, he would give $10 million to the school district to do whatever they wanted. Only $3 million would be for this pilot project. And not a single elected official, other than myself, would stand up and do it.

What are we afraid of? If all you keep doing is what you have been doing, all you are going to get is more of the same. Our children need more hope and opportunity. I hope we have the courage to give it a shot and a chance. The downside is minimal. The opportunity is great. Let's seize the opportunity. Let's do this for the kids. Let's do the right thing. Let's make change. Let's give hope.

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

The PRESIDING OFFICER (Mr. COLEMAN). Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2004—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of the conference report to accompany H.R. 2658, which the clerk will state by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2658) making appropriations for the Department of Defense for the fiscal year ending September 30, 2004, and for other purposes, having met, have agreed that the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, and the Senate agree to the same, signed by all of the conferees on the part of both Houses.

The Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the RECORD of September 24, 2003.)

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. STEVENS. Mr. President, I am pleased to present to the Senate, on behalf of myself and the Senator from Hawaii, Mr. INOUYE, who is currently chairing the Indian Affairs Committee, the Defense appropriations conference report for fiscal year 2004.

This conference report was approved by the House of Representatives by a vote of 407 to 15. It has overwhelming bipartisan support. The agreement provides for a total of $368.7 billion for the Department for fiscal year 2004. Throughout our conversations with the House over the past months, Senator INOUYE and I have sought to strike a balanced agreement that we believe addresses key requirements for readiness, quality of life, and reconstitution of our defense force.

As we take up this conference report on the floor today, there are hundreds of thousands of men and women in uniform deployed and serving our country at home and abroad. They are performing superbly, and we are extremely proud of what they are accomplishing. This agreement is a demonstration of our support, the Congress's support, for our men and women in uniform.

It provides a 4.1 percent average pay raise for all military personnel. It funds an increase in basic allowance for housing to reduce average out-of-pocket expenses from 7.5 percent to 3.5 percent for our military people. It provides an additional $128 million for the continuation of increased rates for imminent-danger pay and family-separation allowances.

This agreement honors the commitment we have made to our Armed Forces—one we will maintain. It helps ensure they will continue to have good leadership, first-rate training, modernized equipment, and quality infrastructure. The agreement provides $115.9 billion for operation and maintenance, $74.7 billion for procurement, and $65.2 billion for research and development.

Defense is a very expensive concept for our country. That is so not only because we have a volunteer service but because we are modernizing our force for the future. This agreement is the result of a bicameral, bipartisan approach. I urge the Senate to adopt this conference report.

Let me once again thank my cochairman, Senator INOUYE, for his support and invaluable counsel on this bill. I would also like to note the dedicated work of his chief of staff Charlie Houy, Betsy Schmid, and Nicole DiResta.

I thank my hard-working staff led by Sid Ashworth and including Tom Hawkins, Kraig Siracuse, Bob Henke, Lesley Kalan, Jennifer Chartrand, Menda Fife, Brian Wilson, Mazie Mattson, Nicole Royal, and Alycia Farrell. They have helped put together this conference report and worked with us through the year to bring us where we are today with the largest defense budget in history and the best bill we have ever presented to the Senate.

I yield to my good friend from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, before I proceed, I wish to commend my chairman, Mr. STEVENS, for bringing this conference report to the Senate. In doing so, I commend him for his leadership. I realize Members of the Senate may not be aware of this, but because of the leadership skills and because of the hard work of the staff, the conference committee concluded its work on this important measure in 2 hours. In 2 hours, we concluded a bill that was filled with controversy and issues. At the end, the vote was unanimous.

The conferees recommend $368.7 billion in mandatory and discretionary appropriations for the coming year. It is a huge sum, but it is a sum that is absolutely necessary.

This is nearly half a billion less than recommended by the Senate and $3.6 billion less than requested by the President. We have tried our best to trim what some would call ''fat.''

The reduction to the President's request is not an indication that we believe Defense is overfunded. Instead, it is because we realize that there are so many other underfunded areas of the budget that we had to reduce defense to accommodate these needs. This was a tough conference. Our chairman did an exceptional job—I emphasize ''exceptional''—representing the Senate position. This is especially true given the reduced allocation.

This agreement provides the funds necessary for the military. It fully funds the pay and allowances for our troops and thereby ensures that we have taken care of the crown jewel of our Defense capability—the men and women who put on the uniform.

In the interest of time, I will not present all of the details of this massive bill. However, I would like to address two important subjects that the managers of the House and Senate spent many hours discussing.

First, the conferees agreed to include an amended version of House language that would close down the Navy Station at Roosevelt Roads, Puerto Rico.

As we looked into this matter we found that the Navy no longer needed or wanted the base and it could save $300 million annually by closing it. As such, we agreed to close the base. However, the conference agreement ensures that the base will be closed in accordance with existing base closure laws. We did not agree to a new procedure which would have given the Navy all the benefits of the closure and the local population none of the safeguards included in the BRAC legislation.

Second, the Senate bill include language terminating the controversial Terrorism Information Awareness program, TIA. The conferees have agreed to terminate the program and close the Office of Information Awareness in the Defense Advanced Research Projects Agency, DARPA.

Language has been included that precludes any successor version of this program to be reinstated or developed by any Federal agency. However, I must inform my colleagues that in our review, we learned that there are some classified elements that are related to this program. These have all the safeguards of programs under the jurisdiction of the National Foreign Intelligence Program to protect civil liberties of U.S. citizens. These are very important to the ongoing war on terrorism overseas. The conferees have agreed to allow this effort to continue.

In addition, there were some worthwhile programs in the Office of Information Awareness unrelated to the TIA program. The Statement of the managers lists these programs and funds their continuation. This is a good compromise. It kills TIA and on-line betting, and other questionable DARPA programs, but ensures that beneficial parts of information awareness can continue. Finally, I want to express my strong support for this measure.

My colleagues should know this was a fully bipartisan accord. There are no parts of this bill that I oppose. While it is a compromise, it is a very good bill.

The chairman and his staff, led by Sid Ashworth, have done great work. I thank all the staff who worked so hard on this: Mazie Matson, Nicole Royal, Jennifer Chartrand, Kraig Siracuse, Tom Hawkins, Bob Henke, Lesley Kalan, Menda Fife and Brian Wilson of the majority, and Nicole Diresta, Betsy Schmid and Charlie Houy of the minority staff.

This is a good bill, and I urge all my colleages to support it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. NICKLES. Mr. President, today we are considering the conference report to accompany H.R. 2658, the Department of Defense appropriations bill by FY 2004.

I commend the distinguished chairman and the ranking member on their successfully reporting and conferencing this bill.

The pending bill provides $368.7 billion in total budget authority and $389.2 billion in total outlays for fiscal year 2004. The Senate bill is $3.5 billion in BA and $4.6 billion outlays below the President's budget request. These funds were shifted to other non-defense spending bills consistent with an agreement with the administration.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the bill be printed in the RECORD.

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

H.R. 2658, DEFENSE APPROPRIATIONS, 2004: SPENDING COMPARISONS: CONFERENCE REPORT

[Fiscal Year 2004, in $ millions]

	General purpose	Mandatory	Total
Conference Report:			
Budget Authority	368,183	528	368,711
Outlays	388,642	528	389,170
Senate 302(b) allocation:			
Budget Authority	368,572	528	369,100
Outlays	389,306	528	389,834
2003 level:			
Budget Authority	426,621	393	427,014
Outlays	393,835	393	394,228
President's request:			
Budget Authority	371,699	528	372,227
Outlays	393,222	528	393,750
House-passed bill:			
Budget Authority	368,662	528	369,190
Outlays	388,836	528	389,364
Senate-passed bill:			
Budget Authority	368,637	528	369,165
Outlays	389,371	528	389,899
CONFERENCE REPORT COMPARED TO—			
Senate 302(b) allocation:			
Budget Authority	(389)		(389)
Outlays	(664)		(664)
2003 level:			
Budget Authority	(58,438)	135	(58,303)
Outlays	(5,193)	135	(5,058)
President's request:			
Budget Authority	(3,516)		(3,516)
Outlays	(4,580)		(4,580)
House-passed bill:			
Budget Authority	(479)		(479)

H.R. 2658, DEFENSE APPROPRIATIONS, 2004: SPENDING COMPARISONS: CONFERENCE REPORT—Continued

[Fiscal Year 2004, in $ millions]

	General purpose	Mandatory	Total
Outlays	(194)		(194)
Senate-passed bill:			
Budget Authority	(454)		(454)
Outlays	(729)		(729)

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

Prepared by SBC Majority Staff, 9/24/2003.

Mr. INOUYE. Mr. President, it is interesting to note that Senator NICKLES says this bill complies completely with the requirements of the Budget Committee.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, we only have notification of one person who wishes to speak. If that is the case, I believe we will have a vote on this conference report sometime around noon. It is my hope that we will have it before lunch if possible. So I put the Senate on notice that we will be voting around noon.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MCCAIN. Mr. President, today I rise to address the conference report for fiscal year 2004, the Department of Defense appropriations bill. As has become a standard practice for appropriations matters, this legislation is loaded with porkbarrel spending catered to the parochial needs of the Members and special interests and not to the interests of the men and women in the military.

I feel it is important that I come to the floor of the Senate to draw attention to this legislation, especially at a time when American troops are stretched across the globe, including major commitments in Iraq and Afghanistan. I notice in this morning's paper it is very likely that more National Guardsmen and Reserve Forces will have to be called up. We should be devoting critical defense dollars to urgent defense priorities. Apparently, that philosophy is not shared by all.

In this year's version of the legislation, there is over $6.5 billion in Member add-ons. I must say I congratulate the committee because last year it was $8.1 billion. So we have experienced a $1.6 billion reduction. I want to point out that these add-ons were not in the President's budget, not on the unfunded priority list, and not on the Pentagon's long-range defense budget.

Nowhere—nowhere—was there a priority for any of these items that I will be talking about and listing. One of the remarkable things about it is our disabled veterans are now trying to receive what we call concurrent receipt—

in other words, to be treated, when they are disabled, the same way that nonmilitary members of the Federal Government are treated. As it is now, they are prohibited against receiving both retirement and disability pay, as are other men and women who work for our Federal Government. Full concurrent receipt would cost the Government $3.5 billion annually, which is approximately half the total pork that is in this bill.

So I am announcing to my colleagues today I was trying to work out some way of ameliorating the cost of this concurrent receipt. When we spend money like this—when we will spend $5.9 billion more by leasing Boeing tankers rather than buying them, it seems to me that taking care of the men and women who have served with honor and distinction in the military deserve full concurrent receipt.

Once again, we are considering the Defense appropriations conference report prior to the consideration of the Defense authorization conference report. I remind my colleagues again of the role of the Appropriations Committee. The responsibility of the authorizers and the appropriators are expected to be distinct. The role of the Senate Armed Services Committee is to establish policy and funding levels and oversee the Department of Defense and its programs. The role of the Appropriations Committee is to allocate funding based on policies provided by authorization bills. The appropriators' function and role today, however, is expanded dramatically, and they now engage in significant policy decision-making and micromanagement, usurping the role of the authorizing committees.

I recognize the failure of authorizing committees to pass authorizing legislation contributes to this broken system and that often, as is probably the case now, appropriators have no choice but to fund unauthorized programs and take it upon themselves to make policy determinations. That is why, as chairman of the Commerce Committee, I have tried to reauthorize every program and bureaucracy that falls under the responsibilities of the Commerce Committee. I think I have done this with some success. But we still find, for example, in the Commerce-State-Justice appropriations bill—which has not been considered yet on the floor—significant policy changes, laws written—it is rather remarkable. Entire departments of Government are dissolved without debate—by the way, with the strong objections of the executive branch.

So one of the reasons the authorization bills are held up is because Members know that authorization measures don't really have to pass, and we know that the appropriations vehicles are always available to carry legislative riders. I have testified before the Rules Committee on the need for change, and I think at some point in time we will be faced with a choice: We either do away with the Appropriations Committee or with the authorizing committees.

The authorizing committees, to some degree, have become rather engaging and sometimes interesting debating groups when the real changes and policy decisions are made by the appropriators.

I also want to point out, last week I saw one of the most remarkable things I have ever seen in all the years I have been here. The energy and water appropriations bill was voted on and passed last Tuesday night. We voted. It was a recorded vote. Everybody went home. The next morning—and I mention this because the Senator from Nevada is on the floor—the next morning the Senator from Nevada stood and asked unanimous consent that $65 million be added for water projects for the Corps of Engineers.

I understand there was some technical reason for it and there was some technical change that was made, but I have to tell you, Mr. President, I have never, in all the years I have been here, seen a bill passed and voted on and the next day, many hours after the bill was passed, a Member come to the floor and ask unanimous consent that millions of dollars be added to an appropriations bill. If that is the way we are going to do business around here, then, I say to my friends, there is no fiscal discipline.

On September 17, the Comptroller General of the United States David Walker delivered a speech at the National Press Club. According to the head of the General Accounting Office, ''We must begin to come to grips with the daunting fiscal realities that threaten our Nation's, children's and grandchildren's future.''

In his speech, Mr. Walker cited CBO estimates at that time—they have since gone up $401 billion and $480 billion for the unified budget deficits for the fiscal years 2003 and 2004 respectively. If we take out the Social Security surpluses, these numbers jump to $562 billion and $644 billion respectively. More importantly, the costs of the $87 billion war supplemental are not even factored into these numbers.

In addition to this money, there are a number of financial liabilities the Federal Government has to pay out but are not counted against the budget, such as Medicare trust funds and health care benefit costs provided to the Department of Veterans Affairs. This leads Mr. Walker to state:

> We are starting off in a financial hole we don't really have a very good picture of how deep it is.

His suggestion:

> It is time to admit that we are in a fiscal hole and ''stop digging.''

I would like us to take seriously the advice of the top Government watchdog and quit digging. It seems to me if everybody in this country is watching reality television these days, I say to my good friends watching the Senate proceedings on C–SPAN, you are not watching reality television here. What you are watching is unreal. You are watching Members who don't care about the budget deficit we are running. In the face of huge deficits, we can still find enough money to blow on some of the items I will describe today.

Mr. President, I am tired of fighting these bills. I don't enjoy arousing the animosity of my friends on both sides of the aisle. I don't pretend to judge these projects. Many of them are worthwhile. Many of them are worthy causes. The hundreds of millions of dollars that are spent out of the Defense appropriations bill for breast cancer research is a worthy cause. My question remains, What in the world is it doing in a Defense appropriations bill when we have men and women who are still on food stamps and living in quarters that were built in World War II?

I am dismayed by the lack of attention we focus on these bills. Aside from scouring the bills to see if their projects are included, not much time is devoted to considering the conference report.

This legislation passed the House of Representatives without a copy of the bill text or explanatory report being available to all who want to look at it. In fact, a member of my staff called the House committee while they were voting on final passage of this conference report to inquire if the committee had the report available. The House appropriations staffer said they had a copy but were only allowing one staff member at a time to look at it. Staff was not allowed to make copies or remove the bill from the appropriator's office.

It took the House of Representatives 7 minutes to pass a bill that appropriates $368 billion for projects that appear on the Defense appropriations add-on list of items requested by Senators and were not included in the President's budget request. They did not appear on the Joint Chiefs unfunded priority list and were not authorized in the Defense authorization bill.

This criteria has been useful in identifying programs of questionable merit and determining the relative priority of projects that are requested by Members, often at the expense of the readiness of our Armed Forces.

The fact remains that in the years I have created these lists, no offsets have been provided for any project. The Joint Chiefs provided a list of critical requirements above what was provided for in the President's budget request. That list totaled nearly $18 billion for the year 2004. We should provide additional funding for defense for items and programs which the Joint Chiefs need, not for programs that are important because of the State they come from or because of the seniority of the Member of Congress.

My point is, we cannot do business as usual. There is an ever-growing proportion of our Federal budget that is in these appropriations. While the cost of each program or project may not seem

like a good deal of money, collectively, earmarks, such as the ones in this legislation, significantly burden American taxpayers.

Let me point out some of the more egregious examples in this legislation:

$135 million for advanced procurement of the LPD–17;

$8.1 million for the 21st century truck. Mr. President, $8.1 million for the 21st century truck, not requested by the Department of Defense, not on any list the Joint Chiefs of Staff might feel is important, but the 21st century truck finds its way into the Defense appropriations bill each year;

$4.3 million for the Army's smart truck. One would think after all these years on the pork list if this truck was so smart, it would find a way to fund itself by now;

$1.0 million for the Young Patriots Program. It is a wonderful name. It is a program by the National Flag Foundation to expand the Young Patriots Program to include a video which promotes the significance of national patriotic holidays. I love our patriotic holidays, but $1 million to watch a video on national patriotic holidays?

One of my favorites that has come up—it is interesting, once they are in, they continue year after year—$1.0 million for Shakespeare in American Military Communities. Shakespeare in American Military Communities has found its way in again. I guess it all is a matter of priorities.

$1.8 million for the canola fuel cell initiative. I think canola is cooking oil. I am not sure. But $1.8 million for the canola fuel cell initiative not requested by the President or the Department of Defense;

$1 million for Lewis and Clark bicentennial activities. If this was in the Interior appropriations bill, I would support celebrating the Lewis and Clark bicentennial activities. I think it was a monumental series of events in American history, but we are taking it out of defense.

$7.5 million for the Joint Advertising Market Research and Studies Programs. I can hardly wait to see the commercials that come from this money.

$3 million for U.S.-made bayonets. Nobody else has made bayonets. Once again, Buy America provisions have found their way into the bill.

$6.5 million for the procurement of lightweight armor for CH–46. The conferees mention use of Kevlar, a DuPont product, making this another Buy America provision.

I congratulate again the Senator from Alaska for a large number of appropriations that are earmarked for the State of Alaska ranging from $8 million and up to $26 million for railroad track alignment at Air Force-managed ranges to $8.9 million for hybrid electric vehicle testing only at the cold region testing facility. $9 million for the Fort Wainwright Utilidor. I apologize I keep displaying my ignorance on some of these items. I do not know what a utilidor is. Kentucky, they did OK. Then there is $1.2 million for the Fort Knox University of Mounted Warfare Campus Area Network Infrastructure. One of my favorites that was in the bill last year, a half million dollars for a hangar at Griffis Air Force Base in New York. The only problem with that is that Griffis Air Force Base has been closed for many years. It no longer belongs to the military or the Federal Government.

Of course, language preventing that has been in for several years, language which clearly falls under the purview of the authorizing committee, preventing the disestablishment of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve stationed in Mississippi. That is clearly a policy decision and has nothing to do with appropriations.

Then there is $45.7 million for the Maui Space Surveillance System; $23 million for the Hawaii Federal health care network, $2.5 for the Alaska Federal health care network. If I were from Alaska, I would be a little upset at that disparity: $23 million for the Hawaii Federal health care network, and only $2.5 million for the Alaska Federal health care network.

Our old friend, the brown tree snake, is back, another $1 million for the brown tree snake, the best funded snakes in the United States and certainly in the world; $1.4 million for the minimally invasive surgery program for Ohio; $4.5 million, Pacific Island health care network; $3 million for complementary and alternative medicine.

Again, I want to point out there are a number of excellent programs. The legislation provides a pay raise to our soldiers, sailors, and airmen, as well as a targeted raise for midcareer officers and selected noncommissioned officers. The legislation also provides $128 million for the continuation of increased rates for imminent danger pay and family separation allowances. Of course, my question is: Why is that not permanent?

I have a serious concern that extended deployments will lead to retention problems if we do not work to ensure that we take care of our soldiers and sailors. By providing our servicemembers with adequate benefits, we help ensure that our military will not face retention problems.

In this morning's Washington Post there is a quote from an unnamed National Guardsman who said that with these recent strains, the Guard in particular, and Reserves, are going to have significant difficulties. National Guard and Reserve servicemembers are performing many vital tasks. Direct involvement in military operations to liberate Iraq in the air, on the ground, and on the sea, guarding nuclear powerplants, our borders and airports in the United States; providing support to the war on terrorism through guarding, interrogating and extending medical services to al-Qaida detainees; rebuilding schools in hurricane-stricken Honduras; fighting fires in our Western States; overseeing civil affairs in Bosnia; and augmenting aircraft carriers short on Active Duty sailors with critical-skilled enlisted ratings during at-sea exercises, as well as during periods of deployment.

I look forward to the day when I do not have to criticize the unrequested spending in appropriations bills. Yesterday, the House and Senate passed the Department of Homeland Security Appropriations Act. I was encouraged to see that there was not a great deal of unnecessary spending in that legislation. We still have a number of appropriations bills and conference reports left to consider in this session. I can only hope that the members of the Appropriations Committee will follow the lead of the Homeland Security appropriators in the future. I think we are entering a very serious fiscal crisis in the United States, including the fact that the Social Security situation is going to be compounded by the retirement of the baby boomers, the Medicare trust fund is going to be in a very serious situation, and we are rapidly approaching the kind of deficits that were only equaled in the early Reagan years and may even exceed them.

I know of no economist who does not believe that sooner or later the deficit will increase interest rates and cause inflation. There are a broad range of economists who have many different views on many different aspects of economics. I know of none who believe that over time burgeoning deficits are bad for America and the people who reside in our country.

Not too long ago, someone said the difference between California and Washington is that in California they cannot print their own money. I think there is a certain truth to that. What bothers me is that we are not making strong efforts to reduce unnecessary spending at this very difficult time.

I thank the Senator from Alaska, our distinguished chairman, as we enter a very difficult time, for trying to get approval of the request of the President of the United States. I commend him for his heroic effort on behalf of the much needed and very critical amounts of money, both in terms of defense and in reconstruction funding.

I just came from a hearing in the Armed Services Committee where Ambassador Bremer stated unequivocally, as did General Abizaid, that this money, both for the military and reconstruction, is not only vital but very time sensitive. Both Ambassador Bremer and General Abizaid said the war is on for the hearts and minds of the Iraqi people. We need to restore the infrastructure. We need to provide for their security. Otherwise, we will face, in the words of Ambassador Bremer, ''the most severe crisis.''

I thank the Senator from Alaska, our distinguished chairman of the Appropriations Committee, for the heroic effort he is making to get that urgent request from the President of the United

States to take care of our men and women in the military and pursue to success the very vital mission and challenges we face in Iraq.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, I do thank the Senator from Arizona for his comments about the supplemental. This bill before us now is what we call the peace budget for defense. It does not contain any of the monies for Iraq or for Afghanistan. That money is in the separate supplemental emergency appropriations bill on which we are working. That was handled in that manner because of the request that we have a clear delineation of the monies to be spent for Iraq and Afghanistan.

I will comment on two things, but first I ask unanimous consent that the vote on the pending conference report occur at 12:10 today, and that Senators be so notified.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I object. There has been a problem.

The PRESIDING OFFICER. The objection is heard.

The Senator from Nevada.

Mr. REID. Mr. President, I was just notified by staff that we received a call and we could have the vote at 1:15.

Mr. STEVENS. I did not hear the Senator. If there is an objection to the time agreement, I will continue with my comments.

The Senator from Arizona did mention the money in this bill for the Alaska railroad. The Alaska railroad goes through two military reservations, and this money is to straighten out that railroad as it goes through those two military reservations. We have done this for a period of years now. We are straightening it out so it does not provide a hazard to the people who live on base. It moves the sound as far as we can from the military operations. It is much more safe as it is straightened out and does not have a circuitous route through those two military bases.

In addition, for the Senator's information, a utilidor is a facility that we put into the ground in Alaska to carry our utilities. In effect, it is an underground tunnel so that the utilities can all be maintained underground during the wintertime. It contains water, sewer, electric, all cables, and they are capable of maintenance through the winter.

As a matter of fact, I would welcome the District of Columbia to follow our path and put the utilities underground because every time there is a storm, all the electric lines, power lines, and cable lines come down because they are not buried. We do not just bury them under the ground. We bury a long, continuous container that is capable of being walked through so we can maintain all of the utilities on our military bases. They, at times, need modernization. The money in this bill is for modernization.

I know my friend wants to comment. I have been asked—we do expect a vote. We will try to get a vote on the pending bill. We are having a communications problem. I yield to my friend.

Mr. REID. I say to the distinguished chairman of the committee, we want to have a vote on this most important bill as early as possible. It appears now we are not going to be able to do that until a later time today because we have a number of people who are going to the White House at 2:20. President Bush always meets on time.

Mr. STEVENS. If the Senator will yield, I am informed if I make a request for a vote on this conference report at 1:15, that will be acceptable. Is that not correct?

Mr. REID. We would agree to that.

Mr. STEVENS. Mr. President, I ask unanimous consent that the vote on the conference report occur at 1:20, and I ask for the yeas and nays.

Mr. REID. Reserving the right to object, that would be fine if the Senator would modify his request—that we stay on this until 1:15?

Mr. STEVENS. That is my understanding. We will stay on this bill until 1:15.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. REID. Mr. President, my friend from Arizona, for whom I have the greatest admiration and respect—he and I came to Washington together in 1982 as new Members of Congress. Of course, at that time I was aware of his gallant deeds for our country as a member of the U.S. Navy.

However, the Senator has tried to indicate that there was something wrong with how the energy and water appropriations bill was handled, especially the raising of the 302(b) allocations. That is done all the time. We worked very hard with the chairman of the Budget Committee, the ranking member of the Budget Committee, the chairman of the subcommittee, this Senator, the chairman of the full committee, and the ranking member of the full Appropriations Committee to come up with some way to take care of the weather-related problems that had occurred, dealing with the Corps of Engineers.

What we did was, we had an amendment ready to offer, to have an emergency appropriation, in effect, for the $125 million that was caused by weather-related activities. I have no doubt that would have been agreed to. However, after meeting with the Senators about whom I spoke, they were able to find money in other appropriations bills that was not used. Rather than have the emergency designation, we simply raised the 302(b) allocation. The $65 million was just that.

So anyone who would in any way infer that there was anything wrong with that simply is wrong. The chairman of the full committee is in the Chamber, and he would acknowledge that, as would the chairman of the Budget Committee, Senator NICKLES, as would Senator CONRAD.

Mr. President, could we have order in the Chamber, please?

The PRESIDING OFFICER. The Senate will come to order.

Mr. REID. One reason I asked you to bring the Senate to order was there were two conversations going on. They were both interesting. It was hard for me to listen to both of those and also try to get my thoughts together. I don't know which of the two was the more interesting but they were both pretty good.

I say to my friend from Arizona, the distinguished senior Senator from Arizona said the country was in a hole and we should stop digging. I respectfully agree with him. But the hole isn't anything the Energy and Water Development Subcommittee created. We are struggling to take care of the defense needs of this country. You know the Energy and Water Development Subcommittee handles the defense nuclear programs of this country, in addition to many other programs—university programs and other things that go on.

The situation is simply that the hole the Senator talks about was created by the fact that we are spending far more money than we are taking in. It is no secret, when President Bush took office, there was a surplus of about $7 trillion over 10 years. That is gone. This year's deficit will be around $700 billion, when you take out the Social Security Program and don't have that mask the deficit. So the hole is there, and I acknowledge that. The Senator is right. I am simply saying don't pick on the Energy and Water Development Subcommittee; we had nothing to do with the hole. The hole was dug by others, not by us.

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

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

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. BUNNING). Without objection, it is so ordered.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

Mr. GRAHAM of Florida. Mr. President, today I commend the Senate for addressing and correcting an unfortunate hardship placed on Native American veterans.

For the past decade, VA's Native American Housing Loan Program has provided direct loans to eligible Native American veterans who wish to purchase, construct, or improve a home on

trust lands—lands held by the federal government for the benefit of Native Americans. A problem arose this year due to a provision included in the fiscal year 2003 Omnibus Appropriations bill, which set a spending cap for the program at $5 million. That figure was deemed reasonable by the administration and appropriators because it was taken from previous years' spending amounts.

However, due to historically low interest rates over the past year, VA and borrowers have worked together to refinance many loans, loans that were counted toward the $5 million cap. The combined costs of refinanced loans and new loans led VA to exceed the newly-implemented cap. Consequently, last June, VA was forced to cease providing further funds for the year. This left many Native American veterans in despair as their housing projects sat awaiting completion. With the cessation of the program, veterans have been unable to complete construction on homes that were already in progress, refinance existing loans, or pay contractors.

The Native American Housing Loan Program originally began as a 5-year pilot project in 1993. Congress, recognizing its value, has re-authorized it twice and extended it through 2005. A recent GAO report noted a primary motivating force behind the bill was the fact that the home ownership rate among Native Americans is one of the lowest in the United States, finding that ''while over 67 percent of Americans own their homes, fewer than 33 percent of Native Americans own homes.''

In the report accompanying a reauthorization of the program in 1998, the Senate Committee on Veterans' Affairs stated that direct loans to these Native American veterans are necessary since—even with traditional VA guarantees—commercial lenders will not make mortgage loans to finance the purchase or construction of housing on Native American lands. They decline to do so because Federal law would prohibit a lender, in the event of default, from taking possession of native trust lands. Recent estimates indicate there are approximately 190,000 Native American military veterans. Many expert demographers recognize that, historically, Native Americans have the highest record of service per capita when compared to other ethnic groups. Congress realized that they should be allowed to receive the benefits they have earned through their service—such as VA home loans—no matter where they choose to live in the United States.

The Native American Housing Loan Program alleviates some of the problems faced by Native American veterans in a couple of ways. First, the bill lowers barriers for these heroic veterans by encouraging them to participate in the privileges and benefits of home ownership in America. Secondly, the program provides economic incentives to develop thriving and long-lasting Native American communities. According to VA's Annual Report to Congress for fiscal year 2002, VA closed 62 loans during 2002 for a total of 289 loans made under the program from its inception through September 30, 2002.

Mr. President, as ranking member on the Veterans' Affairs Committee, I applaud the Congress for working to alleviate this problem in a timely manner. I am proud to support a provision in the Department of Defense appropriations bill that will eliminate the spending cap completely. The legislation ensures that stalled housing projects can be continued without stifling future home ownership opportunities for Native American veterans. I am glad that we have been able to work in a bipartisan manner and I know the Native American veteran community is thankful of our efforts.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. I announce that the Senator from New Hampshire (Mr. GREGG) is necessarily absent.

Mr. REID. I announce that the Senator from North Carolina (Mr. EDWARDS), the Senator from Florida (Mr. GRAHAM), the Senator from Massachusetts (Mr. KERRY), and the Senator from Connecticut (Mr. LIEBERMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from Massachusetts (Mr. KERRY) would vote ''yea.''

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

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 364 Leg.]

YEAS—95

Akaka	DeWine	Lugar
Alexander	Dodd	McCain
Allard	Dole	McConnell
Allen	Domenici	Mikulski
Baucus	Dorgan	Miller
Bayh	Durbin	Murkowski
Bennett	Ensign	Murray
Biden	Enzi	Nelson (FL)
Bingaman	Feingold	Nelson (NE)
Bond	Feinstein	Nickles
Boxer	Fitzgerald	Pryor
Breaux	Frist	Reed
Brownback	Graham (SC)	Reid
Bunning	Grassley	Roberts
Burns	Hagel	Rockefeller
Byrd	Harkin	Santorum
Campbell	Hatch	Sarbanes
Cantwell	Hollings	Schumer
Carper	Hutchison	Sessions
Chafee	Inhofe	Shelby
Chambliss	Inouye	Smith
Clinton	Jeffords	Snowe
Cochran	Johnson	Specter
Coleman	Kennedy	Stabenow
Collins	Kohl	Stevens
Conrad	Kyl	Sununu
Cornyn	Landrieu	Talent
Corzine	Lautenberg	Thomas
Craig	Leahy	Voinovich
Crapo	Levin	Warner
Daschle	Lincoln	Wyden
Dayton	Lott	

NOT VOTING—5

Edwards	Gregg	Lieberman
Graham (FL)	Kerry	

The conference report was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2004—Resumed

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (H.R. 2765) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2004, and for other purposes.

Pending:

DeWine/Landrieu amendment No. 1783 in the nature of a substitute.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, in just a moment my colleague and friend from California will be offering an amendment. Before she does that, I again thank her for her contribution to this bill.

When this bill was being marked up in the Appropriations Committee, she came to Senator STEVENS, the chairman, Senator GREGG, myself, and the other members of the committee and said she believed the bill could be improved—specifically, the section having to do with the scholarships for the children in the District of Columbia.

She made some suggestions. Quite frankly, as I told her on the phone later, I was just sorry I had not come up with those ideas because, frankly, she significantly improved the bill. So I wish to publicly again thank her for the suggestions she made. We incorporated those suggestions, those ideas, into the bill in the committee.

She said: We want to make sure this bill is constitutional. She had some ideas in regard to that. We incorporated them into the bill. She also said: ''Let's make sure the mayor—who has been such a strong advocate for the scholarship program, the mayor of the District of Columbia—let's make sure he is intricately involved in this program, the designing of the program, the running of the program; let's make sure he is tied into this program, and that we can, in fact, do that.'' We made those changes as well.

Third, she said: ''Let's make sure there is accountability so we can measure the results.'' We made some changes to accomplish that as well.

The amendment she will offer and describe in a moment builds on the changes that we have already made but