

Now, that is not what I am saying; that is what they say. So I think the President made a very persuasive case that the infrastructure of al-Qaida in Iraq is very much tied to the bin Laden organization. If you don't believe that, come down and let's have a debate about it.

Who else is our enemy in Iraq? Iran. This body passed unanimously a resolution authored by Senator LIEBERMAN during the Defense authorization debate, and part of that resolution was a laundry list of activity by Iran, particularly the Quds Force, part of the Revolutionary Guard, in terms of trying to kill Americans in Iraq and destabilize the efforts of building a democracy in Iraq. On February 11, 2007, the U.S. military held a briefing in Baghdad at which its representatives stated that at least 170 members of the U.S. Armed Forces have been killed and at least 620 wounded by weapons tied to Iran.

This resolution which we passed was a damning indictment of Iran's involvement in Iraq about training, providing funds, providing weaponry, and bringing Hezbollah agents from Lebanon into Iraq to try to assist extremist groups whose goal it is to kill Americans and to destabilize this effort of democracy.

Now, why does al-Qaida come to Iraq? I said before that their biggest nightmare is a moderate form of government where Sunnis and Shias and Kurds and all different groups could live together, accepting their differences, where a woman could have a say about her children by being able to run for office and vote and have a strong voice in society. That is their worst nightmare.

Whether we should have gone to Iraq or not is a historical debate. We have made plenty of mistakes after the fall of Baghdad. But the biggest mistake would be not to recognize that Iraq is part of a global struggle. There are sectarian conflicts in Iraq; I acknowledge that. There has been a major failure of political reconciliation; I acknowledge that. The old strategy was not working; I acknowledged that 2 or 3 years ago. The new strategy is providing dividends in terms of defeating al-Qaida in Iraq. The Iraqi people in the Sunni areas have turned against al-Qaida in Iraq. That is good news. Political reconciliation is occurring at the local provincial level. I hope it works its way up.

Another aspect of Iraq, to me, which is undeniable—and I understand the challenges, and I think I see the successes for what they are—is that the Iranian Government's involvement in Iraq is major. It is substantial. It is designed to break our will. Their efforts include killing our troops, and they are there to make sure this experiment in democracy fails because Iran's worst nightmare is to have a functioning democracy on their border.

So this is part of a global struggle, and the outcome will create momen-

tum one way or the other. I hope the outcome will be a success for moderation and a defeat of extremism.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. All time has expired. Morning business is closed.

SMALL BUSINESS TAX RELIEF ACT OF 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 976, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 976) to amend the Internal Revenue Code of 1986 to provide tax relief for small businesses, and for other purposes.

Pending:

Baucus amendment No. 2530, in the nature of a substitute.

Grassley (for Ensign) amendment No. 2538 (to amendment No. 2530), to amend the Internal Revenue Service Code of 1986 to create a Disease Prevention and Treatment Research Trust Fund.

Bunning amendment No. 2547 (to amendment No. 2530), to eliminate the exception for certain States to cover children under SCHIP whose income exceeds 300 percent of the Federal poverty level.

Dorgan amendment No. 2534 (to amendment No. 2530), to revise and extend the Indian Health Care Improvement Act.

Gregg amendment No. 2587 (to amendment No. 2530), to limit the matching rate for coverage other than for low-income children or pregnant women covered through a waiver and to prohibit any new waivers for coverage of adults other than pregnant women.

The ACTING PRESIDENT pro tempore. Under the previous order, there is now 30 minutes of debate equally divided prior to a vote in relation to amendment No. 2538.

Who yields time? The Senator from Nevada is recognized.

Mr. ENSIGN. Mr. President, the bill before us today would reauthorize SCHIP for 5 years with a \$35 billion expansion in spending. But because of the way the budget gimmicks were worked in this bill, it is actually an expansion of somewhere around \$110 billion.

This expansion, or at least part of it, is going to be funded by an increase in the Federal tobacco tax by 61 cents per pack and up to \$10 per cigar. The problem with the funding mechanism in this bill, the way I see it, is that for the funding to still be there, we actually need to encourage people to smoke. Today, in our health care system, smokers contribute to a lot of diseases and this imposes large costs. In the future, as we raise the price of tobacco, fewer people smoking will mean less revenue. The proposal to fund the SCHIP expansion will yield diminishing returns. In the future, the tobacco tax will not adequately pay for the spending that is provided for in this bill.

This bill greatly increases dependency on the Federal Government and the dependency of the Federal Government on this tobacco tax revenue. The expansions included in this bill will have little bang for the buck in terms of reducing the ranks of the uninsured. As more money is poured into expanding SCHIP, less of the new funds will go to providing coverage to low-income children who currently go without coverage. SCHIP expansion will only serve to coax individuals and families out of the private insurance market and into Government coverage.

Undermining private health insurance coverage by creating more Government dependence is not an effective way to address shortfalls in coverage. We should have more of a comprehensive approach. This approach should include fiscal discipline, not more taxes and higher spending. We should be working to strengthen private sector health insurance options and increase parental choice and responsibility.

My amendment, however, will not address taking a more comprehensive approach to coverage. We will have other amendments during this debate that will address more of a comprehensive approach to insurance coverage.

I strongly believe in the role of Federal Government plays in promoting basic research. Some have noted that an increase in the tobacco tax should be used to fund the costs that tobacco imposes on our society. I agree with that. My amendment would establish a trust fund that will be known as the Disease Prevention and Treatment Research Trust Fund. The revenue from increased tobacco tax rates in the underlying bill will be transferred to this trust fund. From there, the dollars will be made available to fund research on diseases that are often associated with tobacco use.

I also believe the chronic underfunding of research in areas such as pediatric cancer need to be addressed, so I have expanded the permissible use of these funds to cover research on other diseases as well. I urge my colleagues to support my amendment to help discover new knowledge and treatments that improve and save lives.

Our current health care system is a sick care system. We do not spend nearly as much money on prevention as we do on getting people healthy once they are sick. This trust fund will fund research into areas to keep people healthy, to make sure we are spending money on disease research that actually keeps people out of hospitals, that keeps people as healthy as possible for as long as possible throughout their lives. I think this is a better use of taxpayers' dollars, especially when we are going to be raising those taxes on people who smoke. Let's use that money to fund disease research instead of taking people from the private health market onto the Government-funded health market.

I reserve the remainder of my time.