there. This extension we just passed was regretfully necessary, but it doesn't lessen in any way the need to get a farm bill, a 5- or 6-year extension, depending upon what is negotiated. We are continuing to work along those lines and hope to get there.

I yield the floor.

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2009—Continued

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from North Dakota.

Mr. CONRAD. Mr. President, I thank the leaders for the action they have taken for a short-term extension of the farm bill so that we can conclude action on it. It has been a negotiation that has gone on well over a year. That is not unusual for a farm bill which is extremely contentious.

I wanted to comment briefly on the Republican leader's statements this morning about our budget. As I was driving in this morning, I heard another Republican on the air saying that we have a trillion-dollar tax increase in this budget. I don't know what budget they are talking about because it certainly is not the budget we have presented here. There is no trillion-dollar tax increase here. There is no tax increase assumed here. Honestly, if I would go down to the Senate dining room and come to this floor and introduce the dining room menu as the budget for the United States, our Republican colleagues would say it was a trillion-dollar tax increase.

This is what they said last year, and we hear the same mantra again this year: It is a trillion-dollar tax increase. When they said it last year, we didn't have a record of a Democratic Congress to refute their claim. Now we do. We can look back and see precisely what happened with Democrats in control. How much did taxes increase after the Republicans asserted repeatedly we were going to increase taxes a trillion dollars? What happened? What happened on the record, not a projection, not a forecast, not rhetorical, what is the fact? It is very interesting. Democrats controlling the House, controlling the Senate, cut taxes $194 billion—not a tax increase, a tax cut that overwhelmingly has gone to the middle class. That is the Democratic record.

Let me say about this budget, we don't have the vast spending increases they are talking about. For this year, if you look at total spending, we have 1 percent more than the President's budget. Where is that money going? We put it into energy, to reduce our dependence on foreign oil. We put it into education, and we put it into infrastructure because we don't want any more bridges, like the one in Minnesota last year, collapsing into the river with people driving home from work. That is a fact.

In terms of revenue, the truth is that over the 5 years, we have 2.6 percent more revenue than in the President's budget. We believe that can be obtained not with a tax increase—don't need a tax increase to get it—you can go after the tax gap, the difference between what companies and people owe versus what they are actually paying. You can go after these offshore tax havens which the Permanent Subcommittee on Investigations has told us are costing this country $100 billion a year. You can go after these abusive tax shelters where we have the spectacle of companies in the United States, banks buying foreign sewer systems and depreciating them on their books in the United States to reduce their tax bill here, and then they lease the sewer systems back to the European cities that built them. My goodness. We are better than that as a nation, better than letting people abuse the vast majority of us who are honest. That is not right. That is not fair.

I have shown on this floor many times a picture of a five-story office building in the Cayman Islands called Ugland House. That 5-story building is home to 12,800 companies. I would say that is the most efficient building in the world.

Mr. President, 12,800 companies claim they are doing business out of this little five-story building in the Cayman Islands. They are not doing business there. The only business they are doing is monkey business. What they are doing is evading their taxes.

Now we have seen, according to the Boston Globe, another building down in the Cayman Islands—this time a four- or five-story building too—and we know KBR, who is the biggest contractor for security forces in Iraq and additional workers in Iraq for the U.S. military effort there, is running an operation out of that building to evade the Social Security taxes and the Medicare taxes of thousands and thousands of workers they have employed for Iraq—another tax scam.

It is exactly the kind of thing we on this side think should be closed down. Over and over, when we have tried, this President said: No, you can't do that. That would be a tax increase. Really? Is that a tax increase? I do not think so. Making people pay their fair share, like the vast majority of Americans already do—I do not think that is a tax increase. I think that is making those folks pay like all the rest of us do. That is fair.

Mr. President, we have Senators on the floor ready to offer an amendment. I want to go to that at this moment.

I ask Senator BINGAMAN, how much time——

Mr. GREGG addressed the Chair.

Mr. CONRAD. Mr. President, I will withhold. Senator GREGG is seeking recognition.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire is recognized.

SENATOR CONRAD'S 60TH BIRTHDAY

Mr. GREGG. Mr. President, I rise this morning to say this is a big, big, big day for the chairman of the committee, and I know he would not want this day to go unacknowledged after having made such an eloquent statement. But it is the chairman's 60th birthday today. So I congratulate him and say, on his 60th birthday, we appreciate all he has done for the last 60 years, and we hope he will be here for another 60 years.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank the ranking member for his continuing courtesy and graciousness. This is my 60th. As I left the house this morning, I told my wife and our son, who is there visiting, I have to question: What have I done wrong in my life to have my 60th birthday spent here managing the budget? But I will get over it.

I appreciate the many courtesies of the ranking member. This is a special day for me, and I am looking forward to a good debate.

With that, we want to go to the next amendment, unless the Senator—

Mr. GREGG. Mr. President, I ask unanimous consent that after Senator BINGAMAN has spoken on his amendment, and to the extent Senator ALEXANDER wishes to speak, that we then, after that, go to our side for the next amendment.

Mr. CONRAD. Fair enough.

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

Mr. CONRAD. Mr. President, I say to the Senator, if you can give us a heads up at some point what your next amendment will be, that would be helpful as well.

Now we will turn to Senator BINGAMAN and Senator ALEXANDER, who I think have a very constructive amendment. We welcome their description of it.

I ask unanimous consent that the time come off the resolution.

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

The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I thank the managers of the bill and all colleagues. Let me mention, I believe Senator KENNEDY wishes to speak in favor of the amendment after Senator ALEXANDER speaks. So I believe he will be coming to the floor. I hope there is an opportunity for him to do that before we proceed too far this morning.

AMENDMENT NO. 4173

Mr. President, I call up amendment No. 4173 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. ALEXANDER, Mr. KENNEDY, Mr. DOMENICI, Ms. MIKULSKI, Mr. ENSIGN, Mr. DURBIN, Mrs. FEINSTEIN, Mr. LIEBERMAN, Mr. SCHUMER, Mr. BIDEN, and

Mr. KERRY, proposes an amendment numbered 4173.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that 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 additional funding resources in FY2009 for investments in innovation and education in order to improve the competitiveness of the United States)

On page 11, line 13, increase the amount by $600,000,000.

On page 11, line 14, increase the amount by $306,000,000.

On page 11, line 18, increase the amount by $210,000,000.

On page 11, line 22, increase the amount by $60,000,000.

On page 12, line 1, increase the amount by $12,000,000.

On page 12, line 5, increase the amount by $12,000,000.

On page 27, line 16, decrease the amount by $600,000,000.

On page 27, line 17, decrease the amount by $306,000,000.

On page 27, line 21, decrease the amount by $210,000,000.

On page 27, line 25, decrease the amount by $60,000,000.

On page 28, line 4, decrease the amount by $12,000,000.

On page 28, line 8, decrease the amount by $12,000,000.

Mr. BINGAMAN. Mr. President, this is an amendment I am offering on behalf of myself, Senator ALEXANDER, Senator KENNEDY, Senator DOMENICI, Senator MIKULSKI, Senator ENSIGN, and others to offer an amendment to the budget resolution to do two things: to fund the Office of Science within the Department of Energy and also to fund the National Science Foundation at the fiscal year 2009 funding levels that have been proposed in the President's budget.

Last year, on a bipartisan basis, Congress passed the COMPETES Act. I compliment my colleague, who is here on the floor with me today, Senator ALEXANDER, for his leadership in that legislation. This was bipartisan legislation. It was strongly endorsed by Members of the Senate. It authorized a number of programs based upon the recommendations that came from the National Academies report entitled ''Rising Above the Gathering Storm.''

Specifically, the COMPETES Act authorized a doubling of the budgets for the National Science Foundation and the Department of Energy's Office of Science over a period of 7 years. The Office of Science and the National Science Foundation are the two principal agencies charged with maintaining the nondefense basic science enterprise of our Nation, which serves as the wellspring for future innovation and for our global competitiveness.

For the Office of Science, the America COMPETES Act authorized a 12-percent increase relative to fiscal year 2007. The President's Advanced Competitiveness Initiative would have increased the Office of Science by 7.2 percent. For the National Science Foundation, the COMPETES Act authorized a 12-percent increase as compared to the President's Advanced Competitiveness Initiative proposed increase of 9.3 percent.

The COMPETES Act was passed into law last August. At that time, the appropriations bills in both Chambers kept the funding levels for both offices I am speaking about here at or above the President's request. But by the time the Congress made the deep cuts that were required by the administration in order to get an omnibus spending bill passed in December, all of the gains that had earlier been in appropriations bills for the Office of Science and for the National Science Foundation were lost, and both of those offices were flat funded when you account for inflation.

Let me talk a few minutes about why these two programs are so important to our ability to compete globally. As noticed in the President's budget, the National Science Foundation is the principal source of Federal support for strengthening science and math education. Education and human resource programs at the National Science Foundation support technological innovation to enhance economic competitiveness and new job growth. They address the workforce needs of the country. They help to ensure a pool of talented experts. Many of these programs are critical to developing and advancing the knowledge of our country's K through 12 math and science teachers as well.

When we passed the America COMPETES Act, we recognized that this country is facing a critical shortage in well-prepared math and science teachers. Accordingly, we significantly expanded the Robert Noyce Scholarship program, which prepares science, technology, engineering, and mathematics undergraduate students and professionals to become math and science teachers. Among a number of changes, we required increased collaboration between science and education faculty to establish STEM teacher education programs—STEM, of course, refers to science, technology, engineering, and math teachers—and increased scholarships and stipends to at least $10,000 per year, for up to 3 years of scholarship support, beginning with the junior year.

We also increased funding significantly in order to meet these objectives. Congress anticipated that the Noyce program would grow to become a major source of effective training for our science, technology, engineering, and mathematics teachers. Research shows that students' performance on annual math and science assessments improved in almost every age group when their schools were involved in a program that linked K through 12 teachers with their colleagues in higher education.

The Math and Science Partnership I am referring to helps forge these connections between K through 12 and higher education to strengthen math and science teaching skills, improve curriculum, and provide college preparatory programs for students.

The Office of Science at the Department of Energy also makes significant contributions to math and science education. Among the things the America COMPETES Act authorizes for the Department of Science are: to help establish statewide specialty schools in math and science; to get middle and high school students around the State involved in national laboratories through internship programs; and to require the national laboratories to partner with local school districts and to adopt at least one high-need high school and transform these schools into centers of excellence in mathematics and science.

This is only a small part of what the Office of Science does. Simply put, it provides the support for much of the basic scientific research that will drive the industries of the future. It funds facilities that help us understand the basics of materials, funds research into such critical areas as biogenetic sequencing, and provides support for much of the physical sciences enterprise in this country.

Once again, for fiscal year 2009, the President has come forward proposing increases for both the National Science Foundation and the Office of Science. Relative to fiscal year 2008, the President's proposed budget increase for these two agencies amounts to $1.4 billion. This amount would not bring the levels for these two agencies to the full level we authorized in the America COMPETES Act for fiscal year 2009, but they are a substantial step in the right direction, and I strongly support these increases.

So the amendment my cosponsors and I are offering today adds another $600 million to the budget resolution, as reported by the Committee on the Budget, to at least meet the level the President has indicated he is willing to support. I believe this addition to the budget resolution can and should command broad bipartisan support in the Senate, just as the America COMPETES Act was broadly supported on a bipartisan basis here in the Senate.

I urge my colleagues to support the amendment. I know my colleague from Tennessee is here to speak in favor of it as well. I again compliment him for his leadership on the issue.

I yield the floor.

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

Mr. ALEXANDER. Mr. President, the Senator from New Mexico, Mr. BINGAMAN, has been tireless in helping to create the America COMPETES Act, which passed unanimously here. But even more important than that, he did not walk away from it once it became law. He has attended to the details of trying to make sure we implement it. One of those details is what we are doing today.

I wish to, in support of what he has said so eloquently—and I also commend Senator DOMENICI from New Mexico, who has had such a key role in this effort—I wish to tell a story that helps put in perspective what we are talking about.

Two years ago, a group of Senators traveled to China, led by Senator STEVENS and Senator INOUYE. We were received very well because Senator STEVENS had flown with the Flying Tigers. He flew the first plane to land in Beijing after World War II, and the top Chinese leaders had not forgotten. And, of course, Senator INOUYE is a Congressional Medal of Honor winner for his heroic service to our country in World War II.

So we saw President Hu, and the No. 2 man in China, Mr. Wu. What struck me about those two meetings—which were about an hour long, and during which we could have talked about Taiwan or Iraq or Iran or China's military buildup or America's intelligence system—the subject about which they wanted to talk the most and which animated them the most in their conversation was the subject Senator BINGAMAN just discussed: how China can use its brainpower to create a higher standard of living for the people of China.

We are in an economic slowdown in America today, and we are debating and talking here about how we restore our level of progress economically. We are talking not only about the Federal budget, we are talking about the family budget. We are talking about family incomes. We are talking about jobs. That was the same subject the No. 1 and No. 2 men in China wanted to talk about as well. What were they focusing on? The fact of trying to give to China the same kind of brainpower advantage in creating a high standard of living we have had in America, since World War II especially. This year, despite the economic slowdown, the United States of America will create about 30 percent of all the world's wealth for 5 percent of the world's people, who are those of us who live in the United States. That is an astonishing fact. There are many reasons for it, including our free market system, our geography, our character, the immigration that has brought talented people from all over the world who are entrepreneurial in their spirit. But most people agree that the major fact in the high standard of living for this country since World War II has been our brainpower advantage. We have not only some of the best universities in the world, we have almost all of them. We have a set of national laboratories that is unequaled in the world. Until recently, at least, our system of kindergarten through the 12th grade education has been the envy of the world. As a result of all that brainpower, we have created a lot of jobs and a high standard of living. Increasingly, that is where the new jobs come from. That is why we like to have foreign students come here, because they become educated in our universities and we are, in effect, insourcing brainpower, so they create Google in the United States of America rather than in India or in China, and the jobs are here in the United States of America.

So the America COMPETES Act, to which Senator BINGAMAN referred, had broad support here. It is the only legislation we have had in the last 4 years that I remember was supported by Senator FRIST and Senator REID. Then, when the Senate changed hands and the Democrats were in the majority, it was sponsored by Senator REID and Senator MCCONNELL. At one point, it had 70 Members of the Senate backing it, 35 Senators who are Democrats and 35 Republicans. It all came from a request that Senator BINGAMAN and I and others—including House Member BART GORDON of Tennessee, the chairman of the Science Committee now—made of the National Academy of Sciences: Please tell us, in priority order, what are the 10 things we in Congress ought to do to help keep our brainpower advantage so our jobs will not go overseas. Norm Augustine, the former chairman of Lockheed Martin, a member of the National Academy of Engineering, assembled a group of Nobel laureates, university presidents, and others, and they came back with 20 specific recommendations in the Augustine report. There was also other important work being done by the Council on Competitiveness. We put all that together over 2 years. The President weighed in, in a big way, in two straight State of the Union Addresses and budgets. The Speaker of the House also weighed in, in an important way. So in this endeavor, on this important issue, we are all on the same team. But what we are doing today with this amendment is making sure we get where we have agreed we want to go.

Now, for President Hu in China, all he had to do was walk over to their National Academy of Sciences in China, he convened them all in the Great Hall—and said: This is what we will do over the next 10 years. We are going to increase support for our universities and research through a percent of our domestic product. We are going to recruit from American universities talented Chinese professors who have distinguished themselves in the United States and they are going to come back and help improve Chinese universities. So, in China, the top man gave the order and they are on their way. Here, a lot more of us have to be involved, but we are all involved. The President has said we need an 18-percent increase for Fiscal Year 2009 to stay on a track to double funding for the physical sciences over the next 10 years; 18 percent for the Office of Science, which is our principal funder of our national laboratories and science programs, and 13 percent in the National Science Foundation. That is bigger than it normally would be because of the way the appropriations process worked last year. We didn't do what we all agreed we wanted to be able to do.

So the Budget Committee did a pretty good job in reporting to the floor a budget resolution with sufficient provisions to fund this year's version of the America COMPETES Act. There are a wide range of those programs. There are opportunities for low-income children to take advanced placement courses which they now can't afford and to train the teachers who need to be trained to teach those courses. There are opportunities for summer academies at our laboratories and at universities to interest our students in math and sciences. The Augustine Commission reviewed programs all over America and recommended only a handful that ought to be emulated, and they included programs such as the UTeach program in Texas at the University of Texas which attracts outstanding students in chemistry and physics, for example, and gives them scholarships if they will agree to become teachers of chemistry and physics.

Former Gov. Jim Hunt of North Carolina told me the University of North Carolina only graduated one physics teacher in one recent year. We are not going to learn much physics in America, to keep up with the Chinese and Indians and Irish and all the others who are trying to increase their brainpower to increase their jobs if we don't graduate physics teachers. So the Budget Committee did a good and important job.

What we are trying to do is to get back on track to double funding for the physical sciences over 10 years, which is what we all agreed we should try to do. That was our goal. A huge majority in the House, the Senate, and the President himself, we are asking that the Senate make room in the budget for the President's number for the America COMPETES Act. That is what this amendment does.

So I feel confident we will have substantial support, because so many of us worked so hard for so long on this idea.

We Republicans are talking these days in unflattering ways about the Democratic budget. Senator REID, the majority leader, said he hadn't heard about tort reform yet. Well, he will, before we are through. One way to help the family budget is to make it easier for pregnant women in rural areas to get medical care without driving 60 miles, and one way to do that is to put some limits on medical malpractice suits. That is tort reform. That will help the family budget. Lower taxes help the family budget. Lower energy costs help the family budget. But on this side of the aisle, we also believe that better schools and investments in science and technology, so we can keep our brainpower advantage and keep our jobs from going overseas, is an important part of a pro-growth plan.

When I was Governor of Tennessee, Tennessee's taxes were the lowest in the country. I say this with great respect to the Senator from New Hampshire, who is also here. I double

checked this fact when I came in. But we were the third poorest State. So we kept our taxes low, but we also had to enact some other pro-growth policies, which included getting rid of a usury limit, preserving the right to work law, reducing the number of employees in government, but it also included building highways. Eventually, I came to the conclusion that the single most important thing we could do to improve family incomes in our State was to focus on improving the quality of schools, colleges, universities, and research, so we began to pay teachers more for teaching well. We created chairs of excellence at the universities and centers of excellence at the universities. I believe that partly because of all those things together, our State began to increase its family incomes at a rate that was faster than any other part of our—any other State in the country during the 1980s. It was no coincidence we were also increasing funding for our education during that time at a rate faster than any other State.

So an important part of a pro-growth plan—a Republican pro-growth plan, but obviously many Democrats agree with this as well—is fully funding the America COMPETES Act, making sure we keep our brainpower advantage so we can keep our jobs.

I congratulate the Senator from New Mexico, Mr. BINGAMAN, for his leadership on this, and the senior Senator from New Mexico, Mr. DOMENICI, for his leadership on this. I thank the majority leader and the Republican leader for their co-sponsorship of this act.

I say to Senators CONRAD and GREGG, I am glad you made room in the budget for much of the America COMPETES Act. I hope we can complete the job with the Bingaman amendment so we can keep those jobs from going overseas. That is one good way to help advance a pro-growth plan that will help balance the family budget.

I thank the President, and I yield the floor.

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

Mr. KENNEDY. Mr. President, I welcome the fact that at the real start of this debate on the Budget Act, we have an amendment that reflects the best judgment of Republicans and Democrats alike in the Senate, which is so key to the future of our country, and to listen to our colleagues on both sides of the aisle at a time when, on so many issues, there is divisiveness, but on this issue, there is a real coming together in the Senate on this item for the support of the America COMPETES Act.

I wish to commend those who have been a part of this process over recent years. It has been truly a bipartisan effort. We have listened to Senator BINGAMAN, Senator ALEXANDER, and others who have been a part of this whole process, and it was an enormous achievement this last year when the bill passed the Senate. Now, we are impressed by the fact that those who were involved in making sure this was going to be achieved are committed to making sure we are going to have muscle and bones on this project in the form of providing the resources which are necessary to make it effective. This is, I think, one of the most important undertakings we will have in this debate and discussion on the budget, and I am very hopeful we will get a strong vote in support of this amendment.

Very briefly, I think all of us understand the average family in this country is exceedingly hard-pressed at this time. They are wondering whether they are going to be able to pay their mortgages, and we are finding out that many are unable to pay their mortgages and they are losing their homes, or they have the threat of losing their homes. It is difficult to imagine, I think, for many of us, when parents go to bed at night and wonder whether they are going to be able to afford their mortgages and maintain their home for themselves, their families, and for their children, but it is happening in too many parts of this country. At the same time, those same parents are wondering if they are going to be able to heat their homes, at least in my part of the country. With the fact of the extraordinary explosion of the cost of home heating oil, we find so many families are hard-pressed to be able to provide heating for their homes.

These are families who have worked hard, who have played by the rules all their lives, and they are wondering now about what the future will hold for themselves and for their parents and for their children. Are they going to be able to make sure their parents are going to be able to live their golden years in peace and dignity? They are hard-pressed to provide the extra help and assistance to them so they can afford their prescription drugs. They have seen the cost of tuition go up and continue to go up, and they wonder if they will be able to educate their children; while fuel and gas go up, whether they will be able to fill the gas tank to get to their jobs where they are working. There is enormous anxiety. There is also the concern about rising health care costs. There is enormous rising anxiety out in the country. People are wondering: Why should my job be at risk? I have worked hard. I have played by the rules. I have done everything I possibly can, and still I wonder whether in a few years, the opportunities for my children are going to be as great as opportunities were for me. I know my parents sacrificed so I would be able to make progress, and now I wonder whether my children are going to be better off than I was. That is going on in home after home across this country.

It is as a result of the failure of economic policy. It is a failure of fiscal and monetary policy over the period of recent years. It is not the fault of these particular families; it is the fault of economic policy and giving the kinds of investments in our country and investments in individuals that are necessary in order to have a strong economy. We know how to do it. We have seen it done. I am not going to take the time of the Senate to go back over the history where it has been done and it should be done.

So we are faced with where we are today, and this calls for immediate assistance for these families. We have seen the efforts that have been made in terms of housing and in terms of the unemployment, the help and assistance of fuel assistance and food stamps and others to try to address the immediate kinds of problems families are facing.

We also have to look at where we are going to be as a country in terms of the future, where we are going to be in 3 to 5 years as we are seeing this whole global economy challenge the United States. One overarching fact is that the future is going to be the knowledge economy, the economy that puts the premise on knowledge and information and education. That is where the future is going to lie. That will be the great competition between the countries of Asia and the United States. We are thinking about how we are going to address that, and the COMPETES Act is one of the important solutions to this challenge.

Mr. President, if we look at this chart here, it is interesting in terms of U.S. students. To be globally competitive, we need to tackle the achievement gaps. U.S. students from high-income families outperform students in other countries in math, while U.S. students from low-income families lag behind. When you are talking about international competitiveness, we find that U.S. students who come from higher income families are able to go to schools that are able to afford the good teachers, are able to out-compete the students in other parts of the world. It is no mystery about how that should be done. But students who come from lower income families are not able to keep pace. This legislation is designed to, among other things, reduce this gap that exists now in our country.

Look at this chart. We have more math classes in high-poverty schools that are taught by teachers without a major in that subject. You have low-poverty secondary schools where the percentage of secondary school math classes taught by teachers without that major is 26 percent. In the high-poverty schools, it is 56 percent. Much of it comes down to teachers and the importance of investing in them, to make sure they are going to have the skills to serve in communities and in school districts all over the country, and so they are going to have the competency. If you are not going to have the high-quality teachers in underserved areas, then you are going to have those kinds of results we saw with the other chart where American children are going to fall further and further behind. It is in this very area that the COMPETES Act is directed.

That is one of the important reasons why this legislation is so important and why the resources and the investment are so much in the interest of this country and its future in terms of the ability to be able to compete.

Mr. President, this is a sound amendment that makes a great deal of sense for the reasons I have mentioned here and other reasons as well. I am hopeful that the Senate will accept it with an overwhelming vote.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 4189

Mr. GREGG. Mr. President, I ask unanimous consent that the present amendment be set aside, and on behalf of Senator SPECTER, I send an amendment to the desk.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. SPECTER, for himself and Mr. CRAIG, proposes an amendment numbered 4189.

Mr. GREGG. Mr. President, I ask unanimous consent that 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 repeal section 13203 of the Omnibus Budget Reconciliation Act of 1993 by restoring the Alternative Minimum Tax rates that had been in effect prior thereto)

On page 3, line 10, decrease the amount by $4,700,000,000.

On page 3, line 11, decrease the amount by $25,600,000,000.

On page 3, line 12, decrease the amount by $51,000,000,000.

On page 3, line 13, decrease the amount by $47,300,000,000.

On page 3, line 14, decrease the amount by $26,100,000,000.

On page 3, line 15, decrease the amount by $30,500,000,000.

On page 3, line 19, decrease the amount by $4,700,000,000.

On page 3, line 20, decrease the amount by $25,600,000,000.

On page 3, line 21, decrease the amount by $51,000,000,000.

On page 3, line 22, decrease the amount by $47,300,000,000.

On page 3, line 23, decrease the amount by $26,100,000,000.

On page 3, line 24, decrease the amount by $30,500,000,000.

On page 4, line 4, increase the amount by $36,190,000.

On page 4, line 5, increase the amount by $441,680,000.

On page 4, line 6, increase the amount by $2,133,860,000.

On page 4, line 7, increase the amount by $4,798,780,000.

On page 4, line 8, increase the amount by $6,988,760,000.

On page 4, line 9, increase the amount by $8,794,210,000.

On page 4, line 13, increase the amount by $36,190,000.

On page 4, line 14, increase the amount by $441,680,000.

On page 4, line 15, increase the amount by $2,133,860,000.

On page 4, line 16, increase the amount by $4,798,780,000.

On page 4, line 17, increase the amount by $6,988,760,000.

On page 4, line 18, increase the amount by $8,794,210,000.

On page 4, line 22, increase the amount by $4,736,190,000.

On page 4, line 23, increase the amount by $26,041,680,000.

On page 4, line 24, increase the amount by $53,133,860,000.

On page 4, line 25, increase the amount by $52,098,780,000.

On page 5, line 1, increase the amount by $33,088,760,000.

On page 5, line 2, increase the amount by $39,294,210,000.

On page 5, line 7, increase the amount by $4,736,190,000.

On page 5, line 8, increase the amount by $30,777,870,000.

On page 5, line 9, increase the amount by $83,911,730,000.

On page 5, line 10, increase the amount by $136,010,510,000.

On page 5, line 11, increase the amount by $169,099,270,000.

On page 5, line 12, increase the amount by $208,393,480,000.

On page 5, line 15, increase the amount by $4,736,190,000.

On page 5, line 16, increase the amount by $30,777,870,000.

On page 5, line 17, increase the amount by $83,911,730.000.

On page 5, line 18, increase the amount by $136,010,510,000.

On page 5, line 19, increase the amount by $169,099,270,000.

On page 5, line 20, increase the amount by $208,393,480,000.

On page 26, line 12, increase the amount by $36,190,000.

On page 26, line 13, increase the amount by $36,190,000.

On page 26, line 16, increase the amount by $441,680,000.

On page 26, line 17, increase the amount by $441,680,000.

On page 26, line 20 increase the amount by $2,133,860,000.

On page 26, line 21, increase the amount by $2,133,860,000.

On page 26, line 24, increase the amount by $4,798,780,000.

On page 26, line 25, increase the amount by $4,798,780,000.

On page 27, line 3, increase the amount by $6,988,760,000.

On page 27, line 4, increase the amount by $6,988,760,000.

On page 27, line 7, increase the amount by $8,794,210,000.

On page 27, line 8, increase the amount by $8,794,210,000.

Mr. GREGG. Mr. President, Senator SPECTER will talk about this amendment. Essentially, this amendment would repeal the AMT permanently, as it relates to middle-income Americans. It is currently wrong that we have this tax. It was never intended to be a tax that would cover 20 million Americans. It was supposed to hit high-income individuals who were avoiding taxes, using legal tax vehicles but basically avoiding paying any income tax. It has turned into a monster where literally 20 million Americans would be subject to the tax unless it is adjusted.

This budget presumes that it will be abated for this year. There is no reason to keep these revenues in the baseline because we know we will do this again next year and the year after that. It is time to correct this permanently and stop having these illusory revenues, which we turn around and spend, and it creates inappropriate expectations and leads to less fiscal discipline here.

This is an attempt to address the issue by essentially repealing the AMT and addressing the fact that if we don't do this, 20 million Americans will be hit with this tax, and that was never the intention of the Federal Government, to get revenues from them. It is wrong to have it on the books.

The Senator from Pennsylvania will come over to speak to this around 11:30 or so. The Democratic side may have another amendment relative to this issue.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I think the amendment the ranking member has set up for Senator SPECTER doesn't actually have full repeal. Instead, what it does is change the individual alternative minimum tax from its current two-rate structure of 26 percent and 28 percent to the single 24-percent rate that was in effect prior to 1993. I believe that is what the Specter amendment does.

The first priority, of course, for dealing with the AMT is to protect families who have not been subject to it previously. So our resolution acknowledges this priority and provides a 1-year patch to prevent the alternative minimum tax from affecting another 20 million American households. That is at a cost of $62 billion.

I would prefer that cost be offset, but last year that was not the will of the body. It was not the will of the body in the very clear and compelling vote. So we don't have it offset in our resolution this year.

Our resolution acknowledges the political reality that the will of this body is to extend alternative minimum tax relief without paying for it. Restructuring the AMT, as Senator SPECTER proposes, is even more expensive. The Specter amendment would lose $185 billion in revenue, and it is not paid for in any way—by spending reductions or other revenue—and therefore it simply gets added to the deficit and debt. If it were adopted as is, the resolution would be in deficit in every year of the budget window.

Mr. President, I don't think that is fiscally responsible, so I am offering an amendment that accomplishes the same policy purpose but requires that it be offset, paid for, so that it is not

added to the deficit and is not added to the debt.

I inquire of the Senator, did he send up the Specter amendment?

Mr. GREGG. I did.

AMENDMENT NO. 4190

Mr. CONRAD. Mr. President, I send the Conrad amendment to the desk.

The ACTING PRESIDENT pro tempore. Is there objection to setting aside the pending amendment so the Senator from North Dakota may submit his amendment?

Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 4190.

Mr. CONRAD. Mr. President, I ask unanimous consent that 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 add a deficit-neutral reserve fund for repealing the 1993 rate increase for the alternative minimum tax for individuals)

At the end of Title III, insert the following:

SEC. ___. DEFICIT-NEUTRAL RESERVE FUND FOR REFORMING THE ALTERNATIVE MINIMUM TAX FOR INDIVIDUALS.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would reinstate the pre-1993 rates for the alternative minimum tax for individuals, by the amounts provided in such legislation for such purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

Mr. CONRAD. Mr. President, I think it might be useful here that we enter into a unanimous consent agreement that when we go to a fuller debate, the debate on the Specter and Conrad amendments be limited to 1 hour. Is that acceptable?

Mr. GREGG. I don't see why we cannot put the Kyl amendment in there also.

Mr. CONRAD. Mr. President, I ask unanimous consent that there be a half hour each on the Specter and Conrad amendments, a total of 1 hour.

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

Mr. CONRAD. Then we will go to the Kyl amendment, and there would also be a side-by-side for that amendment. That would be, at this point, an amendment in my name or by my designee.

I also ask unanimous consent that there be a half hour on each for those amendments.

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

Mr. GREGG. Mr. President, just to clarify this, other Members may come in and talk during this time. The concept is that this hour is fluid. If other Senators show up and talk, it will not be off of these amendments.

Mr. CONRAD. Our understanding is the same. Look, we are going to have to be flexible. We have other committees that are meeting, and other Members who are involved in these amendments are at other meetings. They won't be here until later. It is our intention to have that amount of time on these specific amendments, but it may not occur all at once.

Mr. GREGG. Mr. President, the understanding is that these are the amendments that are actually in line: Specter and Conrad, and Kyl and Conrad. Those are the amendments actually in the queue.

Mr. CONRAD. Correct. Our amendments are side-by-sides. Our amendments would normally be second-degree amendments. They are not being offered as second-degree amendments here because we don't do that on the budget resolution. But those amendments that are the side-by-sides would be in the regular order. That means they would be voted on first.

We also have the Bunning amendment. Do we want to put that into the queue?

Mr. GREGG. Mr. President, the regular order would not be that they would be—we understood that you could offer them as second degrees if you put them in that position.

Mr. CONRAD. Maybe we should have a discussion and make sure we are on the same page with respect to that. Do we want to have the Bunning amendment next?

Mr. GREGG. I believe so. We don't know when he will be available. I would like the Bunning amendment to be after these. So the next amendment would be the Bunning amendment.

Mr. CONRAD. All right. That is an amendment that involves Social Security, correct?

Mr. GREGG. Correct.

Mr. CONRAD. There would be a side-by-side on our side. Would we want to limit debate on those to a half hour each?

Mr. GREGG. I have not spoken to Senator BUNNING yet, so we will reserve on that.

Mr. CONRAD. All right. That will be the order. The colleagues who want to offer amendments and want to have floor time, it is a very good time to contact us to get time allocated because time is going to go very quickly. Please don't come tomorrow and say: Gee, where is our floor time? This is the time, this is the moment. If you want floor time, we urge you to come now.

AMENDMENT NO. 4191

Mr. KYL. I have an amendment I would like to send to the desk and ask that it be read.

The ACTING PRESIDENT pro tempore. Is there objection to setting aside the pending amendment so that the Senator may offer his amendment?

Hearing no objection, it is so ordered. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. KYL] proposes an amendment numbered 4191.

Mr. KYL. 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 protect small businesses, family ranches and farms from the Death Tax by providing a $5 million exemption, a low rate for smaller estates and a maximum rate no higher than 35%)

On page 3, line 12, decrease the amount by $500,000,000.

On page 3, line 13, decrease the amount by $19,500,000,000.

On page 3, line 14, decrease the amount by $18,600,000,000.

On page 3, line 15, decrease the amount by $19,900,000,000.

On page 3, line 21, decrease the amount by $500,000,000.

On page 3, line 22, decrease the amount by $19,500,000,000.

On page 3, line 23, decrease the amount by $18,600,000,000.

On page 3, line 24, decrease the amount by $19,900,000,000.

On page 4, line 6, increase the amount by $11,000,000.

On page 4, line 7, increase the amount by $499,000,000.

On page 4, line 8, increase the amount by $1,453,000,000.

On page 4, line 9, increase the amount by $2,468,000,000.

On page 4, line 15, increase the amount by $11,000,000.

On page 4, line 16, increase the amount by $499,000,000.

On page 4, line 17, increase the amount by $1,453,000,000.

On page 4, line 18, increase the amount by $2,468,000,000.

On page 4, line 24, increase the amount by $511,000,000.

On page 4, line 25, increase the amount by $19,999,000,000.

On page 5, line 1, increase the amount by $20,053,000,000.

On page 5, line 2, increase the amount by $22,368,000,000.

On page 5, line 9, increase the amount by $511,000,000.

On page 5, line 10, increase the amount by $20,509,000,000.

On page 5, line 11, increase the amount by $40,563,000,000.

On page 5, line 12, increase the amount by $62,930,000,000.

On page 5, line 17, increase the amount by $511,000,000.

On page 5, line 18, increase the amount by $20,509,000,000.

On page 5, line 19, increase the amount by $40,563,000,000.

On page 5, line 20, increase the amount by $62,930,000,000.

On page 26, line 20, increase the amount by $11,000,000.

On page 26, line 21, increase the amount by $11,000,000.

On page 26, line 24, increase the amount by $499,000,000.

On page 26, line 25, increase the amount by $499,000,000.

On page 27, line 3, increase the amount by $1,453,000,000.

On page 27, line 4, increase the amount by $1,453,000,000.

On page 27, line 7, increase the amount by $2,468,000,000.

On page 27, line 8, increase the amount by $2,468,000,000.

Mr. KYL. Mr. President, this amendment is a reprise of what we did last year in offering to reform the estate tax, sometimes referred to as the death tax.

Now, in the budget itself, and in an amendment that has been offered by the other side, there is a provision to allow the death tax to be changed from the current law to a top rate of 45 percent and an exempted amount of $3.5 million, and there are some other features. My amendment, as with the proposal that had significant support last year, would reduce that top rate to no higher than 35 percent so that if you had more than one rate, at least the top rate could not exceed 35 percent, and both of the two spouses would have a $5 million exempted amount before the estate tax would kick in.

In addition, this provides for a step-up in the basis of the property. It would enable the estate tax to be paid over the current period of time, and the amounts of money in the exempted amount, or unified credit of the estate gift tax, would be indexed for inflation.

Now, the reason for my amendment is, I think most agree even in this body, either allowing the estate tax to continue under current law—getting up to a high rate of 55 percent and an exempted amount of either $2 million or $1 million, probably $1 million—or the proposal of the Democratic chairman of the committee would result in a continued unfair burden on primarily America's small businesses and farms, but, in any event, anyone subject to the potential liability of estate tax for which there is a tremendous amount of money spent in attempting to get around the obligations of the tax or to plan against its eventual required payments.

As a result, we look for ways to further reform the estate tax so that burden would be limited to only a few estates—the very highest estates—and that most people without a huge estate would not have the burden of trying to plan around it—to buy expensive insurance and hire lawyers and accountants and estate planners and the like.

The object, in other words, is not simply to limit the estate tax liability but provide some certainty in the Tax Code so that most people realize, as their homes have gotten more valuable simply because of the increased value with inflation, and as their businesses have accumulated some capital wealth even though it may not be disposable in the sense of liquid income, they are not going to have to worry that their estate is going to be subject to a tax and so they are not going to have to worry about spending this money to deal with the tax.

That is why we need to increase the total for a couple that would be exempted from the tax to $10 million and provide that the upper rate, if that rate kicks in, could be no higher than 35 percent. Above that, you are going to find people feeling that they have to try to prepare for or to get around the payment of the tax. And the irony is, Mr. President, those we are most concerned about really don't have the assets to try to spend a lot of money, whereas those who have enormous wealth can hire all the accountants, estate planners, and lawyers they want and buy insurance so that the ultimate impact of the tax does not hit them.

Last year, when we proposed this same proposal of the 35-percent highest rate or an amount of $5 million exempted for both spouses in a motion to instruct conferees, 56 Senators, obviously both Democrats and Republicans, voted for that motion to instruct. Now, it was never carried out, but I think it demonstrates the will of this body that we want to have some reform that is more realistic and that exempts more estates from the payment of the tax and the consideration of the tax.

According to the Joint Tax Committee, in the tax year 2011, 131,000 estates alone will be subject to the estate tax—131,000. Mr. President, that is too much of a burden on too many people in this country who are not extremely wealthy. By 2015, that number goes up to 177,000 estates. The advantage of my amendment is that it would protect approximately 119,200 family businesses and family farms from the estate tax each year. It would dramatically reduce the number of estates that have to worry about paying the tax.

If we fail to act, in other words, about 131,000 families and family businesses and farms will be subjected to the tax in the year 2011 and thereafter. Under our proposal, we would, according to the Joint Committee on Taxation, reduce the impact of the tax so that only 11,800 estates would be required to file estate tax returns each year, if the exemption is set at $5 million each. So, that is a huge change. It is necessary to protect the folks I think everybody in this body would like to protect from having to worry about the estate tax.

Now, it is interesting that when public opinion surveys ask people what they think about the tax, almost uniformly the results come back that the majority of Americans believe the estate tax is unfair and it ought to be eliminated. I remember a Gallup poll, now 3 or 4 years old, that said 60 percent of Americans believed it should be repealed. That is my preference, to repeal it. We haven't been able to get enough votes in this body to repeal it, but that is where the American people think it should be.

Interestingly, there was a survey conducted after the last Presidential election, and people who supported both Senator KERRY and President Bush were asked what they thought about the estate tax. The interesting thing is that while 70-some percent of the people who voted said they thought the tax should be repealed, roughly 80-some percent of the people who voted for President Bush thought it should be repealed and 60-some percent of the people who voted for Senator KERRY thought it should be repealed.

So this is not a partisan matter among the American people. They believe, whether they supported Senator KERRY or President Bush in the last Presidential election, that the estate tax should be repealed. I daresay surveys even now, to this time, demonstrate the American public opinion remains the same. The interesting thing is even those who understand they will never be subject to the tax because their incomes are simply not such that they will accumulate the wealth necessary to have to worry about the tax believe the tax to be unfair and believe it should be repealed.

But even if you leave aside the issue of the morality of the tax and people's understanding that it is not a fair tax, it hits people at the absolute worst time—when a loved one in their family has passed away and they are having to consider whether pieces of the business or farm may have to be sold off to pay the tax—they recognize that, at a minimum, it should be reformed and that is all we are trying to do.

For years, we have been trying to get a reform that basically accomplishes two objectives: It would increase the amount of the estate that is exempt from the tax so you don't have to worry about filing forms or having to try to plan around it; and for those who would still be subject to the tax above that amount, it would at least put a lid on it at a maximum of 35 percent.

Now, again, the numbers in the current law, if we don't do anything, go up to 55 percent. And under the proposal of the chairman of the committee on the other side of the aisle, that would be reduced to 45 percent. That is still way too high, and the exempted amount would be $1 million, which is way too low. Because of inflation today, there are a lot of homes that have a value of over $1 million, especially in places such as California, New York, and some other places. So, clearly, an amendment along the lines that I will be introducing to make room in the budget for this kind of reform is necessary.

I would like to make just about three other quick points.

Last year, even though the budget could accommodate estate tax reform, the majority did not bring a bill to the Senate. And despite my best efforts, it wasn't possible to get anybody to allow consideration of a bill to reform the estate tax. As a result, in the Finance Committee at the end of last year, I asked that the chairman hold hearings and seek to have a markup this spring so we could actually pass a bill and not simply deal with it in the budget that we pass each year.

The American people need to understand what is really going on. Each year we pass a budget that, theoretically, allows for a reform of the estate

tax, but then we don't do anything about it. And the budget itself isn't law. The budget is merely a goal, a blueprint of where we want to go for the year. If you don't follow it up with a bill, you haven't done anything. But Members here pat themselves on the back and go back home and tell their constituents that they voted to cut the estate tax. Oh, that is wonderful, people say. But it is never followed up with an actual bill.

So the chairman of the Finance Committee said: Well, he would have the goal of marking up a bill this spring. He has since advised me he has no plans whatsoever for a real bill on estate tax, and said: It won't happen.

It is going to be in the budget. His amendment will provide for an estate tax reform in the budget, but he has advised that he has no plans to allow that to happen, to make it, in reality, a bill that would pass and become law. So all of this is an exercise in show, with apparently no real intent to follow through and provide relief for America's families and small businesses and farms and the like.

What I would like to do, Mr. President, with my amendment, is not only demonstrate in the budget that this is the level that we want to set it, at a $5 million exempted amount per spouse and no higher than a 35-percent rate, but also ensure that the rules of the budget enable us to consider the bill during the year and not have it subject to some point of order that would enable people on the other side to say: Gee, we wish we could do it, but we just can't do it under the budget rules.

My amendment will make it possible to consider such an amendment, and I serve notice on my colleagues that I intend to try to bring it up. We are not going to sweep this under the rug year after year. If we are honest with the American people about putting it in the budget, we ought to be honest about bringing it to the floor for a vote so that we can actually pass a bill, send it to the President, and get this job done.

It is interesting that compared to other countries the United States is one of the worst in terms of the amount of money it takes from estates. The rate in the Democratic version would be 45 percent. The average around the world is 13 percent. There are a lot of countries that don't have an estate tax, and they understand why.

The irony is, I had to leave a hearing of the Finance Committee just now, Mr. President, where an individual was testifying about countries such as Canada, Australia, New Zealand, and places such as that, where people have decided it is not a good idea to have an estate tax, and it has been repealed in many of these countries. The United States should take a leaf out the book of some of these countries that have found it is inimical to their development and their ability to compete with other countries.

We know it is not good in terms of savings. The irony is that a lot of my colleagues are concerned about reducing the fact that our savings rate in this country is too low and are concerned about the fact that as a result we have to end up borrowing from countries such as China, for example. Yet having a big estate tax is exactly what is allowing that to happen because it discourages savings. If you save the money, you are just going to get taxed on it when you die, so why not just spend it?

Incidentally, the Treasury Department estimates the estate tax reduces the amount of money that we contribute to charity. Treasury estimates that the estate tax reduces bequests by about 14 percent. Individuals are either choosing to save less or rely heavily on estate planning which, of course, is a deadweight loss to the economy unless you are in the insurance business, in which case you think it is a real nifty idea because people have to buy insurance against the estate tax obligation that they otherwise would have.

Finally, it is an irony that the amount of money the Treasury collects—something over 1 percent of our revenue comes from the estate tax—is actually an equivalent amount of money to what is spent by people to try to avoid paying the estate tax. So, in effect, the money is paid twice. People buy insurance, they hire accountants and lawyers, and they try to find ways to get around the payment of the estate tax, and the amount of money that costs each year is almost exactly the same as what we pay in the estate tax to the Federal Government. This was according to a study by Henry Aaron and Alicia Munnell who are economists who have made this point over and over.

The other interesting aspect of the cost of the estate tax is the amount of money it costs to try to plan around it. If you are a closely held business, the estate planning is estimated to range anywhere from $5,000 to $1 million. Again, if you are a lawyer or estate planner or you are selling insurance, that is probably a great thing. But it is not great for the people who have to pay the money, and it is not the best use of the money for the economy. The IRS estimates it takes 38 hours to complete the form, which is form 706. You may have an obligation, you may not, but you still have to fill out the form. The tax preparation fees can range from $5,000 to $50,000, and 52 percent of the estates that filed a return were required to incur a sizable legal and accounting expense and other expenses even though they owed no tax. Bear in mind, over half of the people who have to file the forms end up with no obligation.

What we should do is have a tax that is predictable and clear with a large enough amount exempted so you know whether you are going to have to file the form. Hopefully, you would realize you don't have to file it because we have adopted the reforms I am talking about. We would go from something over 130,000 filers down to something over 11,000 filers. You would be catching the people with the big estates, those people who can really afford to pay the estate tax, but you would not be requiring everybody else to have to engage in this expensive planning and have the potential of having to pay part of the tax.

Again, the summary numbers to remember are, under the amendment that will be filed—or has been filed, I gather—it would freeze the rates where they will be at the end of 2011, at 45 percent. That is only 10 percent less than the top rate of 55 percent under the previous law. And it will provide an exempted amount of $3.5 million. Far more estates will be caught in the estate tax trap with the amount at that level than they will be if both spouses subject to the tax have $5 million exempted as part of the unified gift and estate tax credit.

I hope as with last year when 56 of our colleagues, both Democrats and Republicans, supported instructing conferees to include in the budget the precise proposal on estate tax reform that I have identified, we will get that kind of support out of this budget as well.

The last thing I want to say is, I think it would be better for the debate and discussion if we had followed past practices and actually offered amendments and had debate on those amendments and then voted on those amendments. Instead, what is happening this year is the majority is not allowing any votes on any amendments until tomorrow, when we get into what we affectionately refer to around here as the vote-athon, when every 10 or 12 minutes we have a vote after 1 minute of discussion of the amendment, 1 or 2 minutes. I think it is 30 seconds per side, 1 minute equally divided. Great debate. Great debate.

We have time to talk about these things now, but what you can't do is offer an amendment, have a vote on it, and know whether you have won or lost so you can determine what you want to do next. If you win, then you don't have to do two or three other amendments. If you lose, you may have to do those amendments. But we are not going to do that because the majority decided it would like to put pressure on the Members of this body to offer fewer amendments because they will have to all be voted on on Thursday and, of course, everybody knows the Easter recess begins as soon as we finish our business. So there is great pressure to offer fewer amendments, to hurry up and get out of town, rather than, in my view, spending the time necessary to do the people's business.

One of the first things we ought to be willing to do is do what is necessary to both debate and vote on an estate tax reform that would be meaningful for literally hundreds of thousands of American citizens.

Mr. CONRAD. Will the Senator yield on that point?

Mr. KYL. I will. I will conclude saying, I hope my colleagues will in a bipartisan way, as they did last year, support the proposal I have just laid down. And while we will be doing it on Thursday, I gather, they will be able to listen to a little of the debate if they are listening now.

I am happy to yield.

Mr. CONRAD. If I can address one of the concerns of the Senator, when we vote—this is a very awkward question, I say to my colleague. Let me be very direct about what it is. We are missing two of our votes. We have a third Member who is ill. So what we have said is we would defer votes on these major matters until at least some of our Members are back. The body is very closely divided. We are completely ready to have votes on other matters throughout this day. The problem is, with the major votes on these consequential issues where we are missing two of our Presidential candidates until tomorrow—they will be here Thursday and Friday—and we are missing Senator BYRD who, as you know, is ill, that is the reason we have asked to defer votes on these major amendments until tomorrow. It is a difficult situation. It has been throughout.

I do thank the Republican caucus for the extraordinary courtesy they extended to the Budget Committee by allowing Senator BYRD to vote—to allow proxy voting in our committee. Our committee does not allow proxy voting, and for a very good reason. We are the only committee that can report a fast-track vehicle to the Senate floor directly. But I do thank the Republican side for doing that. It was very gracious. I think it was in the best tradition of the Senate.

Here on the Senate floor, of course, there is no ability to allow that accommodation to a colleague who is ill. That is the circumstance. I regret it. I just say to my colleague, we are happy to have as many votes as you want to have. The reason we have deferred these major votes until tomorrow is for the reason I have given.

Mr. KYL. Mr. President, I appreciate that. In suggesting another reason for this, I do not think I am wrong in that, but I do acknowledge that certainly what the chairman of the Budget Committee has said is true. I appreciate his acknowledgment of our courtesy with respect to Senator BYRD. I know the Democratic side would do the same thing. That was done on a previous occasion last year as well. It is one of the better traditions of the Senate.

It is also true probably this is not the first time this year because, for the first time in the history of the United States, I am informed, two Senators will be running against each other for the Presidency so that there may be other occasions where, when there are very close votes, our schedule may to some extent need to accommodate their schedules. Of course, as Members of this body they need to be here to do business as well, but we understand that is not always possible. If we could adhere to a slightly more set schedule that might be possible, but since we don't and it is almost impossible to have that kind of schedule, that issue is one that has to be accommodated, and I appreciate what the chairman said.

I do hope the trend we have seen from 2 years ago to last year to this year of not having votes early on during the week that we consider the budget, but bunching them all at the end, a process which I don't think anybody in this body really likes, would not continue; that certainly the reason the chairman indicated will not pertain next year and that we can revert to the practice next year that we have traditionally followed, which is to try to have debate on amendments, votes, and then debate and then votes, and so on, hopefully, thereby minimizing the number of votes that we consider in this so-called vote-athon that, as I said, nobody in this body likes very much.

Mr. CONRAD. Mr. President, I would just say to my colleague, last year we did much better.

Mr. KYL. Than this year.

Mr. CONRAD. You remember last year we did more votes earlier. Just in line with what the Senator is thinking because that is the best way. I think all of us would agree that is the best way to do our business, to do the votes earlier. You will recall on the vote-arama on that Friday we actually finished at 2 o'clock in the afternoon because we did have more votes earlier. I am entirely, 100 percent in agreement with the Senator. I would far prefer to do it that way. I think it is easier to follow the debate and to have the votes then coincident with the debate.

(Mr. DURBIN assumed the Chair.)

Mr. CONRAD. Mr. President, if I might, just on the underlying amendment offered by the Senator, this amendment as we understand it—we have just seen it—would virtually eliminate the estate tax. Let me say why. Let me first say there is no death tax in the country. Of course, if you poll people and you ask them: Do you want to eliminate the death tax? they will say sure. I had a baggage handler stop a colleague of mine, and he said: My No. 1 priority is to eliminate that death tax. My colleague, who is the current occupant of the chair, told him there is no death tax here. You are not going to pay any tax when you die unless you have $2 million.

The guy was very surprised about that because he heard all this talk about a death tax. There is no death tax in America. There is a tax on estates. At today's level you would have to have $2 million to be taxed. That affects only one-half of 1 percent of estates. When the exemption increases, as it does under current law, and reaches $3.5 million per individual, $7 million a couple in 2009, which is next year, only two-tenths of estates will be taxed.

If you are out there and you are hearing about this death tax, don't worry. It does not apply, next year, to 99.8 percent of people who pass away. It only applies to two-tenths of 1 percent of estates.

We already have a tax structure that has overwhelmingly benefited the wealthiest among us. The amendment by the Senator would cost an additional $478 billion over 10 years, and none of it is paid for. That means it goes on the debt. That means we have to borrow that amount of money, and where are we going to borrow it? We are now borrowing over half the money at our bond auctions from abroad—most of it from the Chinese and the Japanese. So we would have, if the amendment of the Senator is agreed to as is, the unusual situation of borrowing this money primarily from China and Japan to give a tax advantage to two-tenths of 1 percent of the people, but the borrowing would be in the name of all of the American people. So 99.8 percent of the American people would be borrowing this money, primarily from China and Japan, to give it to the Warren Buffets, the Paris Hiltons, and others of enormous wealth in this country.

I do not think that is a good policy. In the underlying budget, we have improved the estate tax situation, reformed it in what is, I think, a reasonable way. This is the bizarre circumstance that is in current law. The exemption now, in 2008, is $4 million—$2 million a person. OK? So if you are a husband or wife and you pass away at the same time, you have $4 million of exemption that applies today. You don't pay anything if you have estates of less than $4 million.

In 2009 that will go up to $7 million. Then in 2010, under current law, there is no estate tax, it is repealed. Then, in 2011—it is utterly bizarre—it goes down to $2 million per couple, $1 million a person.

In the underlying budget we are saying, no, that makes no sense at all to go back down to $2 million a couple, $1 million a person. It should be at $7 million a couple, as it is in 2009. If, in fact, we adopt those levels, virtually no one will pay the estate tax. That is a fact.

Here is what has happened under current law: The number of estates that are taxed is falling very dramatically. In 2000, there were 50,000 taxable estates. In 2006, that has been reduced to 13,000. In 2009, we are now expecting there will only be 7,000 estates that will pay anything. As I indicated, that is two-tenths of 1 percent; 99.8 percent of estates are completely exempt. That is a fact.

Now I am going to lay down an amendment.

Mr. GREGG. Would the Senator yield for a question?

Mr. CONRAD. I would be happy to yield.

Mr. GREGG. Is it my understanding you are telling us how many people are

going to die in 2009 in this part of the Democratic budget; that you are projecting deaths in 2009 to be 7,000?

Mr. CONRAD. No, this is this Tax Policy Center, I say to my colleague, and they estimate the number of estates in any year, and then they do a further analysis of how many would actually pay an estate tax, and what they have concluded is two-tenths of 1 percent.

Mr. GREGG. If the Senator would yield further, I wanted to clarify where the number came from. I did not know if the Senator, as chairman of the Budget Committee, was calling on this number of people to die during 2009 for the chart?

Mr. CONRAD. I know the Senator is pulling my chain. Even as slow witted as I am, I can recognize when a Senator is pulling my chain, and here on my birthday, my friend and my colleague is doing that.

What we have tried to do is come up with an alternative. I will send this amendment to the desk to provide an alternative approach to that which the Senator from Arizona is offering, to go over and above what is in the Baucus amendment.

I say to my colleague, it provides another $45 billion, so that in addition to extending the estate tax exemptions of 2009, $7 million a couple, $3.5 million an individual, instead of dropping down to $2 million a couple or $1 million, we stay at the $7 million; index it for inflation.

But in this amendment I am sending to the desk, I say to my colleague, it also provides another $45 billion in a reserve fund, which means it would have to be offset either by a spending reduction or other revenue to further close the gap between what Senator BAUCUS provided in his amendment the other day, and the amendment Senator KYL has laid down here.

That would be $45 billion in additional room in order to further reform the estate tax. I want to make clear that would be in a reserve fund, so it would have to be offset, it would have to be paid for.

Mr. KYL. I ask the chairman to yield for a question. The additional $45 billion, would you have an estimate as to—well, first, what policy in the estate tax would be attached to that? And if it is to add to the exempted amount, what would that take the exempted amount up to?

Mr. CONRAD. I do not know. This is not my amendment. This is an amendment Senator BAUCUS and others have crafted. So I apologize to the Senator, I do not know how much more of an exemption that would permit. But others who have crafted this amendment hopefully will have an answer that can be provided when they are available.

Mr. KYL. Mr. President, if I might further, I had understood an amendment such as this might be offered. My understanding was it would accommodate both an increase in the exempted amount to $5 million per spouse, and I also believe to reduce the rate further from 45 down to 35, which would make it identical to my amendment. I might be wrong on that. If you can ask the author of the amendment here if that is true, it would conform it to the levels set in the amendment I have laid down as well.

I wonder, as long as I have interrupted the chairman, if I might make one or two other points.

Mr. CONRAD. Maybe I can conclude this part and go back to the Senator from Illinois who is also inquiring and answer his question.

Mr. DURBIN. If the Senator would yield. I wish to ask the Senator a question. I do not know if you want to offer your amendment first.

AMENDMENT NO. 4196

Mr. CONRAD. Mr. President, I send this amendment to the desk. I have styled it Conrad No. 2. In fact, it is not my amendment. It is the amendment of the chairman of the Senate Finance Committee, who is at this very moment chairing a hearing on this subject, so he could not be here. That is why I am sending it to the desk.

The PRESIDING OFFICER (Mr. WHITEHOUSE). Is there objection to setting aside the pending amendment?

Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for Mr. BAUCUS, proposes an amendment numbered 4196.

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

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

The amendment (No. 4196) is as follows:

(Purpose: To reform the estate tax to avoid subjecting thousands of families, family businesses, and family farms and ranches to the estate tax)

At the end of Title III, insert the following:

SEC. ___. ESTATE TAX REFORM INITIATIVE.

The Chairman of the Senate Committee on the Budget may revise the aggregates, allocations and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that provides up to $45,000,000,000 in tax relief over the period of the total of the fiscal years 2008 through 2013 for additional estate tax reforms that address the current flaws in the estate tax law, by the amounts provided in such legislation for such purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

Mr. CONRAD. I ask that Senator BAUCUS be permitted, when he is able, to further discuss his amendment. I know we have got time reserved for that purpose.

Mr. DURBIN. If the Senator from North Dakota would further yield, I was listening carefully to his debate as I presided. It is my understanding that he says under current law, two-tenths of 1 percent of the people who die in the United States each year might be subject to liability to pay the estate tax or, as the Republicans called it, the so-called death tax.

Mr. CONRAD. Yes, that is true, under the exemption rates for next year. Under the exemption rates for next year, it will be two-tenths of 1 percent. I believe this year it is five-tenths of 1 percent; there are 99.5 percent this year that are exempt. Next year it will be 99.8 percent exempt, as the rate goes up.

Mr. DURBIN. I tried to do a quick calculation on the .2 percent. I think I have come to the conclusion that each year in America, 3.5 million Americans die. Of that number, you are projecting that 7,000 out of 3.5 million might have some estate tax liability next year?

Mr. CONRAD. That is the correct math.

Mr. DURBIN. It is my understanding the proposal by the Senator from Arizona is to further enlarge the exemption of those who pay this tax, so that even fewer than 7,000 will actually pay. Is that correct?

Mr. CONRAD. My understanding is—and the Senator might correct me—that under the Kyl proposal the cost would be approaching $200 billion over—$458 billion over 10 years.

Mr. DURBIN. So the Senator from North Dakota, as chairman of the Budget Committee, has come to the floor repeatedly with a chart which he can get his hands on in a moment that talks about the accumulation of debt in America under the Bush administration compared to the accumulation of debt in America under all previous Presidents. Does the Senator recall the numbers that were involved in that chart?

Mr. CONRAD. Well, first, in terms of the gross debt of the United States, under this President's watch, the gross debt has nearly doubled. The foreign holding of U.S. debt has more than doubled.

This is it. It took 42 Presidents 224 years to run up $1 trillion of external debt. Perhaps this is the chart the Senator is referring to. It took 42 Presidents, all of these Presidents pictured, 224 years to run up $1 trillion of debt, U.S. debt held abroad. This President, as you can see, has far more than doubled that amount in 7 years.

Mr. DURBIN. Let me, through the Chair, ask the Senator from North Dakota a question. The pending amendment by the Senator from Arizona is not paid for, which means he has not suggested increasing some other tax to set it off or cutting spending to offset it; it is simply added to the debt of America. And if that debt the Senator from Arizona wants to add to our national debt over the next 10 years is funded from foreign sources, how much more is going to be added to this figure by the amendment of the Senator from Arizona?

Mr. CONRAD. Well, if his amendment costs another $458 billion, it is not offset. And in a typical bond auction now conducted by the United States, over

half of the money, well over half now, is money from abroad. So you can take well over half of the $458 billion, and it would be added to this external debt.

Mr. DURBIN. I wish to ask the Senator, who is going to pay this debt?

Mr. CONRAD. Well, that is the unfortunate part of, as I see it, the amendment of the Senator from Arizona. What he is doing is saying—he is asking all of us, all Americans, to put our name on the bill. But the money is only going to two-tenths of 1 percent of us. I think that is unfortunate.

Mr. KYL. Will the Senator yield?

Mr. DURBIN. I will yield when I am done.

Mr. KYL. I think it would be fair to let me answer.

Mr. DURBIN. I think the Senator from North Dakota has the floor. I am sure he will yield to the Senator from Arizona.

So that I understand this—I want to make it clear—in order to spare, at a maximum, 7,000 of the wealthiest people in America who may die in the outgoing years, in order to spare them estate tax liability, even though America has been very kind to them and they have lived very comfortable lives because of this great Nation, to spare them the possibility of paying back to this country for having lived and enjoyed this great Nation, we are going to add some $400 billion plus in debt to Americans. And over half of that will end up being debt we owe to foreign countries, as I understand the Senator from North Dakota. Is that correct?

Mr. CONRAD. I think that is clearly correct.

Mr. DURBIN. So for those who are so-called fiscal conservatives, we are going to cut taxes for the wealthiest people in America, and add debt for everyone else in America, an added debt we are going to borrow from overseas and ask our children to pay for it. It sounds like a great idea if you happen to be in the lucky 7,000 club. This lucky 7,000 club that will be benefitted by Senator KYL's amendment will have a great outcome. It appears that everyone loses—I take that back. Everyone but China and Japan and other countries will be losers in this proposal by the Senator from Arizona. Is that correct?

Mr. CONRAD. Yes, I think that is undeniably the case. The problem this country confronts now is we have massive deficits and, under this President, a dramatic increase in the debt. So all of these provisions are based on borrowed money. So why would we go borrow this amount of money, which is increasingly from foreign countries, in order to give a benefit to two-tenths of 1 percent of the American people, when 99.8 percent of the estates in this country are already exempted from the taxation? That is lost on me.

Mr. DURBIN. If I can ask one more question—I know the Senator from Arizona wishes to speak—aside from the lucky 7,000 club the Senator from Arizona is taking care of, the wealthiest people in America—nothing but good luck, they have lived comfortable lives in a great democratic, free nation with the protection of our laws, and now, as they leave and go to perhaps a better place, they want to make sure they do not pay back to this Nation, aside from the lucky 7,000 club.

I wish to ask the Senator from North Dakota, I have heard this concept, talking about pay as you go, that the Democrats, when they came to control the Congress, would pay for any tax cuts or any spending increases so it would not add to the national debt. So I wish to ask the Senator from North Dakota, I know he believes in it very passionately: Is this a pay-as-you-go proposal from the Republican side so that there is no net loss to future generations? Is this being taken care of by the Senator from Arizona offsetting it, for example, with an increase in taxes on maybe working people of this country or some other group or cutting spending in some other area?

Mr. CONRAD. No, this is all put on the tab. This is all borrowed money.

Mr. DURBIN. I thank the Senator.

Mr. GREGG. Will the Senator yield?

Mr. CONRAD. I still have the floor. The Senator from Arizona was seeking to ask me a question.

Mr. KYL. Mr. President, I would be happy to have the ranking member of the committee make a comment. But I wish to correct some of the facts. I can do that either on the Senator's time or on our time.

Mr. CONRAD. I am happy to yield to the Senator from New Hampshire if the Senator wishes to engage in this debate or any other debate.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. I wish to note the Senator from Illinois described these people as the lucky 7,000. They are dead. I guess only if you are from Chicago do you consider it lucky to be dead. They can still vote.

I understand the Senator from Arizona feels these numbers are inaccurate. I know they are inaccurate. I wish to comment further on the Senator's amendments.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I appreciate the fact that the chairman of the Budget Committee and the majority whip have done some extrapolation from the number of people who die and two-tenths of a percent of this and that and, therefore, they have come up with a number. Why don't I quote the actual numbers according to the Joint Tax Committee. These are the officials numbers we deal with every year when calculating the effect of our legislation. According to the Joint Committee on Taxation, if my amendment were to be adopted, 11,800 estates each year would be required to file at the exempted levels that are set forth in my amendment. If we fail to act, 131,000 families, not 7,000—family businesses, farms and so on—will be subjected to the death tax each year, starting in the year 2011.

The point is, these are not individuals. These are families or businesses with a lot more people affected by the tax than the number of filers. The filer represents all the members of the family or the employer of a company. That may be 50 or 60 or 200 people who may be out of a job. But that is how many will be subjected to filing this, 131,000.

You might make fun of this and say it is a small percentage of the number of people in the United States. If you are unfortunate enough to die and your heirs have to deal with this problem, it is a very real problem to every single one of them. Over a 10-year period, obviously, you are talking about way more than a million people. You may say that is not a significant enough number to worry about, but it is enough. We worry about a few people who suffer from all kinds of things that we try to deal with. If you have a million Americans over a 10-year period subjected to an unfair tax, it is a problem we ought to address and not just make fun of the fact that it is only a million instead of 50 or 60,000. So let's get the numbers right. You can argue, if it is only 131,000 people, should we be worried about it. I say yes, somebody on the other side might say no, but at least let's get the numbers right.

Mr. GREGG. Will the Senator yield?

Mr. KYL. Yes.

Mr. GREGG. As I understand your proposal, which, if I recall correctly, got 56 votes in this body last year

Mr. KYL. That is correct, on the motion to instruct conferees, 56 Democrats and Republicans voted for this identical proposal.

Mr. GREGG. I wish to ask the Senator further, through the Chair: As I understand the proposal, estates over $10 million would continue to be subject to full estate tax obligation; is that correct?

Mr. KYL. That is correct. The rate would be reduced from 55 percent, if we don't do anything, to 35. I believe the majority proposal is 45. This would make the top rate no higher than 35 percent.

Mr. GREGG. So we aren't talking about the wealthiest Americans. We are talking about people with significant wealth, up to $10 million. But a family farm can easily be valued at $10 million. A small business, a restaurant could easily be valued at $10 million. A small software company could easily be valued at $10 million. So we are talking about continuing, without major tax consequences, small businesses and farms that otherwise would be subjected to a very onerous tax which might put them out of business; is that not correct?

Mr. KYL. The answer is yes. If I could expand on that with a true story, some friends of my wife and mine in Phoenix had a printing business. The head of the household came out from New York in the late 1940s and from

scratch built this business which, at the time he died, employed about 200 people. They didn't take a great deal of money home because in this business, you have to plow all your profits back into buying the very latest laser printers and all the other equipment to keep it competitive. But they did all right as a family, well enough to be a major giver in the community. That is how we became friends with them because they were contributing to charities significant amounts, probably more than they could afford, boys and girls clubs and a variety of other charities. They were great contributors to the community, both in terms of their business, the people they employed, what they did, and how they supported the community. He died. When he died, his family found that despite the fact that they had spent millions on insurance and other ways to try to plan for his eventual death and the estate planning, in order to pay the tax, they had to sell the business. They did, and they got enough money to pay the tax. The company that bought it, to my knowledge, never contributed a dime to any charity in Arizona. It eventually closed the operation. So all the people who worked there no longer had a job, no contribution to the community. The family literally had to sell the business to pay the tax. While they were well off in terms of the average American, they were exactly the kind of people you want in your community to provide employment. That is the real story.

We can make fun by saying: Well, it is only 131,000 each year in that category. But these are real families who are contributors to the economy and to our communities, and we ought to give them a break. Most people, even though they know they are not subjected to the tax, still, when you ask them the questions in public opinion surveys, say they know it is not fair. They like families such as the one I mentioned and would like to see this tax either reformed or repealed.

Mr. GREGG. If I may ask a further question, I think the Senator's anecdotal story is one everybody has seen innumerable times in their home States: Small businesses put out of business or put under distress as a result of the death of a principal in the small business due to the estate tax, the death tax. After finishing law school, I went back for 3 years and got a master's degree in taxation, which was one of the most foolish things I ever did. It only proved to me the tax law is totally inane. But I don't believe in the tax law there is any other place where there is such a penalty of tax assessment for an act which has occurred without any economic event. In other words, the only thing that generates this tax is not that you sold a business or built a business or that you were involved in some transaction. It is that you got hit by a truck crossing the street, which is not an economic act. Isn't that why this tax makes no sense on the face of it, especially for smaller estates that involve small businesses? It is a noneconomic event. It is a ''comes out of the blue'' type of an event. You die, unfortunately. If you get hit by a truck, you get sick, any number of events can cause that event to occur, but it is not something you have control over and, therefore, you can't create economic activity around it which is going to give you the wherewithal to pay the tax. Is that not true?

Mr. KYL. If I may respond, as an expert in the Tax Code, the Senator from New Hampshire knows the technical name of the doctrine which applies in this case, except we have made an exception in the case of death. If you are robbed or if your house burns down and you collect insurance to pay for that unanticipated loss—not an economic activity; you didn't decide to invest and get a return on the investment when your house burned down—that is something you did not anticipate. It is noneconomic. The Tax Code treats that in a very good way for people, as one would expect. You get the insurance on it. You are not taxed on all that as income.

Mr. GREGG. It is called casualty loss.

Mr. KYL. This is the third. Of the three areas that apply here of noneconomic activity with a tax consequence, this is the only place where we don't give people a break for these unanticipated activities, these noneconomic activities such as death. No, you do get taxed. And, yes, the Senator from North Dakota is absolutely correct. The dead person is not the person——

The PRESIDING OFFICER. The time of the Senator from Arizona on this amendment has expired.

Mr. KYL. Mr. President, if I may conclude, I am answering a question of the Senator from New Hampshire.

The PRESIDING OFFICER. Time is being charged on the amendment.

Mr. GREGG. I ask unanimous consent that the Senator be allowed to continue and the time come off the resolution.

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

Mr. KYL. My train of thought with regard to the answer to the question was interrupted.

Mr. GREGG. The Senator was pointing out that there are three elements of casualty loss. Two of them you are not taxed on and this one you are. And it is the ultimate casualty, dying.

Mr. KYL. As a matter of tax policy, I will answer my colleague, we can differ about the kind of taxes that should apply to economic activity, but we do agree that is the kind of activity that should be taxed, if it is on a sale, if it is on income, if it is on a return such as capital gains or dividends. But where the American people draw the line is with regard to death. I recall now the final point I wished to make. It is true the dead person doesn't pay the tax, but the people who are left to deal with his affairs at the worst time in their life do have to deal with this. What we are suggesting is, we ought to make it a little bit easier on these folks and not impose the kind of penalties that the current Tax Code, if it reverts to this because we don't act, goes to the 55 percent tax rate. I am talking about 131,000. According to the Joint Tax Committee, the number by the year 2015 will be 177,000. So this keeps increasing with respect to the number of estates each year that will have to be concerned about the tax.

Mr. GREGG. As a final question—I think it needs to be emphasized—is it not true that this doesn't exempt all estates? This exempts estates up to $10 million, which are probably going to be small businesses or small farms?

Mr. KYL. It is actually not quite that. It is $5 million. The way this is written, if one spouse, let's say, the person who is not running the business, dies first, you can plan so you can get most of the effect of $10 million in the unified credit between the estate and the gift tax, but it is actually a $5 million exempted amount. So, for example, if a single person owns a business, it is only $5 million. It is not the amount that would relate to a couple of $10 million.

Mr. CONRAD. Will the Senator yield for a question?

Mr. KYL. Of course.

Mr. CONRAD. I would like to try to harmonize the numbers because I don't want to leave people with the misimpression that we have some difference on the numbers because I don't think we do. The Senator is talking about 131,000 estates possibly being affected. But that would be at the million-dollar-a-person exemption level; is that not the case?

Mr. KYL. I believe that is exactly the case. By the year 2015, it would be 177,000 estates.

Mr. CONRAD. But that is assuming we have a million-dollar-per-person exemption. Under what is in the budget, we would have $3.5 million per person—$7 million a couple—which, according to our figures, would give only 7,000 estates out of 3.5 million any tax. I think the difference between your 11,000 and my 7,000 was, you are talking about estates that have a filing responsibility. I am talking about estates that would actually have a tax liability. As the Senator well knows, there are some additional people who have a filing obligation even though they don't have a liability.

The numbers the Senator and I are using are actually quite close. We are using somewhat different assumptions. He is talking about if we went down, which current law does, to a million dollar exemption in 2011, 131,000 estates would be affected. What we are seeking to do is to make certain that does not occur, that the exemption amount be $3.5 million a person, $7 million a couple, which would exempt 99.8 percent of estates.

Mr. KYL. Mr. President, I would say to the chairman he is correct. I cannot verify the number 7,000 the chairman is

talking about, but I can verify the number I am talking about. The Joint Committee on Taxation projects that 11,800 estates would be required to file estate tax returns each year. So that is a correct statement.

Of course, the additional point I made earlier was that not everybody knows exactly what their liability is and, therefore, you have about 10 times as many people who have to end up filling out the forms, going to the expense of anywhere between $5,000 and $1 million to complete the forms, the 38 hours it takes to do it, only to find some of them do have a tax liability at the end of the day. Some of them do not. The fact that you may not be subject to the tax does not diminish the fact that you will be obligated to spend the money to file a return and do all the work to try to figure out that, in fact, you don't owe the tax.

Mr. CONRAD. That is absolutely fair. I didn't want to leave some impression that you and I had some great difference on the numbers. I think our numbers are actually very close.

Mr. KYL. Mr. President, if I might respond with one final point, when you got to calculating how many—the lucky 7,000, and all that—I think there was some extrapolation going on, and I think the chairman is right, we should stick to the numbers from Joint Tax. That way at least we know exactly what we are talking about.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. CONRAD. Mr. President, I say to the Senator, may I be recognized for a moment? I have a housekeeping item we need to address.

Mr. President, I ask unanimous consent that amendment No. 4196, which I sent to the desk, be restyled as being offered on behalf of Senator SALAZAR. I sent it to the desk in the name of Senator BAUCUS.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. That should be in the name of Senator SALAZAR. He is the mover of that amendment.

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

The Senator from New Hampshire has the floor.

Mr. GREGG. Well, Mr. President, Senator CONRAD, I think, was going to straighten this out. But I think the plan now is to go to Senator DEMINT. He needs approximately 20 minutes. Then there would be whatever time the Senator from North Dakota plans to respond. Then we will go to Senator BUNNING.

Mr. CONRAD. Mr. President, why don't we do this out of courtesy to Senator BUNNING, who is already here: If we could go to Senator DEMINT—how much time would Senator DEMINT require?

Mr. DEMINT. About 20 minutes or so.

Mr. CONRAD. Could we reach an agreement on up to 25 minutes?

Mr. DEMINT. Exactly.

Mr. CONRAD. Because Senator BUNNING was put on notice earlier he could come at roughly this time. I would be happy to withhold on Senator DEMINT's amendment.

Mr. GREGG. I see Senator SPECTER who also has an amendment. Maybe he wants to speak.

Mr. CONRAD. Maybe we could get him in the train as well so he would know when he was up.

Mr. SPECTER. Fine.

Mr. CONRAD. How much time would the Senator from Kentucky require?

Mr. BUNNING. No more than 15 minutes.

Mr. CONRAD. Well, shall we enter into an agreement: up to 25 minutes for Senator DEMINT, followed by Senator BUNNING for up to 15 minutes. And then, I say to Senator SPECTER, how much time would you like?

Mr. SPECTER. Fifteen minutes.

Mr. CONRAD. Up to 15 minutes there. That would take us another hour down the road. We will do it off the resolution. Is that fair?

Mr. GREGG. Senator BUNNING is going to be offering an amendment, so we can do his off his amendment.

Mr. CONRAD. OK.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from South Carolina.

Mr. DEMINT. Thank you, Mr. President. I wish to make sure my time is counted against the resolution and not the amendment that was just brought up.

The PRESIDING OFFICER. It will be counted against the resolution.

Mr. DEMINT. Thank you, Mr. President.

I rise this morning to speak on an amendment I will offer to the 2009 budget resolution on behalf of myself and a bipartisan group of reformers in the Senate.

This amendment creates a 1-year moratorium on all earmarks. It does so by establishing a 67-vote point of order against bills, joint resolutions, conference reports, and messages between Houses that contain congressional earmarks for the fiscal year 2009.

This is very important to the budget debate. As we look at this budget, with planned spending over the next 10 years, we have clearly—both parties—helped to wreck the budget at the Federal level, while every month we expect families across this country to balance their budget.

I would like to start with a little background. Before I came to Congress, one of my jobs was training quality development people in organizations. We worked on quality improvement—quality process improvement—for a number of years. One of the great consultants in that field, Tom Peters, wrote a book ''In Search of Excellence.''

One of the examples he gave in the book, related to improving quality, was a person who got on an airplane and pulled down their tray and saw a coffee stain there. People could say a coffee stain on a tray in an airplane is not a big deal. But many times we get our cues about quality, or about whom we can trust and why, from things that are different than the real substance.

But his point was, if you see a coffee stain, you not only are concerned about how the cleaning service does in that airplane, you wonder: If they are not able to clean up a coffee stain, are they maintaining the engines? Is this a safe plane to fly in?

For us in Congress, our coffee stain is earmarks. Earmarks tell Americans we cannot be trusted to spend their money in a way that is efficient and for the good of our country. Americans know if we continue to throw their tax dollars at bridges to nowhere or hippie museums—or a number of things I will talk about today—that if we cannot be trusted to do those things, certainly how can we be trusted to do the big things in this country.

We have lost our moral authority. We have undermined the trust of the American people. A lot of that goes right back to our coffee stain, which is earmarks.

In 2006, many in this body, particularly my friends on the other side, promised to clean up earmarks in Washington. But after 1 year, things have gone back to business as usual. The number of earmarks had fallen to 2,600 in 2007 because we were able to stop this huge omnibus spending bill that was going through. But now earmarks are back up to all-time highs. This year, there are 11,612 earmarks, costing $17.2 billion, according to Citizens Against Government Waste. It is the highest level of earmarks in history.

It came through in this Omnibus appropriations bill, which we were given less than 48 hours to review. No one read it. It was full of earmarks, full of wasteful earmarks and wasteful Government spending.

We still expect the American family to balance their budget while we continue to wreck the budget at the Federal level.

Last year, we worked together to pass earmark reforms, but, unfortunately, many of these reforms have been gutted or ignored. As many of my colleagues know, the earmark rule we passed 98 to 0 was watered down behind closed doors and then passed despite our objections. Those in this body who oppose change insisted on continuing business as usual.

I would like to review a little bit the history of the debate so everyone knows how we got to this place. For Americans who may be looking in and still wondering what earmarks are—and I, frankly, confess when I came to Congress I did not know what an earmark was—it is when every Member of Congress and the Senate feel like it is their responsibility to take a piece of taxpayer money and designate it to a particular favorite project or cause or organization back in their congressional district or State. Instead of doing what is good for the country, we do what is good for our next election,

and we use taxpayer dollars to enhance our image back home.

Mr. President, 2007 started off with a pretty hopeful note. I actually offered Speaker PELOSI's earmark transparency measure as an amendment to the Senate ethics bill. But, unfortunately, the leadership on the other side tried to kill the Pelosi transparency language which would have required disclosure of all earmarks instead of 5 percent, as we had on the Senate side. But the effort to kill my amendment failed, and we won the day.

Republicans voted with me and a few brave Democrats—CLAIRE MCCASKILL and some others—joined us in saying: Enough is enough; America needs to know what we are spending. We were able to pass that transparency bill. But the original Pelosi-DeMint transparency rule that was part of Senate bill No. 1 last year, and agreed to unanimously, said authorization earmarks could not be added or airdropped into conference reports with the House. But that provision has been gutted and ignored.

The original Pelosi-DeMint transparency rule gave Senators the right to force a vote on individual earmarks that were added into conference reports in the dark of night. But that provision was secretly gutted.

The original Pelosi-DeMint transparency rule said bills containing earmarks could not be brought to the floor until we had at least 48 hours to read the bill online in an easily searchable format. That was not easily searchable with this bill you are looking at on the table. But that provision, too, has been gutted and ignored.

In fact, in less than 24 hours we brought this bill to the Senate floor—the largest appropriations bill in our history—that contained over 11,000 earmarks, and it passed in less than 48 hours. No one read that bill.

We are wrecking the Federal budget, and we still expect Americans to balance their family budget.

The original Pelosi-DeMint transparency rule said neither the Senator nor his or her family could financially benefit from an earmark, but that provision has been changed to the point where it is almost meaningless.

The original Pelosi-DeMint transparency rule said the Parliamentarian, who is nonpartisan and whose job is to make impartial rulings, would be responsible for determining if bills brought to the floor complied with earmark transparency rules. That was a good rule, but that has been gutted. The provision has been changed so that now the majority leader and the chairman of Appropriations verify if it has met the rules.

The list goes on and on.

The Senate also passed legislation last year to ban the practice of what we call phone-marking or letter-marking, which occurs when Senators secretly request earmarks by pressuring agencies with phone calls or letters without complying with the earmark disclosure rules. That provision has been gutted.

Last year, the majority promised to cut the number of earmarks in half. But they did not. Instead, we passed the second highest level of earmarks in history. You can see from this chart, Republicans did a lousy job containing the number of earmarks, but we were able—by stopping an Omnibus appropriations bill before we left the majority—to reduce the number to 2,600. But last year it went back up to the second highest level in history—a lot of broken promises.

I also wish to review some things about the earmark system and why it is broken. In the last 20 years, porkbarrel earmarks have exploded. In 1987, Ronald Reagan vetoed a bill that had only 121 earmarks. Here is what he said:

> I haven't seen this much lard since I handed out blue ribbons at the Iowa State Fair.

Mr. President, 121 earmarks. We are dealing with tens of thousands of earmarks now every year. By 2005, earmarks had skyrocketed to about 14,000 wasteful earmarks into our spending bills. In fact, since 2000, Congress has spent more than $188 billion of Americans' taxpayer dollars on over 77,000 porkbarrel projects.

Americans are outraged about a system that hands out their tax dollars based on political influence and congressional seniority instead of on the merit of the projects. Here are a few examples of the results of the earmark favor factory over the last several years. Keep in mind as I read these earmarks, this is hard-working American tax dollars coming to us. We are expecting the family to use their money responsibly to balance their checkbook. Here is what we are doing with their tax dollars:

The International Fund for Ireland, funding the World Toilet Summit, $13.5 million; Richard Steele Boxing Club, $100,000—this is at a time we are creating debt and waste every year—animal waste research and management, $4.75 million; a study to determine if poultry litter can generate electricity, $225,000; the Tiger Woods Foundation—he is hurting for money—$100,000; golf charity, $3 million taken out of the Department of Defense budget for a golf charity; Museum of Glass, $550,000; a fake prison museum, $100,000; the Rock and Roll Hall of Fame—a clear national priority—$200,000; The Historic Coal Library, $800,000; wine research, $11 million; Baseball Hall of Fame, $750,000; the National Wild Turkey Federation, $500,000; grasshopper research, $775,000; bike paths, $6.8 million; Montana Sheep Institute, $400,000; National Peanut Festival, $200,000; ornamental fish research, $600,000; Grammy Institute, $800,000; the American Film Institute, $90,000; DNA study of bears, $1 million; study to analyze bear fur, $300,000; wood research, $9.5 million; Cowgirl Hall of Fame, $90,000; Indoor Rain Forest, $50 million; water-free men's urinals, $2 million; Charlie Rangel Monument, $2 million; Teapot Museum, $500,000; an 85-foot speedboat the Navy didn't want and refused to use, $4.5 million; Woodstock Hippie Museum, $1 million; Coconut Road highway project that was unwanted by the city it was sent to, $10 million; shirts for the U.S. Marine Corps that were found to melt in battle and caused severe disfiguring burns, $2 million; National Drug Intelligence Center that duplicates work already done by 19 other Federal agencies and which the OMB asked to be shut down—we still gave them $400 million; and, of course, the Bridge to Nowhere in Alaska, $320 million.

Folks, there are people who come to this floor during this debate and cite earmarks that they say are good, and certainly we can find some. But for every one earmark that could be justified, we could find hundreds that sound just like the ones I read today. At a time when our country is in severe deficit, when we are at war and the American family is straining every month in their budget, we are throwing their money away—coffee stain after coffee stain, demonstrating to the American people that we don't have the commitment to do what is best for this country.

This is just scratching the surface. Did I read a couple of dozen? There are almost 12,000 right here that Americans will never know how their money is spent.

Besides the waste, earmarks have also led to corruption. Let me say that I have spent enough time working with my colleagues to know that most are not corrupt. They love their country, and they want to make it a better place. But the system of earmarking has taken our energy and diverted it away from solving national problems and wasted it on the task of steering tax dollars back home. This perversion of purpose has undoubtedly led to real corruption scandals that have caused the American people to lose trust in Congress.

In 2006, former Congressman Duke Cunningham was sentenced to 8 years in prison for trading earmarks for over $2.4 million in personal bribes. As reported by ABC News at the time, Cunningham actually kept a bribe menu where he listed what payments he demanded in return for earmarks from Government. This card here shows an escalating scale for bribes, starting at $140,000 and a luxury yacht for a $16 million Defense Department contract. Each additional $1 million in contract value required $50,000 in bribes. The rate dropped to $25,000 per additional million once the contract went over $20 million.

Also in 2006, former lobbyist Jack Abramoff was sentenced to nearly 6 years in prison for corruption and fraud. Abramoff pleaded guilty to defrauding numerous Indian tribes for which he helped secure earmarks. It was Jack Abramoff who called the congressional appropriations process the

''earmark favor factory'' for his ability to secure millions in taxpayer funds for his clients.

There are thousands of lobbyists who are sent here by towns and universities, small colleges, organizations that are up here trying to get a piece of these Federal handouts that we call earmarks. It is corrupting the whole process.

Why is it so easy for this earmarking system to lead to corruption? It is because there is so little oversight. Rather than being funded based on merit, they are chosen based on political influence and congressional seniority. Is a sewer or a highway project in West Virginia more worthy than one in Wyoming simply because the State's Senator holds a high-ranking appropriations seat? I don't think so.

Americans are frustrated with Congress. Congressional approval is at all-time historic lows. Voters threw out the Republicans in 2006 hoping for a change, but not much has changed. Wasteful Washington spending hasn't stopped. We continue to wreck the Federal budget as Americans are struggling to balance theirs. The congressional favor factory hasn't been closed; it is just under new management.

When Members of Congress are sworn into office, we take an oath to support and defend the Constitution of the United States. This Constitution prescribes a limited role for the Federal Government, whose purpose is to ''form a more perfect Union, establish Justice, ensure domestic Tranquility, provide for the common defense, promote the general Welfare, and secure the blessings of Liberty.''

This purpose statement should give Congress a clear focus on national priorities and the good of the Nation as a whole. Unfortunately, many in Congress have forgotten that oath and lost sight of our congressional purpose. I did not raise my hand and swear allegiance to the State of South Carolina and promise to get them as much Federal money as I could. Those who say it is a constitutional responsibility to earmark are not using quotes from this document, the Constitution. In fact, everything in here suggests a national priority. It suggests a uniform way in collecting taxes. It says: No preference should be given to a State when money is appropriated, and it says this, which is key: that no money shall be drawn from the Treasury but in consequence of appropriation made by law.

Over 95 percent of the earmarks we produce here in this Congress are not law, they are not constitutional, and there is no excuse for them at all. We can't hide behind this Constitution. It does not give us the authority, explicitly or implicitly, to take on a local and State role, decide where water and sewer plants go, where bike paths go, which local museum should be funded. That is not our job, but that is a reason we are not dealing with a broken Tax Code, a broken Social Security system, a broken Medicare system, how we deal with keeping jobs in this country, because we are spending most of our time trying to figure out what needs to be done back in our local communities.

The primary culprit of most of the problems we are dealing with here is the addictive power of congressional earmarks that we are trying to stop today. My objection to earmarks is not to specific Members. The requirement that earmarks now have names on them makes them more personal, but it is really the earmarking system that is the problem.

When Members of Congress invest their time in securing Federal funds for sewer plants and bike paths, as I have mentioned, they are doing more than assuming a Federal role for a local responsibility; they are locking themselves into voting for whatever bill contains their projects. That is how leadership here in Congress gets us to vote for bills that are billions over budget and contain lots of bad policy—they cram in their projects that make it very difficult for us to vote against. For this reason, Congress has repeatedly, regardless of which party is in charge, demonstrated an inability to curb out-of-control spending. Members who may otherwise vote against a massive, wasteful spending bill end up voting aye because it contains a project for a special interest back home.

In January, the first baby boomer received her first Social Security check. In just 3 years, she will qualify for Medicare. With 77 million Americans in line right now behind her, now is the time for Congress to address the long-term fiscal crisis that lies ahead. Social Security and Medicare are trillions of dollars underfunded. Yet we are focused on using earmarks to deal with local issues such as determining the location of local parks and community centers, and we are failing to address these serious national problems. We are wrecking the Federal budget while Americans are struggling to meet their family budget.

I didn't come to Washington to fight against earmarks. I didn't even know what they were when I got here. I came here to work on tax reform and fixing Social Security and Medicare. But the culture of earmarks is distracting the attention of Congress from much needed national reforms. So I have made eliminating earmarks an urgent and immediate goal.

One of the things I found out in trying to improve the quality culture in organizations is you have to understand the root causes of problems and not spend your time treating symptoms. The root cause of many of the problems, particularly the wasteful spending in this Congress, is earmarks.

Already in this new Congress, which promised to be more transparent and to cut earmarks in half, we have seen many shameless requests for pork projects, including taxpayer-funded monuments to individual Members of Congress. Worse, Members of Congress insist on hiding these wasteful pork projects behind some of our Nation's most important priorities. We have held hostage health care for poor children, veterans benefits, and funding for our troops in order to sneak through porkbarrel projects.

We have basically made human shields of our most vulnerable Americans, giving Members of Congress two bad choices: Either we vote for bloated bills that are billions over budget and full of wasteful earmarks or we vote against national priorities and needy constituents. This is no way to run the most important Government in the world.

So we ended another year with a lot more debt and a lot more broken promises. We have not helped Americans buy health insurance; in fact, we have made it harder. We haven't cut spending; we have raised it. Our antiquated Tax Code continues to chase jobs overseas, and we have not addressed the huge entitlement crisis. Meanwhile, we increased the number of special interests and wasteful earmarks from last year, and both parties are bragging that we did better than expected. Instead of keeping promises, we have let the earmarking system pervert our purpose as Members of Congress.

The purpose of the amendment that I have with the budget is to take a timeout. When you have a problem, when you have an addiction, you have to agree you have a problem and you have to get into rehab. Congress needs to get into rehab. We need to stop earmarking this year, take a timeout, and figure out how to reform the system. Those who continue to give excuses, who say: No, we don't need a timeout, we will fix it, I have been listening to for 8 years. They keep saying there is a problem we need to fix, but they never do. It is time to take this issue seriously, to get earmarks off the table so that we can look at it objectively.

I would encourage all of my colleagues to join me, the Republican nominee for President, JOHN MCCAIN; the two Democratic possibilities for President, BARACK OBAMA and HILLARY CLINTON; and CLAIRE MCCASKILL and vote for this amendment and show America we can be trusted.

I thank you, Mr. President, and I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. DORGAN. Mr. President, will the Senator yield for a unanimous consent request?

Mr. BUNNING. I will yield.

Mr. DORGAN. Mr. President, I ask unanimous consent that following the Senator from Kentucky and the Senator from Pennsylvania, both of whom I think are to be recognized, I be recognized for 20 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. GREGG. Mr. President, I ask that the unanimous consent request be modified as recognized for the purpose of speaking but not for the purpose of offering an amendment.

Mr. DORGAN. Mr. President, I ask that the request be so modified. I do want to talk to the two Senators about being able to offer the amendment about which I will speak, but I will do that at another time.

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

The Senator from Kentucky is recognized.

AMENDMENT NO. 4192

Mr. BUNNING. Mr. President, I ask unanimous consent that the pending amendment be set aside and that my amendment No. 4192 at the desk be called up for consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. BUNNING] proposes an amendment numbered 4192.

Mr. BUNNING. 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:

(Purpose: To repeal the tax increase on Social Security benefits imposed by the Omnibus Budget Reconciliation Act of 1993)

On page 3, line 11, decrease the amount by $14,300,000,000.

On page 3, line 12, decrease the amount by $15,600,000,000.

On page 3, line 13, decrease the amount by $17,500,000,000.

On page 3, line 14, decrease the amount by $19,800,000,000.

On page 3, line 15, decrease the amount by $21,600,000,000.

On page 3, line 20, decrease the amount by $14,300,000,000.

On page 3, line 21, decrease the amount by $15,600,000,000.

On page 3, line 22, decrease the amount by $17,500,000,000.

On page 3, line 23, decrease the amount by $19,800,000,000.

On page 3, line 24, decrease the amount by $21,600,000,000.

On page 4, line 5, decrease the amount by $14,300,000,000

On page 4, line 6, decrease the amount by $15,600,000,000

On page 4, line 7, decrease the amount by $17,500,000,000

On page 4, line 8, decrease the amount by $19,800,000,000

On page 4, line 9, decrease the amount by $21,600,000,000

On page 4, line 14, decrease the amount by $14,300,000,000

On page 4, line 15, decrease the amount by $15,600,000,000

On page 4, line 16, decrease the amount by $17,500,000,000

On page 4, line 17, decrease the amount by $19,800,000,000

On page 4, line 18, decrease the amount by $21,600,000,000

On page 27, line 16, decrease the amount by $14,300,000,000.

On page 27, line 17, decrease the amount by $14,300,000,000.

On page 27, line 20, decrease the amount by $15,600,000,000.

On page 27, line 21, decrease the amount by $15,600,000,000.

On page 27, line 24, decrease the amount by $17,500,000,000.

On page 27, line 25, decrease the amount by $17,500,000,000.

On page 28, line 3, decrease the amount by $19,800,000,000.

On page 28, line 4, decrease the amount by $19,800,000,000.

On page 28, line 7, decrease the amount by $21,600,000,000.

On page 28, line 8, decrease the amount by $21,600,000,000.

Mr. BUNNING. Mr. President, I spoke about this yesterday, and I have brought it to this Chamber before on numerous occasions. In fact, the Senate adopted a very similar amendment by unanimous consent last year, and it passed on a recorded vote 2 years earlier.

My amendment would repeal an unfair tax that Congress enacted in 1993. The Congressional Budget Office has said that over 15 million senior citizens are affected by the taxation of Social Security benefits. When Congress created the Social Security Program to provide income security for seniors, part of the structure of that program, and one of the reasons for its popularity, was that benefits were not taxed. I will say that again.

Social Security benefits were not taxed when the program was created. In 1983, the Greenspan Commission and Congress decided that half of the benefits of some seniors should be subject to taxation and, in 1993, raised that amount to 85 percent of the Social Security benefits that a senior citizen receives.

This tax affected supposedly ''wealthy'' seniors, with incomes above $34,000 for single seniors, and $44,000 for a couple. Those are supposedly wealthy senior citizens. The goal of this seemed to be to impose a type of means testing on Social Security beneficiaries—in other words, tilting the benefit structure in favor of low-income seniors, making it more like a welfare program.

This is the kind of change Senator Patrick Moynihan often warned Congress about. But the Ways and Means Committee and the President ignored his warnings. If that was the goal, the legislation was fundamentally flawed. The $34,000 and $44,000 amounts were not indexed for inflation. I can assure you that seniors earning these amounts do not consider themselves wealthy at all—particularly with the increased cost of prescription drugs, rent, or mortgage payments, gasoline, particularly with unleaded regular being $3.20 a gallon now, heating oil, and even food prices that seniors are experiencing today.

My amendment is fairly simple. It drops the tax back to the pre-1993 level, starting in 2008, this year, in this budget. This means the 85 percent tax would be eliminated, and the maximum amount of Social Security benefits that could be taxed would be 50 percent. The revenue from the 1993 tax was applied to the Medicare trust fund.

My amendment would make the trust fund whole by offsetting the cost of the tax rollback by $89 billion over 5 years, with an adjustment to function 920 of the budget.

The inspector general's and the CBO's budget operation report identified over $300 billion in potential savings on Government programs over the next 5 years. I believe the committee of jurisdiction can review wasteful Government spending in order to offset this extremely important tax cut for America's seniors. This was an unfair tax on our seniors when it was enacted, and it is time we repeal it.

Think of this now. A senior citizen, single, with an income of $34,000 receiving maybe $36,000 from Social Security and other income, and they have to pay 85 percent tax on that Social Security benefit—85 percent. That is the largest, highest taxation of any benefit we receive from the Federal Government—85 percent of anything. Say I receive $36,000 from the Federal Government in Social Security benefits and other income. On the $34,000 I receive from Social Security, 85 percent of that is taxed at the normal rate that I would pay in whatever tax bracket I fall under. The same goes with a married couple. Married couples, both seniors, both have unusual expenses as far as prescription drugs, and some have prescription drugs amounting to maybe $1,000 each per month—maybe $1,000 each per month, home heating oil, gas and electric to heat their homes or cool their homes, groceries—all these things add up for our seniors today. This tax is completely and totally unfair to the senior citizens we have today.

I urge my colleagues to support this amendment, as many have in the past. This is something that should have been done a long time ago. I have tried, since its inception in 1993, to get this repealed back to the 50-percent level. I have not been successful. The majority, last year, accepted this amendment by unanimous consent. It went to the conference committee and was kicked out. They accepted it, said they would try to do it, and then because of the cost it was kicked out.

What does that tell our senior citizens in the United States—that they are second-class citizens; they have to pay more on their Social Security benefits than anybody else. I don't think that is fair. I think it is time that we did something about it.

So, please, I ask my colleagues on the Senate floor, help us this year finally repeal this unfair tax that we added to our seniors in 1993.

Mr. President, I will ask for the yeas and nays when the amendment comes up.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I thank the Senator for his courtesy and for his work on the Budget Committee. Senator MARTINEZ would like time on a separate matter, not a budget-related matter. This might be a very good time to do that. We hate to have dead time on the floor. How much time would the Senator need?

Mr. MARTINEZ. About 10 or 15 minutes.

Mr. CONRAD. Mr. President, we will give him up to 15 minutes off the resolution.

The PRESIDING OFFICER. The Senator from Florida is recognized.

HONORING DR. OSCAR ELIAS BISCET

Mr. MARTINEZ. Mr. President, I thank the chairman of the Budget Committee. I appreciate this opportunity. It is something that I am doing in conjunction with Senator MENENDEZ. Senator MENENDEZ is at a Banking Committee hearing and will be here shortly to participate.

Today, I rise to speak about a man who is best described as a defender of freedom and human rights, a consistent voice for change, and a shining point of defiance within a country rife with oppression.

This man is Dr. Oscar Elias Biscet—a Cuban who has made his life's work being an advocate for democracy and a defender of human rights. This individual risked jail time for publicly denouncing the countless human rights violations performed by the Cuban regime.

As a result, Dr. Biscet is today locked in a jail cell as one of Cuba's hundreds of political prisoners—people held for crimes not against society but for speaking out against the systematic repression of the regime. What was Dr. Biscet's crime? He called for freedom.

I bring attention to Dr. Biscet because I believe, even in his relatively young life, he has exhibited actions that rise to the level of the extraordinary and worthy of our recognition.

This is why today I, along with my colleagues, Senators BOB MENENDEZ, BILL NELSON, JOHN ENSIGN, and NORM COLEMAN, will introduce a measure to award the Congressional Gold Medal to Dr. Oscar Elias Biscet. This is in recognition of his courageous and unwavering commitment to democracy, human rights, and peaceful change in Cuba.

Over time, Congress has recognized many individuals who have made contributions to advancing freedom around the world.

Among these individuals are proponents of peace and liberty, including Nelson Mandela, Pope John Paul II, the Dalai Lama, and Dr. Martin Luther King, Jr. All have been awarded the highest award bestowed to civilians by Congress. Dr. Biscet is equally worthy of this distinction. In fact, he has modeled his efforts after those of Dr. King, the Dalai Lama, Thoreau, and Gandhi.

We should recognize him for speaking out, even though he knew he risked the regime's harassment, censure, and incarceration, and for drawing the world's attention to the regime's horrific record of human rights and disregard for human dignity and for always conducting his work through peaceful means.

He is a hero among his people and deserves Congress's recognition for his courageous commitment to the principles we hold dear: democracy, human rights, and freedom for all.

Throughout his life, Dr. Biscet has served others and has helped to bring the regime's injustices to light.

As a physician, he provided care to those living in his hometown of Havana, doing his best to practice in the poor conditions that are common in Cuba's hospitals and state-run health care facilities.

In 1997, Dr. Biscet founded the Lawton Foundation for Human Rights—a group named for the neighborhood in Havana in which he lived, and an organization whose main objective is to establish in Cuba a state based on the rule of law.

In the talks he gave before being imprisoned and in his letters smuggled out of prison these last few years remains a common theme involving the intrinsic value of liberty and human rights.

In establishing the Lawton Foundation, Dr. Biscet wrote that the purpose of it is ''to defend the inalienable rights of the human race we understand the need to put limits on government to prevent the undermining of those rights. It is because of this that we have become activists in this organization—to establish in our country the rule of law, so that each man and woman may be fulfilled as complete human beings.''

And for defending these universal principles of freedom, the foundation's members are often harassed, censured, and incarcerated.

The foundation's mission and objective may be simple; yet it is so important. ''It promotes the defense of all Cubans through nonviolent civil disobedience''—a practice set forth by Henry David Thoreau, who wrote that ''the individual is [a higher and independent power] from which the state obtains its power.''

This is Dr. Biscet's belief; it is his guide; it is a truth he continues to promote today—even from the confines of a Cuban prison.

In 1998, after publicly criticizing the quality of the Cuban national health care system, the doctor was summarily thrown in jail and forbidden from practicing medicine anywhere in the country.

Even though he has been publicly disparaged and ostracized by the regime, he has always remained committed to advancing a message of peaceful political change and nonviolent disobedience.

In 1999, he was arrested for displaying the Cuban flag upside down at a political rally and, as punishment, he was again thrown into a prison and savagely beaten, kicked, and burned.

For his work, he was arbitrarily detained 26 times in 18 months. This is without the benefit of a grand jury, an indictment, or counsel, and without the benefit of the types of protections that are commonly afforded to prisoners in most anyplace in the world, or certainly the kind of opportunity that those detained in Guantanamo had to have: the Red Cross visit and view and examine their conditions. None of these things are permitted in Cuba's gulag of prisons. After his most recent arrest in 2003, following a peaceful protest in Havana, Dr. Biscet is now serving the fifth year of what is called a 25-year sentence. There was no fair trial, there was no counsel. This was a sentence issued by nothing more than one of those courts that the Castro regime has utilized now for almost half a century.

The Castro brothers have described Dr. Biscet as a ringleader of counterrevolutionary activities. The reality is Dr. Biscet wants his people to be free. Amnesty International has declared Dr. Biscet a prisoner of conscience—someone who has been imprisoned solely for the peaceful expression of their beliefs.

The Cuban regime has put Dr. Biscet and his family through the kind of anguish few in this country could ever imagine. He has committed no crimes, and yet he sits in prison fighting for a freedom he and most of the island's 11 million Cubans have never known.

As a human rights activist, Dr. Biscet finds inspiration in the words of many men who share his desire to achieve peaceful change. He speaks of the Dalai Lama's message of peace, Martin Luther King, Jr.'s mission of tolerance, and Mahatma Gandhi's lifetime of unwavering faith.

This is a picture of Dr. Biscet. It is a picture before the last 5 years have transpired, because now we cannot obtain a picture of him. He is given very few visits, and those visits are closely monitored. It would be unthinkable to have the opportunity to take a picture of him. I will speak a little more about his confinement in a moment.

We both share a passion to one day see a free and peaceful Cuba, one where the people can hold free and fair elections so they might choose their own leaders, so they will not live in fear under an oppressive and illegitimate dictatorship.

The Cuban regime, sensing the hope brought about by Dr. Biscet's efforts, sought to make him a tool of the regime. The regime offered him a choice: He could stay in prison or he could leave Cuba and never return. He could leave the country or he could remain behind. Instead of leaving his jail cell, Dr. Biscet has courageously pleaded to stay and sacrifice his own well-being so he might continue providing hope and encouragement to the Cuban people.

This is a replica of the cell Dr. Biscet is in today. It is a mock-up because we could not take pictures of that cell, but it is faithfully drawn from the types of cells the regime commonly holds prisoners in. As you can see, it is completely closed. There is no light when that door is closed inside, the 3-foot-by-4-foot space that is provided for a prisoner.

As a result of his refusal to abandon the cause he so dearly believes in, Dr. Biscet remains in deplorable conditions, in a rat-infested cellblock, and in fact is needing medical care and getting none. This replica of the cell was described by Dr. Biscet in a letter to

his wife. He once described the conditions he lives in today. This is what he wrote:

I'm arbitrarily confined in a cell with characteristics that violate the law; there are no windows, only walls; a gloomy space lacking sunlight and the sky's visibility. This is humiliating and illegal. Of the 8 months I have been in prison in Pinar del Rio, I have seen my family only once, during 2 hours, in the month of August. I am not allowed to have any type of communication with my son and daughter who live abroad.

These are conditions no one should ever have to endure.

In his most recent letter, dated March 1, 2008, a few weeks ago—and, by the way, he writes on whatever he can find, toilet paper or any other means, because he is not provided paper and pencil to write—he again called on the regime to change. He called for:

Freedom of all political prisoners and prisoners of conscience without deportation; participation with the same rights for all Cubans; allowing the legalization of all political parties, to revoke the absolute rule of the Communist party over society and a commitment to carry out free and democratic elections.

Mr. President, I ask unanimous consent to have Dr. Biscet's full letter printed in the RECORD.

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

Message sent by Dr. Biscet on March 1, 2008 to his wife from the ''Combinado del Este'' jail in Havana, Cuba where he is currently imprisoned:

Fidel Castro has left power. He should have done it 20 years ago when Mikhail Gorbachev traveled to the island. He wisely recommended it to him, that way it would have reduced the years of misery, lack of freedom and cruel suffering of the Cuban people under a prolonged, unnecessary and poorly run government.

His brother, Raul, inherited his job and his Communist party maintains a totalitarian, one party system, with the only change being that of imposing more laws on the population during his short time in office.

The Cuban people and their opposition leaders should fast and pray to God and demand that the authorities of the country sign and carry out the International Covenants of Human, Civil, Political, Cultural and Social Rights.

Thanks to the support from the Cuban exile community and of the governments of free and democratic countries, after a year and five months of demands, the regime in Havana promised to carry out these objectives, although they have yet to materialize. When the previously issued complaints are addressed and the following rights are granted:

1. Freedom of all the political prisoners and prisoners of conscience without deportation.
2. Participation with the same rights for all Cubans, including the exiles, without exception, in the political and economic life of the country.
3. To allow the legalization of various political parties in accordance with the interests of the Cuban people.
4. To revoke the constitution and the absolute rule of the communist party over society.
5. Commitment to carrying out free and democratic elections.

then we will be able to say that the period of democratic transition has begun in Cuba.

Gorbachev in the former Soviet Union, Pinochet in Chile, and DeClercq in South Africa, had the courage and the pragmatism to make democratic reforms. The goals of the Cuban people are to live in peace, well-being, happiness, and to achieve the goals, freedom is needed.

The current government should make openings to reach these objectives and the citizens should continue to search for them by means of civil disobedience.

''Woe to those who make unjust laws, to those who issue oppressive decrees, to deprive the poor of their rights and withhold justice from the oppressed of my people, making widows their prey and robbing the fatherless. What will you do on the day of reckoning, when disaster comes from afar? To whom will you run for help? Where will you leave your riches? Nothing will remain but to cringe among the captives or fall among the slain. Yet for all this, his anger is not turned away, his hand is still upraised.''—Isaiah Chapter 10, v. 1–4.

Mr. MARTINEZ. Mr. President, in a recent column discussing the disaster that the Castro regime has visited upon Cuba, columnist George Will wrote about another Cuban, Armando Valladares, who withstood the regime's brutal prison system for 22 years. Of the prison's conditions, Will wrote:

Some doors are welded shut and prisoners are fed watery soup sometimes laced with glass, or dead rats, or half a cow's intestine, rectum included, containing feces.

This is the ugly reality of what speaking openly against the Castro regime gets you in Cuba. Today there are hundreds of political prisoners in the many prisons that have cropped up since the Castro regime took power. Dr. Biscet is one of those prisoners, a noble and decent man choosing to fight for a cause greater than his own, risking everything in the process.

Throughout U.S. history, Congress, as an institution, has recognized those who stand up for democracy, the rule of law, and human rights. We owe Dr. Biscet and those he inspires the honor of knowing that we support his worthy efforts and that Americans share his desire for seeing freedom take root in a country plagued by oppression for far too long.

Awarding this honor to a man with such courage and conviction will strengthen his cause and the cause of all Cubans and send a message to the Cuban regime that they are on the wrong side of history, and they are on the wrong side of what is good and is right.

I urge my colleagues to support this man who seeks democratic change and the recognition of human rights by bestowing this honor of a Congressional Gold Medal to Dr. Oscar Elias Biscet.

Mr. President, I appreciate the indulgence of time on this busy day on the floor. I know Senator MENENDEZ wishes to speak on this issue, but at this time I yield the floor, and I thank the chairman for the time allowed.

Mr. MENENDEZ. Mr. President, I rise with my colleague and friend, Senator MARTINEZ, in strong support of our resolution to recommend Cuban dissident and political prisoner Dr. Oscar Elias Biscet for the Congressional Gold Medal. This medal is the Nation's highest and most distinguished civilian award, and I can think of few who are more deserving than this man. For his courageous commitment to democracy, for his unwavering defense of human rights, for his lifetime of working for peaceful change on an island where freedom dares not speak its name, Dr. Biscet has earned the admiration of his community, and he has earned the recognition of this Congress.

Just over 4 months ago, both Senator MARTINEZ and I, along with Senators NELSON and SALAZAR, stood on this floor and declared our solidarity with about 70 Cuban youths who had just been thrown in jail. Their crime was nothing more than wearing this simple white bracelet that says one word, ''cambio,'' change.

This one simple gesture was strong enough to have them held as prisoners. This one simple gesture was strong enough to have them detained and harassed. But as I said on the floor 4 months ago, I also hoped this one gesture would be strong enough to inspire us and to inspire those who love freedom and democracy and have respect for human rights around the globe.

Today we stand here once again, in solidarity, to recognize someone who has shown courage over and over again—courage in defense of human rights and democracy courage to speak out about the future he wants to see on the island of Cuba.

When I last came to the floor to speak of Dr. Biscet, it was 1 week before he received the Presidential Medal Freedom, the highest civilian award bestowed by the President. Unfortunately, he received the award in absentia. He received it this way because has been languishing in the jails of the Castro regime, serving a 25-year prison sentence.

And he continues to languish there today. His crime? Seeking peaceful change in his country. His crime? Hanging a flag sideways. His crime? Fighting against a repressive regime.

By awarding the Congressional Gold Medal to Dr. Biscet, we would create a physical representation of so many years of political bravery.

In that medal, we will see a shining image of his courage and accomplishments.

In that medal, we will see the patient suffering of Dr. Biscet's wife, the fellow democracy advocate, Elsa Morjeon Hernandez, and the patient suffering of his two children who have had to grow up with their father in jail.

In that medal, we will see the 3 years Dr. Biscet spent in prison, 3 years, after hanging the national flag sideways at a press conference.

In that medal, we will see that once he was released, Dr. Biscet organized engaged organizing seminars on the Universal Declaration of Human Rights and continued to fight every day to bring democracy and justice to Cuba.

And in that medal, we will see a solid beacon of hope for the people of that island, recognition that people inspired

by Dr. Biscet will eventually bring democracy and justice to Cuba.

What Dr. Biscet and those young people arrested 4 months ago show us is inspiring: Cuba can change and will change. And this change will come from within Cuba, from the Cuban people themselves.

Raul Castro has said, ''Fidel is irreplaceable, unless we all replace him together.'' Now is the time to show that this can happen, that Fidel can, in fact, be replaced not by one man but by a government of, by, and for the people of Cuba. Dr. Biscet himself in a letter 10 days ago said, ''Fidel Castro has left power. He should have done it 20 years ago when Mikhail Gorbachev traveled to the island. He wisely recommended it to him, that way it would have reduced the years of misery, lack of freedom and cruel suffering of the Cuban people under a prolonged, unnecessary and poorly run government . . . ''

The Cuban people can bring change. But they need our help. We must continue to fight here to do what we can to empower them and to support them when they empower themselves as the United States did with dissidents from Lech Walesa to Vaclav Havel to Aleksandr Solzhenitsyn, so should it do with Oscar Elias Biscet. Here in the United States, this is a time to further nurture the human rights activists, political dissidents, and independent-minded journalists inside of Cuba who have the capability to stoke the movement toward freedom.

The Cuban people are speaking. In America, this is not the time for silence. This is the time to speak out. Awarding the Congressional Gold Medal to Dr. Biscet will allow the American people to speak out, not only to condemn the dark injustices of the Cuban regime but, more importantly, to praise the efforts of one hero who has spent his life standing for the values that unite the free peoples of the world, values that we know are more precious than gold.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from North Dakota for permitting me to intervene for 10 minutes. I had been on the list, but previous speakers ended, I believe earlier than anticipated, so we have worked out the scheduling on that basis.

Mr. DORGAN. If the Senator will yield, let me ask unanimous consent that I be recognized following his completion of 10 minutes.

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

Mr. CONRAD. Mr. President, might I thank both Senators for their courtesy and their graciousness.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I have sought recognition to offer two amendments, one amendment which will add $2.1 billion for the National Institutes of Health, and the same amendment which will increase the funding on LIHEAP. I offer this amendment on behalf of myself, Senators HARKIN, SNOWE, COLLINS, CASEY, KENNEDY, DOLE, MIKULSKI, CLINTON, LEVIN, SUNUNU, DODD, INOUYE, BROWN, MENENDEZ, STABENOW, COLEMAN, KERRY, DURBIN, STEVENS, SMITH, BINGAMAN, COCHRAN, CARDIN, and ROCKEFELLER.

The funding for the National Institutes of Health is grossly insufficient. For a period of time, in the range of 1999 through 2003, funding for the National Institutes of Health has been increased very materially, with the increase on an annual basis rising as high in the year 2003 to $3.77 billion. That increase in funding has produced remarkable results in scientific advances in many lines. The cancer rate has declined 2 percent for the last 2 years. The increase in treatment for Alzheimer's, Parkinson's, autism, and heart disease, has shown remarkable achievements. And with a budget of $3.1 trillion, I suggest it is totally insufficient to have a budget for the National Institutes of Health which would be projected at $29.2 billion.

In 1970, President Nixon declared war on cancer, and had that war been prosecuted with the same intensity as other wars, I wouldn't have gotten Hodgkin's. My good friend, Judge Edward R. Becker, Chief Judge of the Court of Appeals for the Third Circuit, would not have died prematurely of prostate cancer. My Chief of Staff, Carey Lackman, a beautiful young woman of 48, would not have died from breast cancer.

On a daily basis, I have people come to see me from all over the United States who are urging increased funding on these very important lines: autism, prostate cancer, breast cancer, Parkinson's, Alzheimer's, scleroderma, and heart disease. And with the capacity in the United States to have cures for these ailments with sufficient funding, I believe this should be a much higher priority than it is at the present time. These ailments are curable.

As a footnote, one day we will recognize the availability of Federal funding for embryonic stem cell research. Embryonic stem cell research has enormous potential—enormous potential—to conquer these maladies. If these embryonic stem cells were to be used to create life, there is no doubt that would have a higher call. But there is also no doubt that with some 400,000 of these embryonic stem cells in storage, if they are not going to be used for that purpose, it is a matter of either using them or losing them.

This amendment also adds one billion to the funding for low-income energy assistance for the people who are facing enormous increases in costs. The escalating price of oil has produced a very heavy drain, especially on our senior citizens, with so many faced with the prospect of either heating or eating. So this amendment will add materially to that very important fund.

A second amendment which I am offering would repeal the 1993 increase of the alternative minimum tax. The alternative minimum tax was expanded in 1993 when the tax rate was increased from 24 percent to 26 percent for taxable income under $175,000 and from 24 percent to 28 percent for taxable income that exceeds $175,000, without those limits being indexed for inflation. The AMT now has the potential for capturing some 23 million people, 20 million more than anticipated when it was increased in 1993. There may be an amendment offered to eliminate the AMT permanently, and I would be prepared to support that, but in the absence of such an amendment, I believe it would be useful to propose this cure.

This differs from another amendment which may be offered on the AMT which would seek to have an offset. I believe that an offset is not appropriate, because this AMT was never intended to catch this number of people. So when you have a tax which was not intended to reach some 23 million people, it ought to be eliminated; it ought to be not effectuated without having an offset.

I ask unanimous consent that the full text of my prepared statements be printed in the RECORD.

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

THE LACK OF FUNDING WILL RESULT IN LOST OPPORTUNITIES

The National Institute of Neurological Disorders and Stroke will be unable to implement fully the planned network of 10 centers in the Special Program of Translational Research in Acute Stroke—Funding is only available for 7 centers.

The National Institute of Child Health and Human Development will be unable to launch a study to treat children with critical asthma.

The National Eye Institute will be unable to fund several clinical studies in minority populations, including Asian Americans and Native Americans.

The National Institute of Deafness and Communication Disorders will be unable to fund an initiative in Noise-Induced Hearing Loss.

The National Institute of Mental Health will be able to support only one clinical trial in the Bipolar Trials Network.

The National Institute of Alcohol Abuse and Alcoholism will be unable to conduct a Phase III clinical trial in medications development. In addition, clinical trials in alcoholic liver and pancreatic diseases will go undone.

The National Institute of Diabetes, Digestive and Kidney Disease will eliminate a training program for pediatric diabetes researchers.

The National Institute of Biomedical Imaging and Bioengineering will be unable to pursue opportunities in advanced imaging, which are crucial to early diagnosis and treatment.

The flat funding of NIH will affect an entire generation of young researchers. Many of this Nation's best and brightest scientists are seeking opportunities outside of the lab or in other countries because of lack of grant support.

NIH funded biomedical research has raised life expectancy, improved the quality of life, and strengthened our economy. If the United

States is to continue its leadership role in providing the medical breakthroughs to treat disease, the Congress must commit to adequately supporting the funding of the National Institutes of Health.

FLOOR SPEECH—SENATOR ARLEN SPECTER

NIH/LIHEAP/MENTORING AMENDMENT TO THE BUDGET RESOLUTION

NATIONAL INSTITUTES OF HEALTH

The budget resolution currently recommends $30 billion for the NIH in FY09, which is $950 million over the FY08 appropriation. This $2.1 billion amendment, along with the $950 million already contained in the resolution would provide NIH with an increase of $3 billion or 10.3 percent over the FY08 appropriation.

When I came to the Senate in 1981, NIH spending totaled $3.6 billion. The FY 2003 omnibus appropriations bill contained $27.2 billion for the NIH which completed the doubling begun in FY 1998. However, since the doubling took place, NIH has failed to keep pace with biomedical inflation and as a result has lost 15 percent of its purchasing power. The successes realized by this investment in NIH have spawned revolutionary advances in our knowledge and treatment for diseases such as cancer, HIV–AIDS, Alzheimer's disease, Parkinson's disease, mental illnesses, diabetes, osteoporosis, heart disease, ALS and many others. It is clear that Congress' commitment to the NIH is paying off. Now it is crucial that increased funding be continued in order to translate these advances into additional treatments and cures. Our investment has resulted in new generations of AIDS drugs which are reducing the presence of the AIDS virus in HIV infected persons to nearly undetectable levels. Death rates from cancer have begun a steady decline. Stem cell research could result in replacing diseased or damaged cells. I anxiously await the results of all of these avenues of remarkable research. This is the time to seize the scientific opportunities that lie before us.

On May 21, 1997, the Senate passed a Sense of the Senate resolution stating that funding for the NIH should be doubled over 5 years. Regrettably, even though the resolution was passed by an overwhelming vote of 98 to nothing, the Budget Resolution contained a $100 million reduction for health programs. That prompted Senator HARKIN and myself to offer an amendment to the budget resolution to add $1.1 billion to carry out the expressed sense of the Senate to increase NIH funding. Unfortunately, our amendment was tabled by a vote of 63–37. We were extremely disappointed that, while the Senate had expressed its druthers on a resolution, it was simply unwilling to put up the actual dollars to accomplish this vital goal.

The following year, Senator HARKIN and I again introduced an amendment to the Budget Resolution which called for a $2 billion increase for the NIH. While we gained more support on this vote than in the previous year, our amendment was again tabled by a vote of 57–41. Not to be deterred, Senator HARKIN and I again went to work with our Subcommittee and we were able to add an additional $2 billion to the NIH account for fiscal year 1999.

For fiscal year 2000, Senator HARKIN and I offered another amendment to the Budget Resolution to add $1.4 billion to the health accounts, over and above the $600 million increase which had already been provided by the Budget Committee. Despite this amendment's defeat by a vote of 47–52, we were able to provide a $2.3 billion increase for NIH in the fiscal year 2000 appropriation's bill.

For fiscal year 2001, Senator HARKIN and I again offered an amendment to the Budget Resolution to increase funding for health programs by $1.6 billion. This amendment passed by a vote of 55–45. This victory brought the NIH increase to $2.7 billion for fiscal year 2001. However, after late night conference negotiations with the House, the funding for NIH was cut by $200 million below that amount.

For fiscal year 2002, the budget resolution once again fell short of the amount necessary to achieve the NIH doubling. Senator HARKIN and I, along with nine other Senators offered an amendment to add an additional $700 million to the resolution to achieve our goal. The vote was 96–4. The Senate Labor-HHS Subcommittee reported a bill recommending $23.7 billion, an increase of $3.4 billion over the previous year's funding. But during conference negotiations with the House, we once again fell short by $410 million.

In order to stay on a path to double NIH, an increase of $3.7 billion was needed in fiscal year 2003. The fiscal year 2003 omnibus appropriations bill contained the additional $3.7 billion, which achieved the doubling effort.

For FY04, I and Senator HARKIN offered an amendment to add an additional $2.8 billion to the budget resolution to ensure that the momentum achieved by the doubling could be maintained and translated into cures. The vote was 96–1. Unfortunately, the amendment was dropped in conference. We worked hard to find enough funding for a $1 billion increase in FY04. We fought long and hard to make the doubling of funding a reality, but until treatments and cures are found for the many maladies that continue to plague our society, we must continue our fight.

For FY05, Senator HARKIN, COLLINS and I offered an amendment to add $2 billion to discretionary health spending, including NIH. The amendment passed 72–24. However, the Subcommittee's allocation did not reflect this increase. The final conference agreement contained an increase of $800 million over the FY04 funding level.

For FY06, the Senate voted 63–37 to accept the Specter/Harkin budget resolution amendment to add $1.5 billion for NIH and $500 million for education, but again, the funding was dropped in conference with the House. With overall funding for the Labor-HHS-Education Subcommittee cut $1.9 billion below the FY05 enacted level, NIH did not receive an increase over the previous fiscal year.

For FY07, Senator HARKIN and I along with 28 others, offered an amendment to the budget resolution to add $7 billion to discretionary spending for Labor, Health and Education programs offset by an increase in advance appropriations. The amendment passed 73–27. Unfortunately, the continuing resolution for FY07 did not realize the goal set by the budget amendment. The continuing resolution contained $28.9 billion, an increase of $636.7 million.

For FY08, once again Senator HARKIN and I offered an amendment, which the Senate adopted by unanimous consent, which added $2.2 billion to NIH, CDC and Health Professions programs. However, the FY08 appropriations bill only provided increases of $328.6 million for NIH, $112.4 million for CDC and only $15.5 million for health professions training over the FY07 level.

I, like millions of Americans, have benefited tremendously from the investment we have made in the National Institutes of Health and the amendment that we offer today will continue to carry forward the important research work of the world's premier medical research facility.

LOW INCOME HOME ENERGY ASSISTANCE

Paying heating and cooling bills for low-income households throughout this Nation has always been a struggle, but never more so than today with the soaring energy costs. The inability to pay for heating and cooling homes, or having to make decisions to forgo other needs such as food and medicine pose health and safety hazards—especially to the elderly, the disabled and children. This winter, Americans will spend $977 to heat their homes which is 10 percent higher than last winter. Nationwide average oil heating bills are expected to be 22 percent higher than in the previous year. The $1 billion amendment that I am offering today would help defray some of the costs energy costs for next year.

MENTORING

In this Nation it is estimated that more than 772,500 juveniles are members of gangs, dropouts rates in some school districts exceed 60 percent and the direct and indirect cost of youth violence exceeds $158 billion a year. Mentoring programs have proven to steer children away from gangs violence and crime. Mentored youth are 46 percent less likely to start using drugs and alcohol, 33 percent less likely to act violently, and significantly more likely to graduate from high school and go on to college, making mentoring highly cost-effective. There are approximately 17.6 million children nationwide who need or want a mentor. Yet only three million children have been paired with a mentor—resulting in a mentoring ''gap'' of approximately 14.6 million children. I am pleased to see that the resolution contains an increase of $5.5 billion above the FY08 appropriation for education and training programs, and restores funds for the mentoring program and the 47 other education programs slated for elimination in the FY09 budget.

The increase provided for education and training programs will help address juvenile crime, violence, delinquency, and high dropout rates.

OFFSET

The $3.1 billion amendment would be offset by an across-the-board reduction of less than 0.3 percent in Function 920—Allowances. The across-the-board reduction would not result in any program reductions, but would reduce travel and administrative expenses throughout the Federal government, including domestic agencies, homeland security, and defense.

CONCLUSION

In summary, this amendment would provide funding to continue the advances in medical research and help states assist low-income households in meeting the cost of home heating and cooling. The amendment is fully offset and does not break the cap on discretionary spending.

Mr. President, I urge adoption of this amendment.

STATEMENT OF SENATOR ARLEN SPECTER

AMT

Mr. SPECTER. Mr. President, I have sought recognition to discuss an amendment that I intend to offer to S. Con. Res. 70, the Fiscal Year 2009 Concurrent Budget Resolution. My amendment seeks to repeal section 13203 of the Omnibus Budget Reconciliation Act of 1993 by restoring the Alternative Minimum Tax (AMT) rates that had previously been in effect.

The AMT is a flawed income tax system and should be repealed. It is important to keep in mind that the first version of the AMT was created in 1969 in response to a small number of high-income individuals who had paid little or no federal income taxes. Because of a series of changes made to the AMT over the years, the AMT now affects over three million taxpayers annually. Each year we are forced to take legislative

action to prevent massive expansion where over 20 million individuals pay this burdensome tax. Today, between a lack of indexing for inflation and higher AMT tax rates relative to the regular income tax system, we have a tax system which has grown far beyond its intended result. Both problems are worthy of analysis and legislative action.

The AMT is not indexed for inflation and taxpayers are ''pushed'' into the AMT through so-called ''bracket creep.'' Last year, Congress was late to enact a temporary increase in the AMT exemption amount and millions of tax refunds will be delayed this year as a result. I am pleased to see that this Budget on the floor assumes a one-year ''patch'' without offsets to prevent inflation from harming taxpayers. It is my hope that Congress will not again wait until December to address this problem.

Even with enactment of the ''patch,'' 3.5 million taxpayers are still impacted, far more than what was originally intended. The AMT tax rate relative to the regular income tax impacts taxpayers who were never intended to pay the AMT. In 1993, President Clinton and a Democrat-controlled Congress imposed a significant tax hike on Americans. The AMT tax rate was increased from 24 percent to 26 percent for taxable income under $175,000 and from 24 percent to 28 percent for taxable income that exceeds $175,000.

My amendment cures this 2nd problem by repealing the 1993 AMT tax increase and brings the AMT tax rate back to 24 percent. During the course of this Budget debate, it is my understanding that we will also vote on whether to repeal the AMT altogether, without offsets. Clearly, the best option is for the AMT to be repealed. However, if my colleagues cannot support that approach, then I would urge them to vote for this more modest approach which rolls back one of the many changes that has brought millions of taxpayers under the grasp of the AMT. This amendment, combined with the AMT ''patch'' brings the AMT closer to its intended purpose.

This amendment would reduce revenues by $185.3 billion over the five-year budget window. No offsets are included because it is highly questionable to justify raising taxes elsewhere to account for lost revenue that was never intended to be collected. The Senate agreed with this philosophy last year when it ''patched'' the AMT without offsets.

I urge my colleagues to support this amendment.

Mr. SPECTER. Mr. President, I again thank my distinguished colleague from North Dakota, the chairman of the Budget Committee, and I yield the floor.

Mr. CONRAD. Mr. President, I thank the Senator from Pennsylvania.

Next, we have the Senator from North Dakota, Mr. DORGAN.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I will want to visit with Senator CONRAD and Senator GREGG, the chair and ranking member, to try to determine when I will be able to offer my amendment. I wish to speak about the amendment. My understanding is I am not yet able to offer it because of an objection, but my hope is we will be able to work this amendment into the list of amendments very soon.

I have often described this budget process. One hundred years from now, we will all be dead—not a pleasant thought—but historians will look back at what we did and who we were and could evaluate a little something about us and our value systems by looking at how we spent our money. What did we think was important? What did we invest in? What did we spend our money on? That is true for families and individuals, and it is especially true for governments—what the Federal Government thinks is important. What is its value system in this budget document? It will tell historians a lot about who we were, the kind of people we were.

I want to talk about an amendment I am offering to provide funding for the Indian health care system. I am going to tell you why I am doing that. American Indians were here first. We all came later. They were the first Americans. Because we took their land, in most instances, and put them on reservations, we signed treaties with them. Our Government said to them: Here is what we are going to do. Yes, we are taking your land, but we are going to have a trust responsibility for certain things we are going to do for you, and we will even put it in treaties and sign the treaties. We are going to provide for your health care. So we have a responsibility here in the Federal Government to provide for Indian health care. If someone wondered why that is the case—we promised. We signed treaties, we signed up, we said we will do it.

So we have a couple of million American Indians in this country who rely on the Indian health care system. Guess what. We do a pretty miserable job. We spend half as much money providing health care to American Indians, per person, as we do to those who serve in Federal prisons. When we incarcerate someone in a Federal prison, we are responsible for their health care. We spend twice as much more on Federal prisoners' health care per person than we do for American Indians. We are not nearly meeting our responsibility. We are not even close to keeping our promise, and nobody seems to care very much. There are people dying as a result of it, and still nobody seems to care very much.

We passed the Indian Health Care Improvement Act on the floor of the Senate recently. I am proud of that because it has been many years since this Congress has addressed the issue of Indian health care. If the funding available for Indian health care had kept pace with inflation, here on this chart is where we would be. Instead, we are down here, dramatically underfunding the health care system for American Indians, and as a result, we have full-scale health care rationing. It ought to be a scandal. It ought to be on the front page of the Washington Post, but it is not. It is a scandal, as far as I am concerned. Health care rationing? That is unbelievable to me.

Let me describe this health care rationing, if I might. My colleagues have heard me speak about this before when I talked about the Indian Health Care Improvement Act, but repetition is fine, as far as I am concerned, when you are talking about something this important.

Ardel Hale Baker was having a heart attack. She was a member of the three affiliated tribes, the Mandan, Hidatsa, and Arikara Tribes. She is a member. She was having a heart attack. They put her in an ambulance and sent her to a hospital 85 miles away. When she got to the hospital, they pulled her off of the ambulance gurney to put her in a gurney for the emergency room, and they found a piece of paper taped to her thigh. The piece of paper taped to her thigh said this, it said to the hospital: This is Ardel Hale Baker. If you admit this patient to the hospital, who is having a heart attack, by the way, understand you probably will not be paid for it because there is no contract health funding left for this individual Indian.

So Ardel Hale Baker is having a heart attack, and she is wheeled into an emergency room with a piece of paper taped to her thigh that says: Oh, by the way, hospital, admit this woman, and you may not be paid.

I described the need for Indian health care in the names of two children, one 5, one age 14, both dead. Let me tell my colleagues about them, as I have before. If, after we understand these issues that are going on all around the country in Indian Country, we still say there is no need here and it doesn't matter, then there is something cold-hearted about this institution.

Let me describe Ta'shon Rain Littlelight. This beautiful young girl loved to dance, as you can see from the costume. She used to go to the powwows and dance. She was 5 years old and very sick. She was taken to the Indian health clinic again and again and again and again. They diagnosed her illness; depression, they said. So this 5-year-old girl was treated for depression. Then one day she could not bear the pain any longer. They took her to Billings, MT.

By the way, she was on the Crow Reservation in Montana. The way I know about this young girl is her grandmother came to a hearing I held with Senator TESTER on the Crow Indian Reservation in Montana, and she held up a poster this big with a picture of her grandchild, and she described her death.

After being treated for depression, after going to the clinic time and time again and being treated for depression, one day she couldn't bear the pain, and they rushed her to Billings, MT, to a hospital there, and then they rushed her to Denver, CO, to a hospital there, and they said she had 4 months to live because she had terminal cancer—this, after having been treated for depression for so many months.

Ta'shon Rain Littlelight said to her mom when they were in Denver that the one thing she wanted to do was to go see Cinderella's Castle at Disney World. The Make A Wish Foundation

took this little girl and her mother to Disney World in Orlando, FL, to see Cinderella's Castle. The night before, in the hotel, as they arrived in Orlando, the night before visiting Cinderella's Castle, Ta'shon Rain Littlelight said to her mother: Mommy, I am sorry I am sick. Mother, I am going to try to get better. She cuddled up in her mom's arms and never again woke up. She died in her mother's arms the night before she was to see Cinderella's Castle.

Her family told me this little girl spent the last 3 months of her life in unmedicated pain with a terminal illness, diagnosed as having depression. Her grandmother and her parents wonder, with decent health care, would this young girl have died? Would Ta'shon Rain Littlelight perhaps have lived? Maybe so.

Does it matter that a 5-year-old girl dies because she doesn't get the health care most all of us would expect? It does to me.

There was a 14-year-old girl named Avis Littlewind. She was on the Spirit Lake Nation Reservation. I talked to her family. I talked to her classmates in school. I talked to the Indian tribal council. I did that because Avis Littlewind was a 14-year-old girl who spent the last 3 months of her life curled up in her bed in a fetal position, desperately ill, desperately emotionally ill, with no treatment whatsoever. At the end of that 90 days, she took her own life in her bedroom.

Her sister had taken her own life 2 years prior. Her father had taken his life. She came from a very dysfunctional situation. But somehow a 14-year-old girl is not missed for 90 days? Not in school? On that reservation, they didn't have any mental health treatment capability. They told me they would have had to borrow—had someone known that Avis Littlewind, this child, was lying in bed for 90 days feeling hopeless and helpless, before she took her life—had they been able to find some mental health treatment somewhere, they would have had to borrow a car because there is no vehicle to take someone to treatment. It is a completely dysfunctional system.

These are two children who should not have died among us, but they did, and others will—perhaps today—because we have a health care system in the Indian Health Service that is not working. It is dramatically underfunded.

My colleagues who oppose the bill on the floor of the Senate recently, the Indian Health Care Improvement Act—a couple of my colleagues who voted against the act said we need reform but we are going to vote for additional funding. We are at least $2 billion short of just providing the kind of thing we would expect for us and our family.

Let me ask you this: If your aunt or your grandmother went to a doctor with bone-on-bone in a knee, so she couldn't even walk, it was so painful, a knee condition that was so unbelievably painful she could hardly move, what would we expect? Our families would expect she would get a knee operation and perhaps a new knee joint, have a replacement with a new knee.

I will tell you what happened to a woman who contacted me from the Indian Health Service. She went to the doctor with this unbelievable pain and the inability to move. She was told to wrap that knee in cabbage leaves for 4 days and it would be fine. That is not medicine, that is malpractice. What we would expect for our family would be to have a knee replacement. That is the kind of medicine we would expect. It is not the kind of medicine that is now being delivered.

Yes, there are some good people in the Indian Health Service. There are some who should not be there as well. There are people who work hard and long hours and do a great job, and my hat is off to them. There are some who, long ago, should have been fired, and no one seems willing or able to do it.

In this case, I say people are dying because we are rationing health care. That is a scandal.

I have offered an amendment that would restore $1 billion to this account. The money would be paid for by—I believe it is function 920 that will provide the payment for this. The question is, Will we decide this is a requirement, this is a responsibility? I don't know the answer to that. I have tried before. I guess some are willing to just blithely go along and act as if this doesn't exist, people are not dying, people are not suffering, or if they believe it exists, to say: You know what, it is a tough life out there, it happens. We don't have the funding.

It would have been nice, perhaps, to have told those first Americans, the American Indians, when they sat down at the table and signed the treaty and expected the Federal Government, the United States of America, to keep its promise—it would have been nice, perhaps, when the American Government signed it if they had just said: Look, we are going to try really hard, but we are not sure we can do what we are promising you we will do. We will do our best, but we are not sure we can do that.

We don't have the money, apparently, to help Ta'shon Rain Littlelight or Avis Littlewind, and we don't have the resources or the will, I guess. That is what we are told. I happen to know how much money we have to build health clinics in Iraq. I happen to know we are building 950 water projects in Iraq right now. I know how many electricity projects we are building in the country of Iraq. I know how much we are spending on road projects in the country of Iraq right now.

I went to a hearing yesterday and heard that $18 billion, most of it American money, is unaccounted for in Iraq and wasted. I went to a hearing yesterday to hear that $4 billion, most of it American money in Iraq to provide for additional equipment for Iraq's armed forces, is unaccounted for, and the head of their military who could not account for $4 million is now living in London, a big property holder. So don't tell me there is not money. How about taking some of that money and investing it here at home? How about taking some of that money and deciding to take care of our obligations and our commitments and our promises in this country?

We are going to have a long, tortured trail over this budget. I understand it. Everybody has their own sense of what is important and what is not. But if the health care for children and elders on our Indian reservations, for whom we have a trust responsibility for health care, with whom we have treaties—if that is not an urgency, if that is not something we are willing to commit to do, then, in my judgment, there is something wrong with the value system here.

I know there are so many other priorities. I look at this S. Con. Res. 70. It doesn't contain much but numbers. It is 69 pages of numbers. There are no jobs in here. There is no blood here. There is no health care here. It is just numbers. But all of these numbers mean something in a profound way. These numbers tell the American people what our priorities are and whether we are willing to keep our promises. I hope the answer from the Senate at last, at long, long last, is we will begin—at least begin to keep our promises.

If you few decide you want health care to continue as it is with respect to Indian Health Services, then you must stand up for saying: I believe in health care rationing; we are going to make a decision to withhold health care from people who need it.

The Indian Health Service—let me give an example, on the Fort Berthold Reservation, you go to a clinic that is open from 9 to 5 o'clock 5 days a week. You get sick on Saturday at 6 o'clock, or at night on a weekday, you are in trouble. You are 85 miles from the hospital.

So you go to the hospital in an ambulance that is paid for with contract health care, because they do not have that kind of capability on the reservation. So contract health care. What do they say on Indian reservations? Do not get sick after June, because there is no contract health money. If you are going to get sick, it has got to be before June. If you get sick, otherwise you end up on a gurney with a heart attack with a piece of paper attached to your leg. And the paper says: By the way, hospital, admit this woman and you may not get paid.

That is an unbelievable way for us to meet our obligations. The fact is, we are not keeping our promises. I hope somewhere in the long trail of paper, somewhere in the deep abyss of all of these numbers, perhaps there is a value system, somewhere there is a value system deep in the recesses that will get people here in the Senate to say:

You know what, one of the first obligations of this country is to keep its promises. One of the first obligations of the Senate is to stand up. It is too late for Ta'shon Rain Littlelight, it is too late for Avis Littlewind, but other children will survive and other children will live if we decide to do the right thing.

Now, I wish to say to my colleagues that I would like to offer this amendment. I am told that at some point I will be able to. If I can have a dialog with them, I wish to find out——

Mr. CONRAD. We can do that perhaps momentarily. We have worked out what we would like to be the order.

AMENDMENT NO. 4204

I send an amendment that is the side by side to the Bunning amendment to the desk.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 4204.

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

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

The amendment (No. 4204) is as follows:

(Purpose: To add a deficit-neutral reserve fund for repealing the 1993 increase in the income tax on Social Security benefits)

At the end of Title III, insert the following:

SEC. . DEFICIT-NEUTRAL RESERVE FUND FOR REPEALING THE 1993 INCREASE IN THE INCOME TAX ON SOCIAL SECURITY BENEFITS.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would repeal the 1993 increase in the income tax on Social Security benefits, by the amounts provided in such legislation for such purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

Mr. CONRAD. Next, Senator GREGG will have an opportunity to send up Senator SPECTER's amendment.

AMENDMENT NO. 4203

Mr. GREGG. Mr. President, I ask that the amendment for Senator SPECTER be called up. It is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. SPECTER, for himself, Mr. HARKIN, Ms. SNOWE, Ms. COLLINS, Mr. CASEY, Mr. KENNEDY, Mrs. DOLE, Ms. MIKULSKI, Mrs. CLINTON, Mr. LEVIN, Mr. SUNUNU, Mr. DODD, Mr. INOUYE, Mr. BROWN, Mr. MENENDEZ, Ms. STABENOW, Mr. COLEMAN, Mr. KERRY, Mr. DURBIN, Mr. STEVENS, Mr. SMITH, Mr. BINGAMAN, Mr. COCHRAN, Mr. CARDIN, and Mr. ROCKEFELLER, proposes an amendment numbered 4203.

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

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

The amendment (No. 4203) is as follows:

(Purpose: To increase funding for the National Institutes of Health and the Low Income Home Energy Assistance Program)

On page 19, line 16, increase the amount by $2,100,000,000.

On page 19, line 17, increase the amount by $2,100,000,000.

On page 21, line 16, increase the amount by $1,000,000,000.

On page 21, line 17, increase the amount by $700,000,000.

On page 21, line 21, increase the amount by $280,000,000.

On page 21, line 25, increase the amount by $20,000,000.

On page 27, line 16, decrease the amount by $3,100,000,000.

On page 27, line 17, decrease the amount by $2,800,000,000.

On page 27, line 21, decrease the amount by $280,000,000.

On page 27, line 25, decrease the amount by $20,000,000.

Mr. GREGG. I ask unanimous consent that after Senator DORGAN sends his amendment to the desk, that then Senator ALEXANDER will be recognized to offer an amendment.

Mr. CONRAD. With one alteration, if I could, that we would—if you recall, we talked about this—I would then discuss the side by side to Bunning, then the Alexander group would be recognized.

Mr. GREGG. Then the next amendment would be Senator ALEXANDER.

Mr. CONRAD. After I give brief remarks on the side by side I have sent up. Senator DORGAN can offer his amendment.

AMENDMENT NO. 4198

Mr. DORGAN. I have an amendment I have filed. It is amendment No. 4198. It is at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN], for himself, Mr. BINGAMAN, and Mr. JOHNSON, proposes an amendment numbered 4198.

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

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

The amendment (No. 4198) is as follows:

(Purpose: To increase the Indian Health Service by $1 billion in FY 2009)

On page 19, line 16, increase the amount by $1,000,000,000.

On page 19, line 17, increase the amount by $915,000,000.

On page 19, line 21, increase the amount by $70,000,000.

On page 19, line 25, increase the amount by $10,000,000.

On page 20, line 4, increase the amount by $5,000,000.

On page 27, line 16, decrease the amount by $1,000,000,000.

On page 27, line 17, decrease the amount by $915,000,000.

On page 27, line 21, decrease the amount by $70,000,000.

On page 27, line 25, decrease the amount by $10,000,000.

On page 28, line 4, decrease the amount by $5,000,000.

Mr. DORGAN. Mr. President, I have described my amendment at some length. I shall not do so again. But I do appreciate the courtesy of my colleagues, Senator CONRAD and Senator GREGG.

I ask that as you consider what you would intend to vote on as we move along this process, that you will give me the opportunity to have a recorded vote as early as is possible.

Mr. CONRAD. By the sequence we have gone through, we have gotten you in the queue. And so that will be—as we work down the amendments that have already been in order, yours is now in order. And that will be the order that is followed. So the Senator can expect when we turn to amendments, yours will be in line. We very much appreciate the extraordinary courtesy of the Senator from North Dakota, who, as I know, has had to wait a couple of times here because of various snafus. We apologize to him and thank him.

The PRESIDING OFFICER. The Chair would ask the Senator from North Dakota or New Hampshire to restate what his unanimous consent request is of the order to be pursued.

Mr. GREGG. Mr. President, as I understand it, the sequence would be, of the amendments just offered, that the side by side for Senator BUNNING of Senator CONRAD, followed by Senator SPECTER, followed by Senator DORGAN, followed by Senator ALEXANDER, who has not yet sent his to the desk.

In the intervening period, I understand the chairman wishes to take some time. That is my understanding.

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

Mr. CONRAD. That is precisely correct. I thank my colleague. I will take a few minutes to describe the side by side to the Bunning amendment earlier offered.

The Bunning amendment would repeal the 1993 increases on Social Security benefits—tax increases on Social Security benefits. The amendment would offset the $89 billion 5-year cost with reductions to function 920. What does that mean? Mandatory 920 offsets would lead to an across-the-board cut in all mandatory programs, programs such as Social Security and Medicare. I do not think that is the intention of the Senator.

If discretionary 920s were offset, it would reduce programs affecting education, veterans health, homeland security, and law enforcement. In addition, the amendment would remove a dedicated source of revenue through

the Medicare trust funds, adding to the financial problems of that key program.

Our alternative, the alternative I have sent to the desk, would provide for a reserve fund that would allow for the repeal of the 1993 increase on Social Security benefits in a way that would protect Social Security and Medicare, and not increase the deficit over the period of the resolution.

The budget resolution already includes a reserve fund with the primary purpose of providing a mechanism for enacting tax relief, provided it is paid for. This alternative would establish a new deficit-neutral reserve fund that specifically highlights repeal of the 1993 tax increase on Social Security benefits.

Over the 5-year period covered by this resolution, the cost of repealing the 1993 tax increase is about $89 billion as I earlier referenced. We have already acknowledged in the course of the debate on the resolution we have to limit ourselves when it comes to additional spending or additional tax cuts, because we need to balance the budget.

There are places we can go to cut spending or to raise revenue. I have addressed those repeatedly in terms of the tax gap, the offshore tax havens, and abusive tax shelters.

I ask my colleagues to support the alternative that I have sent to the desk that would not lead to a cut in Medicare or Social Security or other elements I identified.

With that, we would be prepared to go to Senator ALEXANDER for the presentation of his amendment. I see Senator ALEXANDER is in the Chamber. Would the Senator like a moment, or would the Senator prefer to proceed?

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. I would be happy to proceed. Senator DOMENICI is going to join me in making our presentation.

Mr. CONRAD. I thank the Senator and indicate that the intention would be, after Senator ALEXANDER and Senator DOMENICI—Senator ALEXANDER, do you have anyone else whom you wish to speak on your amendment?

Mr. ALEXANDER. Mr. President, there is no other Senator whom I know wishes to speak at this moment. Senator DOMENICI will be to the floor shortly.

Mr. CONRAD. I wish to indicate that after you have presented, the intention was to go to Senator KENNEDY for the purposes of offering an amendment. Senator SALAZAR is here.

Mr. SALAZAR. Mr. President, if the Senator will yield, I was going to speak in connection with the estate tax amendment the Senator offered.

Mr. CONRAD. Very well. I offered it in the Senator's name. It is very appropriate that he is here to speak on it.

Senator ALEXANDER, could you tell us how much time you and Senator DOMENICI may consume?

Mr. ALEXANDER. I will consume not more than 20 minutes. I would assume Senator DOMENICI would consume not more than 20 minutes.

Mr. CONRAD. Could we then have an agreement that those two Senators have up to 40 minutes combined, 20 minutes to Senator ALEXANDER, 20 minutes to Senator DOMENICI; at the end of that time, which would be at 1:40, that Senator SALAZAR be recognized.

How much time does the Senator want?

Mr. SALAZAR. Fifteen minutes.

Mr. CONRAD. Yes, so that the Senator from Colorado be recognized for 15 minutes at that time. That would take us to roughly 1:55, and Senator KENNEDY be recognized for 15 minutes at that point.

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

Mr. CONRAD. Let me add to that, after Senator KENNEDY, then Senator BIDEN be recognized for 10 minutes, not to offer an amendment but to talk about an amendment.

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

The Senator from Tennessee is recognized.

AMENDMENT NO. 4207

Mr. ALEXANDER. Mr. President, I thank the Senator from North Dakota for his courtesy. Senator DOMENICI is here and Senator SALAZAR is here.

I send to the desk an amendment and ask for its immediate consideration.

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

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

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. ALEXANDER] proposes an amendment numbered 4207.

The amendment (No. 4207) is as follows:

(Purpose: To establish a deficit-neutral reserve fund to improve energy efficiency and production)

At the end of title III, add the following:

SEC. 3_____. DEFICIT-NEUTRAL RESERVE FUND TO IMPROVE ENERGY EFFICIENCY AND PRODUCTION.

(a) IN GENERAL.—Subject to subsection (b), the Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other levels in this resolution by the amounts provided by a bill, joint resolution, amendment, motion, or conference report that would encourage—

(1) consumers to replace old conventional wood stoves with new clean wood, pellet, or corn stoves certified by the Environmental Protection Agency;

(2) consumers to install smart electricity meters in homes and businesses;

(3) the capture and storage of carbon dioxide emissions from coal projects;

(4) the development of oil and natural gas resources beneath the outer Continental Shelf; and

(5) the development of oil shale resources on public land pursuant to section 369(d) of the Energy Policy Act of 2005 (42 U.S.C. 15927(d)), without regard to section 433 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110–161).

(b) DEFICIT NEUTRALITY.—Subsection (a) applies only if the legislation described in subsection (a) would not increase the deficit over the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

Mr. CONRAD. Might I ask the Senator to withhold for 1 moment for a unanimous consent request?

Mr. ALEXANDER. I will be happy to.

AMENDMENT NO. 4196, AS MODIFIED

Mr. CONRAD. I appreciate the Senator's courtesy.

Senator SALAZAR's amendment was earlier sent to the desk. He wishes to modify his amendment. It has no effect on the policy, on the numbers, or the effect of the amendment. It is just language. I wonder if we would allow that to go forward?

The PRESIDING OFFICER. Is this amendment No. 4196?

Mr. CONRAD. That is correct. He is asking unanimous consent to modify the amendment.

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, it is so ordered.

The amendment, as modified, is as follows:

At the end of Title III, insert the following:

SEC. ____. ESTATE TAX REFORM INITIATIVE.

The Chairman of the Senate Committee on the Budget may revise the aggregates, allocations and other appropriate levels in this resolution for a bill, joint resolution, amendment, motion, or conference report that provides up to $45,000,000,000 in tax relief over the period of the total of the fiscal years 2008 through 2013 for additional estate tax reforms that address the current flaws in the estate tax law in order to protect families, family businesses, and family farms and ranches from the estate tax, by the amounts provided in such legislation for such purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

Mr. CONRAD. I thank my colleagues. I again thank Senator ALEXANDER for his courtesy.

Mr. ALEXANDER. Mr. President, we are talking this week about the Federal budget. Senator GREGG, Senator GRASSLEY, and others have pointed out, with appropriate response from the Senator from North Dakota, that in our belief we will wreck the Federal budget by raising taxes and increasing debt.

At the same time we have an obligation on our side to say what our plan is, and we have a progrowth Republican plan which we have been detailing this week which focuses on lower taxes, less government, lower energy costs, making health insurance affordable for every American, without the Government choosing your doctor, support for better schools, the support for the kind of investments it takes to increase science and technology. That has been

our plan. That has been our progrowth economic plan to help balance the family budget.

So while they would wreck the Federal budget, we would help balance the family budget, and no part of that would be more important than dealing with energy costs. Energy costs to most American families worried about the family budget come down to $3.50 gasoline or electric bills that might be constantly rising. We have the goal of making sure that in this Nation, which consumes 25 percent of all the energy in the world, that we have a realistic policy for making sure we have a low-cost supply of clean electricity, dealing with the clean air issues—nitrogen, sulfur, and mercury—and with the climate change issue, carbon, that we have a low-cost supply of clean electricity and that we gradually begin to reduce our dependence on foreign oil so we can clean up our environment, No. 1, and so we can stop shipping billions of dollars to people who are not friends of the United States, and so we can lower the price of gasoline over time to help balance the family budget.

We will have other opportunities during this year to offer proposals for keeping energy costs low, realistic proposals, not proposals that fit some desert island which uses electricity occasionally but for the United States which uses 25 percent of all the energy in the world and whose demand for energy is growing, not declining.

For example, in my part of the country, in Tennessee, we have the Tennessee Valley Authority, which is the largest utility in the country. It covers several States. They operate at about 27,000 megawatts all the time. Sometimes they go as high as 33,000 megawatts. That is 33 big, new nuclear powerplants and twice that many gas or coal plants. All that electricity for our local region is supplied by the Tennessee Valley Authority.

So we have selected five different proposals which would create a deficit-neutral reserve fund to lower energy costs for families by encouraging energy efficiency on the one hand and increasing oil and natural gas supply on the other. There are only two ways we can reduce the price of gasoline or electricity. One is to increase the supply and the other is to reduce the demand. There are other ideas, but particularly in a big economy, that is what we need to do.

No. 1, the Senator from Maine, Ms. COLLINS, has suggested one way to increase the supply of clean electricity would be to allow the Finance Committee or the Energy Committee to encourage the use of biomass by enacting legislation that would encourage the replacement of old, pre-1920s wood stoves with new EPA-certified wood pellet or corn stoves, Environmental Protection Agency certified. These new EPA-certified stoves will help families save money on heating bills because the new stoves are up to 50 percent more fuel efficient than the old stoves. Given the rise of oil and natural gas prices, this idea would produce savings that would be much appreciated by families in Maine, all of New England, and in much of America.

Secondly, the amendment allows the Finance Committee or the Energy Committee to encourage energy efficiency by enacting legislation that rewards the installation of smart electricity meters in homes and businesses. Let me give an example of what I mean by that. With this chart, we see how electricity is generated in America today. This is the reality. Half of it comes from coal, 19 percent from nuclear power, 7 from hydroelectric, 1.4 from biomass—that is what Senator COLLINS is talking about—and 20 percent from gas. We don't want the gas to go up because when it does, the price of natural gas goes up, and our chemical companies move to other parts of the world. Farmers pay four times as much for fertilizer. So we need to look for another way to create clean electricity. The first way to do that is through conservation.

Let me take the hometown example of Tennessee. The TVA is a big utility, maybe the biggest in the country, $10 billion of revenue a year. I saw an article in the newspaper that said if we have plug-in hybrid cars, we will create a lot more pollution because we will have to build new plants such as coal plants. That is dead wrong because the Tennessee Valley Authority, even though it operates at 27,000 megawatts on the average every day, that is between 3 and 7 o'clock when we are all turning on lights, coming home from work, using our electricity. The TVA has lots of spare electricity to use at night, 7 or 8,000 megawatts. That is 7 or 8 nuclear plants for the Tennessee Valley Authority. We could plug in our hybrid cars in the middle of the night without building another new nuclear plant, another new coal plant, another new any kind of plant because we have excess capacity in our region and so does virtually every other part of the country. We encourage consumers to use smart meters so they know that electricity is going to cost more between 4 and 7 o'clock and less at night.

Then if the car companies wanted to develop a plug-in hybrid car with advanced battery technology, we can operate on that electricity and reduce our dependence on foreign oil without building any new plants for that purpose. So that is the second proposal we have. The same applies to water heaters. People have their water heaters on at all times. Any utility should be able to make an agreement with the Senator from New Jersey or the Senator from Tennessee or from Colorado to say: Turn your water heater over to me and some of your other appliances, and I will turn them off and on at peak hours so your electric bill will stay flat or go down. We could save enormous amounts of electricity and avoid building new plants. That is what this amendment would do.

This would permit us to clean up existing coal plants. Here is how we would propose to do that. Forty-nine percent of our electricity is produced by coal. We are the Saudi Arabia of coal. Other countries in the world are building coal plants because it is the technology they know how to build. Some people are putting up large wind turbines. We are spending $11 billion of taxpayer money on wind turbines, but it is hard to find wind turbines on this list for the United States because it doesn't produce much energy. But coal does. What we need to do is clean up the coal production. This amendment would allow the relevant committees of Congress to give tax credits to recapture the carbon that comes from coal. A great many people are concerned about climate change and the use of carbon. This would help meet that demand in a realistic way in the near term.

A fourth idea: I said earlier there are two ways to lower the price of $3.50 gasoline. One is more supply, and one is less demand. The advanced battery technology car, the plug-in hybrid car that runs more on electricity than it does on oil, will help reduce demand. We have a proposal for that direction. Another proposal—and I am sure the Senator from New Mexico will want to say something about this—is the idea of, in appropriate places, using our existing oil and gas that exists offshore. Two years ago, the Senator from New Mexico, then chairman of the Energy Committee, pushed through legislation that permitted us to expand drilling in lease 181 in the Gulf of Mexico for oil and gas. We took some of those revenues and helped mitigate some of the problems that exist on the coast; in other words, used it for conservation purposes. For the first time, we put some of those revenues into the land and water conservation fund on a permanent basis, which has been a 40-year goal of the conservation community.

The Senator from Colorado, Mr. SALAZAR, was key to that effort. I am proud of that bipartisan effort. We could do more of that. This amendment doesn't specify exactly what we would do. That would be up to the authorizing committees. But an example of the next step might be to allow the State of Virginia, as it has asked Congress to permit it to do, to go 50 miles out and look for gas and then take half the revenue and put it in a trust fund for the State of Virginia to improve beach nourishment or to keep taxes down or to have a trust fund so the already excellent higher education system can be among the best in the world. If I were Governor of Virginia, I would want to do that. I was Governor of Tennessee, and we don't have an ocean. But many States do. If they asked for that and if they can produce more oil and gas, which will lower the price of $3.50 gasoline, then they ought to be allowed to do so.

Finally, oil shale development—the Senator from New Mexico will direct

more of his attention to the oil shale development issue—the amendment would allow the Energy Committee to enact legislation that would increase domestic oil supplies by allowing the development of oil shale deposits in green basins in Colorado, Utah, and Wyoming.

So what we have suggested is an amendment that is sponsored by Republicans, but we hope it is compelling enough to attract a great many Democrats to support it. It is an amendment that will help balance the family budget by lowering the cost of energy. It would be the Collins amendment to help use biomass—wood pellets, corn—in more efficient stoves in New England and other parts of America. It would be to create incentives for electricity meters, smart meters which could make more effective use of hybrid cars or water heaters and avoid building dozens of new powerplants. It would create room for the creation of incentives to allow existing coal plants to deal with carbon. If we want to deal with climate change in this generation, we have to deal realistically with the coal plants we have today which are producing one-half of the electricity we use in this country or 12.5 percent of all the electricity that is used in the world. To lower the cost of gasoline and natural gas or to stabilize it, we want to create new supply in two ways: By, in appropriate instances, allowing offshore drilling. We would suggest, not in this legislation but as the committee works on it, that it be offshore 30 or 50 miles and that the royalties go to conservation purposes or to the States. The final idea was to use our oil in shale.

In conclusion, there is one glaring omission in this set of five recommendations that we have made, and we need to work on it. The Senator from New Mexico is the leading Senator on this subject, but we don't have anything in our amendment about nuclear energy. I believe it is important to repeat, every time we talk about electricity, if we want to talk about realism, the United States, in the next 10 years, having control of mercury, having control of sulfur and nitrogen so it doesn't create health problems, and dealing with climate change in this generation, that after conservation, nuclear power is the only real technology we have today for that purpose.

We do want to recapture carbon from coal, but we cannot do that in a wholesale way yet. We will never be able to put up enough wind turbines to make much of a difference. Someday maybe solar thermal powerplants may make a difference. But if we are talking about the next 10 or 12 years, nuclear power will make the difference.

Here is why I am saying that. As shown on this chart, this is the clean electricity generated in the United States of America last year. Sixty-six percent of the clean electricity—meaning electricity with no sulfur, no nitrogen, no mercury, and no carbon—came from nuclear power, a technology we invented in the United States in the 1950s, that our Navy has used without one single incident in submarines since the 1950s; nuclear power that has now been adopted by France: 80 percent of their electricity is nuclear power; nuclear power that has been adopted by Japan: They build a new nuclear plant every year or so.

We appropriated $5 billion to lend to Westinghouse in this body to help China build nuclear powerplants. When are we going to get serious about cleaning up the air?

So we have ideas about that—not in this proposal. One would be to reprocess the waste, reduce it by 95 percent, so we can store it more safely. That is one idea. Another idea would be giving increased credits for the production of nuclear power. If we were to subsidize nuclear power by the kilowatt hour in way proportional to how we subsidize wind, we would be subsidizing nuclear power with about $340 billion a year.

So the Republican proposal to help balance the family budget on lower energy costs has five general areas as part of a reserve fund the appropriate committees can make a difference with. They have to do with conservation, and they have to do with increasing this supply. But what it means is, these are realistic ways to deal with the $3.50-a-gallon gas price and realistic ways to make sure we have large amounts of clean electricity, so we can deal with clean air as well as climate change in the near term instead of some later time.

This is a real proposal and not a fairytale. This is for the country that produces 25 percent of all the energy in the world and not for some desert island. This will help balance the family budget. We hope it earns strong Democratic support as well as Republican support.

Mr. President, I yield the floor. The next speaker is the Senator from New Mexico, the long-time chairman of the Energy Committee as well as the Budget Committee and the leading spokesman for nuclear power in the Senate.

Thank you.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank the Senator.

I wish to correct the record, if the Senator from Tennessee has no objection. The lease we modified, which had a moratorium on it in the offshore, was lease 181. I believe the Senator said: 187. I would not correct it, but it is commonly known as 181, so I thought we should fix it.

I am not going to speak very long because the truth of the matter is, the distinguished Senator, Mr. ALEXANDER, has done a marvelous job explaining this package. Everybody should know we Republicans tried, on a budget resolution, to come up with some ideas. Some of them are simple, but all of them are good. All of them will do some significant good for the energy problems that confront everyday people and that confront the budgets of everyday people.

It is good we sit down and say: Well, even though this is a budget resolution, can we come up with some things that will be helpful? I think we have. This amendment he has put in will attempt to bring down the price of gasoline, which would have the biggest effect on family budgets. As he says, we are looking at ways to help the family budget, while the Democratic budget we are on is going to wreck the Federal budget.

What I am going to do is talk about, quickly, things I see in this amendment that are important. First of all, as the price of gasoline at the pump continues to rise, and our level of dependence on unstable foreign regions continues to rise, we must take action every opportunity we get. But instead, when the majority has chosen to take action on their own—and they had a chance a couple months ago—they have taken action that moves things in the wrong direction.

Consider the Omnibus appropriations bill from last year. Hidden within those hundreds of pages, without transparency, were provisions that could have a profound negative effect on the Nation's energy security.

First, it contained a 1-year moratorium on final regulations on oil shale. This little amendment my good friend Senator ALEXANDER has offered says that regulation change—which was made in the back room, not open to daylight, not part of debate—be removed.

I suggest we have already, in the Omnibus Energy bill, provided whatever the citizens of this country need as protection—environmental protection and the like—for this shale development. We have a company, Shell Oil, that is spending a huge amount of money onsite to see if they can find a way to convert this shale oil so it can be used as part of America's ever-growing need for oil and related products. We should not have put a moratorium on final regulations in an appropriations bill. So it takes that away.

Secondly, in that same appropriations bill—in the dark of night, without being open to public discussion—a $4,000 fee was added to permits for drilling for oil. The Senate did not know anything about it. We have not debated it. It is the wrong direction. When you are producing something, you do not add more cost to the production and hope to get more. When you add a secret $4,000 fee, you cause less production, not more. This amendment does the right thing and says, openly and publicly: We want to address it. We take that $4,000 fee off because it never should have been there. It is moving in the wrong direction.

According to the Department of Interior, the oil shale in the United States is the equivalent of 1.23 trillion barrels of oil. As we import millions of barrels of oil and send $400 billion this year to

unstable regions of the world, the majority chooses to make it more difficult to produce American resources.

With the second provision, the majority chooses to increase the costs on small producers in my home State and others by putting this $4,000 permit fee on the drilling using ordinary rigs to drill for oil. That should not have been done, and we fix that.

The Alexander amendment takes a better approach than the majority did. It removes the impediments to producing more of the subject matter that will help us out of our dependence and makes things better for the average American in due course.

One last thing I would mention as my last observation: In this bill, we considered that on the Atlantic and Pacific side of the offshore waters, we are leaving over 15 billion barrels of oil and over 50 trillion cubic feet of natural gas in the ground. As we debate about the price impact of 60,000 barrels per day being put in the strategic petroleum reserve—our Nation's energy security asset—we leave over 1 million barrels per day locked up underground in Arctic Alaska, and we have allowed about 15 billion barrels of oil to remain locked up under our ocean.

The Alexander amendment does only what it can do, but it seeks to revisit the debate on domestic production in light of these new facts and new costs facing Americans.

The amendment also seeks to improve the efficiency and cleanliness of the way we produce and use electricity. The Senator has explained that as much as it needs to be, and better than I can, so I will say no more.

This amendment overall does not do all that we need to do to strengthen our Nation's energy security, but it is a vast progrowth improvement over the approach laid out by the majority in two provisions which I have talked about, and then we have added an additional three that are good and will help the American people.

I wish to close by saying, I am firmly convinced the American people are being hurt every day. We are being made poorer—day by day, week by week, month by month, year by year—because the cost of oil has gone up so high. Yet we have not been able to minimize our dependence, although we passed some very formidable laws to address it in time, in due course. But for now we continue to use more than we did last year and more than we did the year before. At $100-plus a barrel, there is no question we are not adjusting to that very well.

We must do everything we can to avoid that continued use. This amendment will do a little bit. If the committees that are charged with and given jurisdiction were to pass it, it would help. In the meantime, there is no question we should seek every opportunity to minimize our dependence upon foreign oil so as to permit our economy to grow again and become powerful again. This Senator is fearful we are going in the wrong direction, principally because oil is too expensive, and we must import too much of it.

Mr. President, I yield the floor and thank the Senator for permitting me to join him in his amendment today.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 4196, AS MODIFIED

Mr. SALAZAR. Mr. President, I ask unanimous consent to speak on amendment No. 4196, as modified, which Senator CONRAD offered for me earlier today.

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

Mr. SALAZAR. Mr. President, my amendment is a very simple amendment. It deals with the estate tax. What it does is set aside a deficit reserve fund that will protect family businesses and family farms and ranches from the estate tax. It is a straightforward amendment that will address the complexity of the changing estate tax law that we currently face.

Let me say at the outset that when one looks at what we are facing with respect to the estate tax in the years ahead, I think it is clear we must act to provide certainty to people with respect to their estates and to deal with issues that have been raised by Senators on the Democratic side of the aisle as well as Senators on the Republican side of the aisle.

It is clear, when you look at what is happening now with respect to current law—in 2007 and 2008, you have an effective exemption of $2 million and a top tax rate of 45 percent. When you look at the year 2009, under current law, we are looking at an effective exemption of $3.5 million and a 45-percent top tax rate. Then, in 2010, for that year, it is completely repealed, so there is no estate tax. Then, in 2011 and thereafter, you are looking at a framework of law that will effectively provide a $1 million exemption, and then we will have what is a 55-percent taxable rate, plus a potential 5-percent surtax, with respect to estates.

The reality of it is, no one knows when they are going to die. We do not know whether it is a 2008 event—2009, 2010, 2011, 2012 or 2013. So this is an area of the law which we must fix.

I am proud of the fact that our chairman of the Finance Committee, Senator BAUCUS, has started to hold hearings on the estate tax. We had one this morning in which we heard different concepts of how estates are taxed in places such as Canada, Australia, and New Zealand and different approaches to dealing with this issue. So I am hopeful as we move forward in the year ahead, we can find a bipartisan solution to deal with the estate tax issue that faces us.

For me, as one Senator, there are three principles that I will keep in mind, and I hope we all will keep in mind. First is fiscal responsibility. We have, in fact, as the chairman of the Budget Committee has so often stated over the last 7 years, created this huge mountain of debt. I think it is important for us to abide by the pay-go principles which we have adopted in this Chamber so that as we are creating new programs or as we are creating new tax cuts and we are finding ways of paying for those deficits or for those programs that we are creating, this will all become part of, hopefully, what will be a new wind that will blow upon Washington—that has started to blow upon Washington—as we need to be responsible with the fiscal resources of the Government.

The second imperative for me as we move forward with the estate tax is that we deal with those estates that don't have liquidity, as happens in the case of farmers and ranchers who sometimes have to split up their estates because of the fact that they can't find the money to be able to pay off their estate tax. That does, in fact, happen. It happens from time to time in my own State of Colorado. So I am hopeful we will be able to create a law that will allow farmers and ranchers to stay on their land.

Thirdly, as I said at the beginning, there is no way anybody can predict when they are going to die. It is important for those looking ahead at their own estates that there be some certainty with respect to the law that will apply to their assets and to their estate. Our amendment addresses all of those issues.

The estate tax is a complicated and intimidating law. It does need, in my view, serious reform. The Finance Committee will hold a number of hearings on this issue. The first amendment which Senator BAUCUS offered on a variety of middle-class tax cuts for Americans provides some relief and some certainty to American families and small businesses by ensuring that there will be no increase in the estate tax through a permanent extension of the 2009 estate tax law. I am a proud cosponsor of that amendment. I believe the manner in which we address the estate tax in that amendment is a minimal level of reform that the Congress can accomplish.

That is why I have introduced the amendment before us, which has created a deficit-neutral reserve fund for the purposes of providing additional estate tax relief. The reserve fund will provide sufficient funds to accommodate a proposal to raise the estate tax exemption to $5 million, indexed for inflation, and to lower the tax rate to 35 percent. But my amendment will not lock in the structure of the estate tax reform. It may be that we will need to provide additional relief and tailor the legislation in the Finance Committee in a manner that effectively addresses the needs of family farmers and ranchers and family businesses.

We also learned this morning in a hearing of the Senate Finance Committee there are many options for us to consider as we move forward with fixing the estate tax law. There are many

options to estate tax reform, and we should continue to work our way through the process to identify the most appropriate way to move forward on a bipartisan basis. This morning's hearing was the second estate tax hearing we have held in the Finance Committee, and we will hold a third hearing on this matter in early April. We are working through the process. We are examining the challenges posed by the current estate tax system, and we are considering a wide range of proposals to provide comprehensive, permanent, and fiscally responsible reform.

I remain committed to working with Chairman BAUCUS, Senator CONRAD, and other colleagues on the Finance Committee and in the Senate for achieving meaningful reform in the near term. My amendment and the amendment by Senator BAUCUS will help pave the way for that reform, and I urge my colleagues to support it.

I also wish to spend a few minutes speaking to the Baucus amendment, of which I am an original cosponsor. That amendment by Senator BAUCUS will take surplus funds in the budget resolution to make sure that we are taking care of the middle class of America as we move forward. What that amendment does again is, it makes the permanent extension of the 10-percent income tax bracket permanent. It addresses the extension of the increased refundable child tax credit with additional eligibility for lower income Americans and makes that permanent. It addresses the marriage penalty tax relief provisions and makes that tax relief provision permanent. It addresses the extension of the tax credit for childcare expenses, and it makes that credit a permanent credit. It addresses the increased adoption tax credit and makes that permanent, and it also addresses the estate tax issues, as I mentioned earlier.

I am hopeful that my colleagues will support both the Baucus amendment as well as the Salazar amendment.

Mr. President, I yield the floor.

Mr. CONRAD. Mr. President, is Senator KYL seeking recognition?

Mr. KYL. Mr. President, I thought I would like to respond to Senator SALAZAR while he is here, and I ask unanimous consent to have my time taken off the Republican side.

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

Mr. KYL. Mr. President, let me speak for just a few minutes in response to my colleague from Colorado because earlier today I offered an amendment which, as I gather, it would accomplish essentially the same thing as the amendment of the Senator from Colorado.

My amendment explicitly would provide in the budget an accommodation for an exempted amount of $5 million per spouse, for a total of $10 million, as part of the unified gift and estate tax exemption, and a top rate not to exceed 35 percent. As I understand it, the amendment of the Senator from Colorado would accommodate that same relief. I noted that with my amendment we also ensured that the $5 million per person exempted amount was indexed for inflation. We provide a step up in basis, the existing period of time to pay the tax. I presume, or I would gather, that those same items are included in the Senator's amendment, but he can respond to that.

I guess my point is that we have a difference between the amendment I have offered and the amendment of the Senator from Colorado. There is one difference between them, and that is this: Last year, we passed a similar amendment to the budget. No legislation was ever brought forward. Last year, the 10-percent tax bracket renewal or extension was passed unanimously, I believe, as part of the budget. The chairman of the Finance Committee never brought forth legislation to deal with that. He has advised me this year there will be no action on the death tax. We are going to have hearings, but there is not going to be any action on the Senate floor. I suspect that one of the reasons is because of the way he has approached it, the way the Senator from Colorado has approached it, which is to put the Government before the taxpayers; to say that before we can do any of this, we have to make sure the Government is made whole, which means we have to find a way to ''pay for'' the tax. That is the language that has been used. We have to ''pay for'' the tax.

I ask, why should the American taxpayers have to pay for a reduction in their own taxes, if you start with the premise that the American worker earns money, and we want the American family to keep as much money as possible in their own pockets so they can provide for the needs of their families? Also, in this time of economic downturn, we even decided we would try to put more money in their pockets, urging them to spend it as a way to try to stimulate the economy. I would think we would start from the premise that the money belongs to the taxpayers, and we want to allow taxpayers to keep as much of that money as possible.

If we are going to do taxes on one side, then we ought to hold them harmless; that is to say, if we believe their tax liability is too much or that a particular tax is wrong, as we believe that the estate tax is, that it is in desperate need of, if not repeal, at least significant reform, that the point is to reduce that estate tax burden and not to reduce it with one hand and then require a tax increase to ''pay for'' it on the other hand. How have you helped the American taxpayer if you say: We will reduce your taxes over here, but in order to keep the Government whole, we need to somehow make up the revenue for the Government because it matters more than you do, and therefore we are going to have to raise taxes on you someplace else in order to ''pay for'' this tax relief. We don't do that when we pass a farm bill around here.

The baseline for the farm bill, what we spent this year, is something just under $600 billion. If we spent the same amount of money on the farm bill next year, we would not have to ''pay for'' any of that. We would only have to ''pay for'' an increase. Yet if we are going to extend an existing tax rate, say, the 10-percent bracket of the amendment of the Senator from Colorado, the idea is somehow we have to pay for that, even though it is exactly the same bracket it is today. If we are going to extend the capital gains rate or the dividends rate or any other marginal rates, keep them exactly the same as they are today, why should we have to raise taxes permanently someplace else in order to ''pay for'' that? You only get to that conclusion if you think the Federal Government is more important than taxpayers.

Well, the way our country was founded is based on, ''We, the people.'' We created the Government. The Government is supposed to serve us, not the other way around. So you don't start from the premise that somehow, the Government has an amount of money today and no matter what happens, no matter how much we want to provide tax relief for people, the Government still has to have the same amount of money. So if we are going to provide tax relief for people, somehow we have to make up the money that we give back to the people.

If you want to provide tax relief for people, the whole idea is that they don't have to pay for it in some other way. They get to keep the money. We trust them to spend it. That is the fundamental difference I have with the amendment of the Senator from Colorado.

If the terms with respect to the amount exempted and the rate is the same—and I presume it would be—the question is, are we ever going to act on it?

My amendment will be acted on this year one way or another. We are not just going to pass it in the budget as we have in the past. This isn't just going to be a show exercise where we all vote on the budget to cut taxes, but the cuts never really materialize. Why don't they ever materialize? Because the majority doesn't bring a bill to the Senate floor and try to get the bill passed. If the bill doesn't pass, the President doesn't sign it, and there is no tax relief.

The budget is merely like the family budget. It is a goal. It is a blueprint. It is something you want to try to follow if at all possible. Yet when we pass tax relief in the budget, we are not really passing tax relief. We are just saying: This is something we would like to do. We would like to accommodate this in the budget. But if you never follow through with any action, what have you done except to fool the American people, make them think you are going to reduce taxes but you never, ever get around to actually doing it.

My amendment will be brought to the Senate floor. It doesn't have to put the Government first. We don't have to pay for it by increasing the taxes on you over here so we can cut your taxes here.

Now, my colleagues can either vote for it or against it, but we are going to get a vote on the floor of the Senate on reform for the death tax, and it will be very much along the lines of the amendment I introduced and the Senator from Colorado introduced. It will have a $5 million exemption per person, a step-up in basis for the property. It will be indexed to inflation, and it will either have one rate or two, but the top rate will not exceed 35 percent.

The difference will be we will either give tax relief to people or we won't. If we give tax relief to people, we are not going to then have to ''pay for'' it in order to keep the Federal Government whole. Government gets about a little over 1 percent of its revenues from the estate tax. This reform would still allow a huge amount of revenue to come in because there are still a lot of estates that will pay that 35 percent rate on amounts above $5 million or $10 million.

What it will do is take about 130,000 people who otherwise would have to file an estate tax return off of the rolls. They would not have to worry about it. They are the smaller businesses, the smaller farms—not the big estates but the smaller ones—that have to pay anywhere from $5,000 to $1 million to just plan around the eventuality of death, which, unfortunately, comes to all of us. So they buy insurance. They hire lawyers and accountants, and they pay a lot of money. In fact, in the aggregate, Americans pay as much money to avoid paying the tax as they pay to the Federal Government in the tax itself.

What we want to do is to get most of those people off of the rolls so they don't have to worry about it.

I certainly agree with my colleague from Colorado when he said the first principle should be certainty. We should know—especially with the death tax there should be some certainty. Well, you don't have any certainty if you don't know whether you are going to have to pay the tax. Unfortunately, the way it is right now, the way it is under the budget that has been brought before us is, you have at least 130,000 people who are going to have to file a return.

You don't know how many are going to have to actually pay the tax. What our amendment does is reduce that number to a little over 11,000, so that people don't have to spend a lot of money hiring lawyers and accountants and buying insurance on the off chance they are going to have to pay for it; nor do they have to expend large amounts of money in tax preparation—38 hours, on average, per tax form filed.

We don't want people to have to pay that amount of money. That is why we hope to get the number of filers down to something like 11,000. Then if they have to pay the tax, so be it. But the majority of Americans would be spared the tax.

Mr. SALAZAR. Will the Senator yield?

Mr. KYL. Yes.

Mr. SALAZAR. The Senator from Arizona is correct that this is a problem we have to deal with, and there are very significant similarities between our two amendments. In fact, the $45 billion fund we have created will allow for indexing and for a stepped-up basis. The key difference between the Senator's amendment and mine is that his is not paid for. The reality is we in this Congress and in the Senate and in the White House need to understand we need to be fiscally responsible. That is a debate we have had here with respect to pay-go. It is my view, given the fact we already have a $10 trillion national debt that continues to grow, we have a war that now is projected to cost over $2 trillion that we have not funded, but we have allowed that credit card debt to basically be passed on to our children, we need to be fiscally responsible.

So while we both recognize—the Senator from Arizona and I—that we need to have certainty with respect to estate tax reform—and I think we both recognize the Senator from Montana, the chairman of the Finance Committee, is doing his best to get ideas from around the country and the world on how to deal with this issue and move forward in a good-faith effort—the distinction here is whether you pay for this change.

My question to my good friend from Arizona, with whom I enjoy working on the Finance Committee, is: How would he propose that we pay for this $10 trillion mountain of debt, built up largely over the last 7 years?

Mr. KYL. Mr. President, I am happy to respond to my colleague. The debate now is not how to pay for a $10 trillion debt. We have a deficit of around $400 billion. We need to focus on not increasing the debt by increasing the amount of the deficit more than we have to. I share the Senator's goal for that.

There are three fundamental ways you can reduce the deficit. You can reduce spending—and I am going to pick two out of the three. First, you can reduce spending. I will vote for that. I have a good record around here on trying to reduce spending. Yet there isn't anything in this budget that reduces spending.

If we have a cost, the automatic action under the budget is to increase taxes, which is the second way you can do it. I reject that for the reasons I have pointed out. You don't help people by cutting their taxes here and raising their taxes over there. At best, you have created a neutral situation.

The third way, of course, is to ensure that our economic policies are progrowth policies. We don't have too much in the way of regulation, too much in the way of taxation, that the Government basically tries to get out of the way of our economy so it can grow, produce jobs, create more wealth and, with that wealth, by the way, pay more taxes, which is a good thing. One of the reasons why we are collecting today in Federal revenues above the 40-year average in tax collections, with our Federal tax policy—we are collecting roughly 18.8 percent of GDP, more than the 40-year average. The reason is we have a growing economy, although it is slowing right now, to be sure. But because that economy has been robust, even at slightly lower tax rates, we are paying more in taxes, tax revenue, because the economy has grown. So the textbook answer to my friend is you can reduce the deficit, and ultimately the debt, in one of three ways: reduce spending, increasing taxes—though it has diminishing returns; if you do it too much, you don't get revenue, you can promote economic growth and you can bring the debt down.

The last point. My colleague pointed out we were having hearings in the Finance Committee this morning and one of the witnesses there, as mentioned by my colleague, talked about what countries such as Canada, New Zealand, and Australia are doing. Do you know what they are doing? They are repealing their estate taxes. Why would they be repealing their estate taxes? This gets to the third way you make money. You grow. What happened in Australia is they found toward the end of life people with any means were moving to New Zealand, because they didn't have an estate tax. They wanted to keep them in Australia, so they decided, for competitive reasons, that they would eliminate the estate tax. So they stayed in Australia rather than moving to New Zealand. Canada and others are doing the same thing.

Our rate, now at 43 percent, which would be locked in by the budget, is far above the worldwide average, which is an 18-percent rate. A lot of countries don't have an estate tax. My answer is that our better response is, if we are not going to repeal the estate tax, reform it in a way that doesn't inhibit economic growth and enables us to compete, enables our economy to produce revenue, even at a slightly lower tax rate because, at the end of the day, that will do us all more good than trying to do what my colleague would do—raise taxes as the way to pay for a tax reduction. To me, that doesn't make the kind of sense I would want to be associated with in promoting legislation.

Let me simply yield the floor so my colleague can respond and not have to pose a question in order to make the point.

Mr. SALAZAR. Mr. President, I respect the Senator from Arizona and his raising the issue of the estate tax and its need to be reformed, as well as the fiscal crisis we face. Obviously, it will be a debate that will consume a tremendous amount of time on the part of

the Senate and the Congress and, hopefully, an administration that helps us get back on a line of fiscal integrity and honesty for the people of America.

Mr. President, I note that my friend from Massachusetts is on the floor. He has a very tight schedule. I will yield the floor. I ask unanimous consent that the Senator from Massachusetts be recognized.

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

The Senator from Massachusetts is recognized.

AMENDMENT NO. 4151

Mr. KENNEDY. Mr. President, I ask unanimous consent that the pending amendment be set aside, and I call up amendment No. 4151.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 4151.

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

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

The amendment is as follows:

(Purpose: To add a deficit-neutral reserve fund for increasing federal student loan limits to protect students against disruptions in the private credit markets)

On page 55, line 18, after the word ''program'' insert ''or increasing Federal student loan limits''.

Mr. KENNEDY. Mr. President, the amendment I am offering is intended to give additional protections for students and families struggling to pay for college.

Americans are anxious about the slumping economy and how it affects their families. They are losing their homes. They are seeing skyrocketing health costs. They wonder if they can afford today's gas prices to drive to work every day. The cost of heating their homes has jumped at least 50 percent in the last 2 years. And now they are hearing that the loans they rely on to afford the high cost of college may be at risk. Financial aid officers in some colleges are telling them that loans may not be available when the school year starts this fall.

What we are seeing is that the credit crunch that is affecting the mortgage industry and many banks and corporations may affect the ability of families to secure student loans at fair rates so their children can go to the college of their choice.

We are here today to say that we cannot allow the credit crunch to prevent our young people from going to college. The ability of young Americans to pay the high cost of college should not be determined by the quarterly earnings of banks.

There are three steps we must take to help families cope with the cost of college education. First, we must increase our commitment to Pell grants and other aid. We do that in this budget. This budget meets our promise to increase the maximum goal to $5,400 by the year 2012.

This chart represents the legislation that was passed last year where we provided additional funding for the Pell grants. The budget resolution showed that help is on the way for more than 5 million Pell grant recipients across the country. This chart illustrates how the budget resolution will help hard-pressed young people, who are in the educational system.

Second, we should make sure that secure loan options are available to students in case the market collapses. We have programs now that are backed up by the Federal Government that are not affected by the market. Those are the direct loan programs in which the Federal Government makes the loans and not the banks—and the lender of last resort program that allows guaranty agencies to become lenders with the backing of the Federal Government.

Congressman GEORGE MILLER, the chairman of the House Education Committee, and I have urged the Secretary of Education to make sure these two options are fully available to students and colleges should they be needed.

Third, we should strengthen the federally subsidized student loan program, and my amendment does that. We all know that student loans are indispensable for millions of students and parents struggling to pay for college. In the last 20 years, the cost of college has tripled, and more and more students are forced to rely on student loans to pay the high costs of a college education. In 1993, less than half of all students had to take out loans. But in 2004, nearly two-thirds had to take out loans to finance their education. This chart illustrates this point, showing the increase in students taking out loans from 1993 to 2004.

The average student now graduates with more than $19,000 in debt—a dramatic increase on the financial burden on the students and their families.

In Massachusetts, the cost of attending a 4-year public college increased 59 percent between 2001 and 2005, while family incomes only went up 20 percent. This chart illustrates where the family income increased and where the cost of attending college has increased even more.

The best way to help students and families afford college is to increase grant aid. More aid up front means fewer loans and less debt on graduation day.

Last year, the new Democratic Congress delivered on a 7-year old promise by President Bush to raise Pell grants. The maximum grant will increase to $5,400 by 2012—an increase of $1,350 over the level at which it had stagnated under this administration. This increase means that students eligible for the maximum Pell grant will have to borrow $6,000 less in loans over the course of their college career.

The effect of borrowing less saves the average student about $6,000 in a reduction of their debt. The legislation enacted last year also makes Federal loans less costly for students by reducing interest rates. These benefits, however, will be meaningless if students cannot obtain the loans to pay for the college of their choice.

The current crisis in the credit market is making it more difficult for student lenders to obtain capital. This has cut into the lenders' profit margins, causing some lenders to pull out of the student loan market and causing those operating outside the Federal loan program to cut back on lending to high-risk borrowers.

So far, the attractiveness of the guarantee in the federally subsidized program is encouraging other lenders to fill in the gaps in that program. Since interest rates in the Federal program are capped, students are protected from exorbitant interest payments.

But many families need additional loans beyond Federal loans while they are in college. We have a responsibility to ensure they can obtain the loans at affordable rates.

One step we can take is to increase the amount that students can borrow in low-interest, federally backed student loans, which means they won't have to rely on the higher cost, riskier private loan market.

The amendment I am offering today expands the deficit-neutral reserve funds for higher education in the budget resolution so that Congress can take whatever action is needed to increase the amount students can borrow under the Federal programs.

Over the last 20 years, as the cost of college has continued to skyrocket, Federal student aid has essentially remained flat. As this chart shows, the cost of attending a 4-year college has tripled—from about $4,000 in 1987 to $12,000 today. Over the same period, the amount of Federal assistance available to students in grants or loans has been essentially flat.

This goes back, if you extend these lines to 1965, to when they passed the Higher Education Act. The basis for passing the Higher Education Act in 1965 was a national commitment, which was debated in the 1960 campaign, heavily debated, that this Nation was making a commitment to the young people of this country. Any young person who was able to gain entrance into a school or college of their choice would be able to, on the basis of academic merit, put together sufficient grants and loans—and what they were able to earn themselves—to be able to go to any school or college in this country and come out relatively free from indebtedness. That was what the debate was at that time.

But look how we have betrayed that commitment.

We have seen that assistance to the students has become basically flat, but the extraordinary increase we have

seen in college costs has had a dramatic impact, obviously, on the students and their ability to go to school and on their income.

I wish to illustrate the point we are trying to make with this chart.

This is a typical family in my State of Massachusetts. Let's say the median family income is $68,000 which is higher than the national average but not by much, maybe $10,000 or so. Now, the expected family contribution is $8,000 to $10,000. The median cost of college is $17,000. So after all of the grants and loans, the family still has to make up $2,675 in unmet need. This assumes they can even, with this amount, put up the $8,000 to $10,000. Many of these families have two, three, four, or five children and are hard-pressed even to meet this kind of commitment, but they still have this to pay.

If a member of this family misses a payment, a car payment or some other credit card payment, they will be forced to pay the most exorbitant high interest rates, which will result in paying thousands and tens of thousands of dollars more in interest costs.

We address this very important point right here with this legislation. It might not seem like a very considerable amount, but it is the difference between a student going on to college or not attending college.

Mr. President, we have talked to the Budget chair on this issue, and we understand we will be moving on to other amendments. This is a very important area. The impact of the economic challenge we are facing is reflected most particularly in housing but spills over in terms of students and their families. This will only be used if we have the kind of emergency we hope will not take place, but it will ensure that this Senate is going on record to say to families in this country that we are aware of the challenges they may very well be facing, and if those develop, we are going to have some assistance for them and for their family so that the value and worthwhile effort to continue the education of their children in the family will be able to continue.

Mr. President, I thank the chairman of the committee for the opportunity to present this, and hopefully later in the discussion there might be an opportunity to have this favorably considered.

Mr. CONRAD. Mr. President, I thank Chairman KENNEDY especially for his passion and commitment to educating the children of our country.

I was raised by my grandparents. My grandmother was a schoolteacher and was only 5 feet tall. We called her Little Chief. She told us, as we were growing up, there were three priorities in our household: Education was No. 1, No. 2 was education, and No. 3 was education. We got the message.

I deeply appreciate the absolute passion and commitment that the Senator from Massachusetts shows to the education issues. It is inspiring that he is able to maintain this level of commitment over these many years and has achieved such extraordinary results, including last year.

I thought one of the greatest accomplishments of the budget resolution was the education package that Senator KENNEDY brought before the body and that passed and became law. It increased Pell grants, which reduced the cost of getting a college education by enhancing and improving the loan program. I thought it was one of the two most significant accomplishments of last year. I thought the other one was the expansion of assistance for veterans health care. That, too, became law, and it did so because it was included in the budget resolution. No one had more to do with that package than the Senator from Massachusetts, and we thank him for his leadership.

Mr. KENNEDY. Mr. President, I thank the Senator, and if he will yield for a moment, I want to thank him for his comments.

As he has mentioned, we had the opportunity to follow the rules of the Senate in getting the final resolution and judgment, which was basically supported in a very strong bipartisan way, ultimately, to move in that direction. But, as the Senator pointed out, we have provided increased opportunities to more than 5 million of the children of hard-working Americans who are hard-pressed trying to go on to continue their education with the enhanced Pell grants.

Included in that legislation was the loan forgiveness program that said: If you work in a public service profession, if you work with special needs children, if you work as an assistant district attorney, if you work as a legal aid officer, or if you work in areas of education, you will be able to get your loan forgiven.

We also, as the Senator knows, put the limitation on monthly repayment amounts, so that individuals, idealistic young people in America who want to go into some form of public service, would not pay more than 15 percent of their income to pay off their debt. This gives a pathway to millions of young people in this country who want to give something back to their local community or their State or their country through some form of public service. This will enhance their opportunity to do so.

I must say, of course, that we would not have been able to do that had we not had the chance through the Budget Committee, in compliance with the rules of the Budget Committee, to ensure that we were able to save hundreds of millions of dollars that went to deficit reduction. As a result of the leadership of the Budget chair, we were able to do something good for students but also to do something valuable and worthwhile in terms of the budget. So I thank the chairman of the committee for the opportunity and for all his cooperation and help.

Mr. President, I yield the floor.

Mr. CONRAD. I thank the Senator very much.

Next, we have Senator LINCOLN, and I would just like to ask Senator LINCOLN how much time she would seek.

Mrs. LINCOLN. No more than 10 minutes, or less.

Mr. CONRAD. We will provide up to 15 minutes off the resolution, and whatever the Senator consumes.

I would say to the Senator, at the end of her remarks, if she would withhold actually sending the amendment to the desk, that will allow Senator SUNUNU to come to the floor so that we maintain the back-and-forth order. Then, if the Senator is not here after her remarks, I will just enter her amendment so that it will be in the queue, but we will do this in a way that is fair to both sides.

Mrs. LINCOLN. Absolutely.

Mr. CONRAD. I thank the Senator very much. I thank her for all she has done to help us form this budget. I very much appreciate the effort and the energy she has brought to it.

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

Mrs. LINCOLN. Mr. President, I, too, wish to thank the Budget Committee chairman and express my appreciation for his hard work and that of the ranking member for their diligence throughout this budget process.

I would also like to thank my colleague from Massachusetts for the many ways that he affects the lives of Americans all across this great Nation in support of a multitude of things but without a doubt in terms of higher education and in making that opportunity available to young adults across this country who want to reach their potential, who want to give back to their country, and through reaching that potential are able to add more of the gift they have to give this world and certainly to our Nation. His tireless work in those areas has been unbelievably important to students in Arkansas—I know myself, having gone to school with a student loan—but without a doubt realizing that potential, realizing that opportunity, and making it available for Americans all across this country. Senator KENNEDY has done tremendous work, and we applaud that.

I also again want to applaud Chairman CONRAD, who has done a phenomenal job in bringing together a budget that I believe truly reflects the values of this country and the values of the American people. The budget is a blueprint document. It is a place for us to really express our priorities as a Congress. We move forward with a budget that we hope reflects the things we hear from our constituencies and the ways they want to see their Nation, their Government, investing in this country.

They want to see us investing in the education, the human capital that is going to continue to make this country great. They want to see us investing in infrastructure and in children, in health care and in opportunity, where we can improve on all of these many

things; investments in rural America as well as the needs that exist in our urban areas.

It is a tough job to balance all of that and truly reflect our values as Americans, because we are diverse. It is one of the greatest things about being a part of this Nation, to know that region upon region is different, and individuals in those regions are different. But the fact is, we are all under one common denominator—Americans. As a country and as a government, we want to see that investment in who we all are. I think the chairman has painstakingly looked at how we combine in this budget the values, the morals, and the issues of who we are and the investments we want to make and setting those as priorities as we move forward in the process we have.

My purpose for rising today is a simple one, and that is to better ensure that the men and women who have courageously served our Nation in uniform receive the benefits to which they are entitled in a more timely manner.

Last year, we came before the Budget Committee and set forth our priorities. One was very similar to what Senator KENNEDY was just visiting about, and that was to ensure that our Guard and Reserve are going to get the educational benefits they deserve, the ones they had earned.

Our Guard and Reserve have been called to duty in a much different way in the conflict in Iraq and Afghanistan than we have seen ever before, and making sure their rewards and their incentives for education are commensurate with the Active-Duty members they are fighting alongside is important. We were successful with that, we were successful in ensuring their ability to access those benefits in a timely way, because before they only had 1 year. Now we have given them more time to be able to access those benefits when they return home out of theater and out of Active Duty.

This, again, is another issue in terms of timeliness, in how we respond to our veterans and the courageous men and women who serve us. The amendment that will be offered on my behalf momentarily—and I will be offering it with my friend and colleague from Maine, Senator OLYMPIA SNOWE—would do just that on timeliness. We are joined by Senators BIDEN, CLINTON, MIKULSKI, and PRYOR.

Mr. President, I would also like to ask unanimous consent that my colleague, Senator LIEBERMAN, be added as a cosponsor as well.

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

Mrs. LINCOLN. I would also note that we had 25 Senators who joined us in a letter to the Budget Committee recently requesting this as a priority in the budget, and I would encourage my colleagues to take a look at this amendment and join us because it is truly the right thing to do. This amendment would provide an additional $50 million for the Veterans Benefits Administration.

In the scheme of things, and how we talk about things in Washington, $50 million is not a great deal. It is not a huge amount in the overall scheme of the dollars we talk about in our Nation's budget. But we believe it can truly make a difference in providing the Veterans Benefits Administration with the additional resources it desperately needs to more effectively meet its increasing workload and its unacceptability in terms of the large backlog of pending claims.

In recent years, Congress has taken the lead in tackling the claims backlog and improving the management of the VBA. In last year's budget, much needed resources were provided to increase the number of claims processing staff essential to reducing the pending claims backlog and improving the timeliness of that claims process.

There is not a Member in this body, I am sure, who has not dealt with, in their constituent services and their casework, the issues of veterans' benefits that have been backlogged, the time it takes to get these veterans the benefits they deserve. They have fought hard for this country and need and deserve those benefits.

The leadership and guidance of Chairman AKAKA and Chairman CONRAD and their staffs certainly made all of this possible. Today we seek to invest further in the commitment we already made in last year's budget and what we were pushing forward and were successful in, in terms of additional funding for the VBA dealing with that backlog of cases.

According to the Veterans Benefits Administration's Workload Report from March 8, 2008, the total number of pending compensation and pension claims was 666,710. That was up from 627,429 this time last year. So we are seeing an increase in our caseload while all the while we still have a backlog in those cases that are pending.

The amount that has been pending for more than 180 days is nearly 27 percent. Additionally, claims requiring a disability rating determination, which are the most time consuming and resource intensive to the process, have increased more than 50 percent since 2003.

This is inexcusable—veterans who return home from Iraq and Afghanistan, veterans who are out there with disability claims from other circumstances, who have been put into these backlogs. It is continuing to grow. We are only asking for $50 million to be able to improve upon that situation for these veterans.

Between the fiscal year 2000 and fiscal year 2007, the number of filed claims increased 45 percent, from almost 579,000 to 838,000. For fiscal year 2009, the VA, which has consistently underestimated its workload in the past, projects the number to increase to approximately 872,000. These numbers are increasing and we have to get a handle on it so we can stop those overloads and certainly the workloads that are backlogged.

Further, the VA cautions that ongoing hostilities in Iraq and Afghanistan could increase its workload even further. So we know unfortunately there is not going to be a lessening. There is only, more than likely, going to be an increase. We have to make sure we have the resources there.

In light of all these mounting challenges, this amendment would provide an additional $50 million to the VBA's general administration account so it would have the flexibility to explore pilot programs and invest more in training or technology initiatives to help tackle the claims backlog. This is not a process that is going to go away if we do not address it. It is simply not fair to our veterans.

It complements the recommendations that are provided in the Budget Views and Estimates from both the House and Senate Committees on Veterans' Affairs. As discussed in those documents——

(Disturbance in the Visitors' Gallery.)

The ACTING PRESIDENT pro tempore. The Senator will suspend. The Sergeant at Arms will restore order.

Mr. CONRAD. I ask for a recess subject to the call of the Chair.

RECESS SUBJECT TO THE CALL OF THE CHAIR

The ACTING PRESIDENT pro tempore. The Senate will stand in recess while the Sergeant at Arms clears the gallery.

Thereupon, the Senate, at 2:21 p.m., recessed until 2:22 p.m. and reassembled when called to order by the Acting President pro tempore (Mr. CARDIN).

The ACTING PRESIDENT pro tempore. The Senator from Arkansas may continue.

Mrs. LINCOLN. Mr. President, there are many passionate pleas we hear across our country. Hopefully, the passionate pleas we make here on the floor of the Senate on behalf of our constituents can be seen as passionate as many we witness—some here today, and certainly others. I continue with my passionate plea on behalf of the soldiers, the brave American men and women who serve this great country. In what we have seen in the backlog, through the Veterans' Administration, certainly it is an indication that we can do a better job in providing those benefits to the service men and women who have done such a courageous job on behalf of this great Nation and all of us.

What I recommended in my amendment are recommendations that I think complement the recommendations provided in the Budget Views and Estimates from both the House and Senate Committees on Veterans' Affairs. Again, I thank Chairman AKAKA for all of his hard work and Chairman CONRAD for working with us on this issue.

Our veterans are a very passionate issue to many of us, coming from a

family where my dad was an infantryman in Korea. We talked earlier about the impression our families leave on us. Senator CONRAD mentioned his grandmother who believed in education. I grew up in a household very much like that. My husband did as well. My husband's grandmother is going to be 111 this year and she is still preaching education. She is still on her own, still out there making sure that every child who got her Christmas letter this year knew the importance of education. Certainly, without a doubt, those of us who grew up in households that had tremendous respect for the patriots, the brave and courageous men and women who serve this country in the Armed Forces, deserve that same kind of passion.

We discussed in those documents, coming to a close here, that it is imperative for the Veterans Benefits Administration to make greater investments in the training programs to prepare new hires for the complicated process of compensation claims adjudication.

Additionally, workload production initiatives such as technological improvements offer the hope of reducing additionally the average time for a claims decision. The brave men and women who have served our Nation in uniform should be a priority for each one of us. As we hear all kinds of conversation and talk about people's positions on whether we should be in conflict, whether we should be engaged in war, there should be no debate, there should be no conflict, in whether those who are serving this country in uniform deserve to be sure that the benefits they have earned and they deserve are rightly in place for them, and something they can use, not set about waiting 180 days to hear back from somebody to tell them they have yet another 180 days to wait until they actually get those benefits. The number of veterans who contact my office for help grows each year, and I am sure it does in the offices of many of my colleagues. Unfortunately, the backlog is often denying them the benefits they desperately need for years; not just weeks or days, but years. It is simply unacceptable.

The lessons ingrained in me since childhood have taught me that after a person has served in the military, we should make absolutely every effort, not just priority but every effort, to fund and make real their benefits and to honor those individuals who have earned them and care for them and their families, those who have served this great country. It is the least we can do for those to whom we owe so much. It is the least we can do to reassure future generations, and those who are serving in the field today, that a grateful nation will not forget them when their military service is complete.

Mr. President, I thank the chairmen for working with us, hopefully, again, as passionately as the passion that has been displayed in this Chamber today about people's views on military service and certainly the conflict in Iraq. We can make good on the promise we made to our soldiers who have served so courageously and bravely.

I thank the Chair, and I yield back the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. CONRAD. Mr. President, under the agreed upon order, Senator SUNUNU was to be next. Do we know if Senator SUNUNU is on his way? Under the agreed upon order, Senator SUNUNU was to be next. He was to be here at 2:30.

The plan is this. I should do this through the Chair. I say to the Chair, the intention is, the agreement was Senator SUNUNU—we are running a little bit ahead of schedule, but Senator SUNUNU will be here shortly. He will go for approximately 15 minutes. Then we will come back.

Mr. GREGG. Then we will call up Senator LINCOLN's amendment?

Mr. CONRAD. Yes, we will call up Senator LINCOLN's amendment. So we will be back and forth.

Mr. GREGG. Then we are supposed to go to Senator ALEXANDER.

Mr. CONRAD. We will then go to Senator SANDERS for 15 minutes?

Mr. SANDERS. Twenty.

Mr. CONRAD. Then we will come back to Senator ALEXANDER and then we will come back to Senator NELSON.

Mr. GREGG. If the Senator will yield, then we will be out of order.

Mr. CONRAD. We will not let people send up their amendments. We will make sure that we maintain the order as we have previously, so that we will keep going back and forth.

Senator SUNUNU will send up his amendment; then we will send up Senator LINCOLN's amendment; Senator SANDERS, we will ask him to withhold so we are not out of order, we ask him to withhold; Senator ALEXANDER could send up his amendment; then we will enter Senator SANDER's amendment.

Mr. GREGG. Senator SUNUNU tells me he only needs 5 to 10 minutes.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire is recognized.

AMENDMENT NO. 4221

Mr. SUNUNU. Mr. President, I certainly wish to thank the Chairman of the Budget Committee for recognizing the frugality of us from the Granite State. Whether it is money or time, we try to be concise, try to be direct, and try to use what resources we have very wisely.

(Purpose: To save lives, promote overall health care efficiency, and lower the cost for the delivery of health care services by facilitating the deployment and use of electronic prescribing technologies by physicians)

I ask unanimous consent that any pending amendments be set aside and I send an amendment to the desk.

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

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SUNUNU] proposes an amendment numbered 4221.

The amendment (No. 4221) is as follows:

On page 62, between lines 3 and 4, insert the following:

(3) ELECTRONIC PRESCRIBING.—The Chairman of the Senate Committee on the Budget may revise the allocations, aggregates, and other levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that promote the deployment and use of electronic prescribing technologies through financial incentives, including grants and bonus payments, and potential adjustments in the Medicare reimbursement mechanisms for physicians, by the amounts provided in such legislation for those purposes, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

Mr. SUNUNU. In calling up this amendment, I wish to make sure this budget resolution effectively addresses the issue of health information technology. I know the issue was addressed, in part, in the construction of the budget resolution, but I think we have a historic opportunity to enact legislation this year that makes a difference, and the kind of technology available to providers, to doctors and nurses, to patients, technology that improves efficiency, reduces medical errors, and improves the quality of care, not for thousands but for millions of Americans, especially older Americans on Medicare.

A lot of these benefits were recognized in the resolution, but I think we need to go further. We need to make sure this budget resolution, and the health care fund that was established in it, focuses on electronic prescribing in particular.

While there are a number of areas of health care information technology that have great potential, this is an area of health care IT, electronic prescriptions, whose time is now. In hundreds of thousands of places around the country, electronic prescribing systems are being used, being used effectively, to save time, to save money, to reduce unnecessary errors in the dispensing of medicine, ultimately improving the quality of care and reducing costs.

I think it is essential that this budget resolution focus on electronic prescribing and legislation to expand the use and access of electronic prescriptions because it is something we can get done this year. There is a lot of partisanship, a lot of differences of opinion on many different parts of this budget resolution. But in this particular area, we have a bipartisan approach. This has been introduced, and Senator KERRY, Senator ENSIGN, Senator STABENOW, and I have crafted electronic prescribing legislation that will do all these things and I think more.

It reduces the number of errors, it increases the usage of electronic prescriptions. As I say, in the end, I think

it significantly improves the Medicare Program for all our seniors. It is legislation that is ready to go. It is legislation that can be enacted today. It is legislation that has bipartisan support.

The way we make this difference, the way we improve the acceptance of electronic prescribing is, first and foremost, by providing some incentives, some costs and funding to physicians to purchase the systems, to purchase the software, to fund the hand-held units that are especially valuable in remote locations or rural areas.

So we have grants to make those systems available. Second, we provide a bonus, Medicare provides reimbursement to physicians who are using an electronic prescription system. We give them a 1-percent bonus in their reimbursement rate. We do this over a 3-year period. Then, at the end of that period, grants and incentives for those who have not been able to or have not been willing to use electronic prescription systems, we have a penalty.

Even with that penalty provision, we do allow the head of Health and Human Services to make exceptions because there are some underserved parts of the country, rural parts of the country, where such a system might not be as effective or as feasible. But in the vast majority of networks and provider systems and parts of the country, this is a technology whose time has come.

There are over 1 million cases a year where a mistake is made, where there is an adverse reaction because of a mistake in issuing a prescription. If this legislation can even reduce a fraction of those errors, we will have done a great deal to improve the health care system under Medicare for our seniors.

Because of the impact this legislation has, it has actually been evaluated as saving Medicare money in the near term, saving Medicare between $1 and $3 billion a year in the long term. There are not many pieces of legislation where you can say we are reducing the cost of the program for the taxpayers and improving the quality of care and the options available to the beneficiaries, to the seniors, and the retirees who depend on Medicare every day.

So this amendment would add to the language that establishes a health care technology fund to make clear that our priority within that fund needs to be on legislation to improve access to electronic prescriptions; that such legislation should use financial incentives; it should provide grants to purchase equipment; it should include bonus payments; in the long run it should even consider changing the allocations of those who are not willing to use this incredibly valuable technology that is available today.

I think this is an amendment that makes the reserve fund for health information technology even stronger. It sets the priorities in the right way. I urge my colleagues to support its adoption.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from Washington.

AMENDMENT NO. 4194

(Purpose: To provide the Veterans Benefits Administration with additional resources to more effectively meet their increasing workload and to better address the unacceptably large claims backlog)

Mrs. MURRAY. Mr. President, before my colleague speaks, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, the pending amendment is set aside in order for the Senator to offer the amendment.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Washington [Mrs. MURRAY], for Mrs. LINCOLN, Ms. SNOWE, Ms. MIKULSKI, Mr. PRYOR, Mr. BIDEN, Mrs. CLINTON, and Mr. LIEBERMAN, proposes an amendment numbered 4194.

The amendment (No. 4194) is as follows:

On page 23, line 16, increase the amount by $50,000,000.

On page 23, line 17, increase the amount by $44,000,000.

On page 23, line 21, increase the amount by $5,000,000.

On page 23, line 25, increase the amount by $1,000,000.

On page 27, line 16, decrease the amount by $50,000,000.

On page 27, line 17, decrease the amount by $44,000,000.

On page 27, line 21, decrease the amount by $5,000,000.

On page 27, line 25, decrease the amount by $1,000,000.

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

Mr. SANDERS. My understanding, I ask Senator MURRAY, is that my amendment will be called up later this afternoon; is that correct?

Mrs. MURRAY. The Senator is correct. We will be offering his amendment later.

Mr. SANDERS. I thank the Senator very much.

Mr. President, I find it interesting that almost every candidate for President today is talking about change. It is not only the candidates for President. For candidates at every level across this country, the mantra out there is: change, change, change.

And the reason the candidates at all levels are talking about change is they understand something. They understand that from one end of our country to the other, by vast majority, the American people want to move America in a new direction. They want a new set of national priorities.

The American people are angry. They are frustrated with the status quo, with politics as usual, and they want action not talk. They want action from their elected officials.

The American people are tired of paying $3.20 for a gallon of gas, when ExxonMobil is enjoying recordbreaking profits. The American people are tired of paying more and more for health care, and over 8 million Americans have lost their health insurance since President Bush has been in office, while the insurance companies and the pharmaceutical industry continues to rip them off.

The American people are tired of seeing their good-paying jobs go to China or the other low-wage countries while they work 50 or 60 hours a week to pay the bills. When we talk about the economy today, let's not forget the American people now work the longest hours of any people in the industrialized world. People are working incredibly long hours, two or three jobs, to pay the bills.

Most importantly, the American people are deeply worried that the American dream is disappearing, that no matter how hard they work, no matter how many hours they spend on the job, that for the first time in the modern history of the United States, their kids will likely have a lower standard of living than they do.

From a values perspective, I believe the American people are tired of the culture of greed which has been so pervasive in recent years, a culture which says: Yes, I am rich and I am powerful and I have billions and I want billions more. I do not care about anybody else in our society; I have got it; I want more.

That is the culture of greed which is so pervasive in our society today. The amendment that will be offered today, that I am offering, is cosponsored by Senators KENNEDY, DURBIN, CLINTON, HARKIN, SCHUMER, BROWN, and MIKULSKI. I am quite confident that if this amendment is adopted, it will not be solving all the problems facing our country.

But on the other hand, if this amendment is passed, it will begin to move America in a very different direction, with a very different set of moral and economic values. This amendment will tell the American people we understand that Washington must adopt a new set of national priorities, that we must be concerned not with the wealthy and the powerful who have so much influence over what goes on in Congress but that the time is long overdue for Congress to begin paying attention to the needs of the middle class and low-income people who have been ignored and left behind year after year after year.

I am very proud to tell you my amendment has been endorsed by over 50 groups representing tens of millions of Americans. These groups include the AFL–CIO, AFCSME, the National Education Association, the Children's Defense Fund, the American Federation of Teachers, the YWCA, and the National Organization of Women, among many other groups.

The budget President Bush recently sent to Congress was nothing less than a disaster. It gave much to those who did not need any help, while it took from those who need help, including those living in desperation.

As I mentioned to the people in my home State of Vermont, it was a Robin Hood proposal in reverse. It took from the poor and it gave to the rich. As a member of the Budget Committee, I am happy to say that under Chairman CONRAD's leadership and hard work, the budget we passed out of committee was far superior to what the President proposed and is quite a reasonable document.

I think we can improve upon that document. We can improve upon that budget. That is why I am offering this amendment today with my colleagues who are cosponsoring it.

This amendment addresses three major trends in American society that we must deal with in the budget process.

First, the United States has the most unequal distribution of wealth and income of any major nation in the industrialized world; and the gap between the very rich and everyone else is growing wider.

Secondly, it is a national disgrace that here in the United States of America, this great Nation we are so proud of, that we have by far the highest rate of childhood poverty of any major country on Earth.

And third, year after year, we have had recordbreaking deficits, and our national debt is now approaching $10 trillion, a grossly unfair burden to leave to our children and grandchildren and, in fact, a staggering sum of money which is economically unsustainable.

This amendment addresses all three of those issues.

The amendment I am offering today puts the needs of our children, working families, seniors on fixed incomes, persons with disabilities, and the middle class ahead of the needs of the wealthy.

It says to the wealthy: You do not need any more tax relief when the middle class is shrinking, when poverty is increasing, and when the top 1-percent level has never had it so good since the 1920s.

It says to my colleagues in the Senate, let's get our priorities right. Specifically, this amendment simply restores the top income tax bracket to 39.6 percent for households earning more than $1 million per year and uses that revenue to address the most urgent unmet needs of our children, for job creation, and for deficit reduction.

Mr. President, 99.7 percent of Americans would not be impacted by this amendment. The only families that would be impacted are those earning at least $1 million a year. That is the top three-tenths of 1 percent. What we are simply doing is asking that the upper tax rates go back to where they were during the Clinton administration when, I remind my colleagues, the economy was far stronger.

According to the Joint Tax Committee, restoring the top income tax bracket for people making more than $1 million to what it was in 2000 would increase revenue by $32.5 billion over the next 3 years, including $10.8 billion in fiscal year 2009 alone. Instead of giving $32.5 billion in tax breaks to the very wealthiest people, including people who have billions and billions of dollars, people who really don't need any more tax breaks, this amendment would invest money in the following areas over the next 3 years.

It would put $10 billion into special education, into the Individuals with Disabilities Education Act. Over 30 years ago, the Federal Government made a promise that it would fund 40 percent of the cost of special education. Unfortunately, the Federal Government—shock of all shocks—has not kept its promise. Today we only spend about 17 percent of the cost of special ed. What does this mean? I can tell you what it means in Vermont and I am sure it is the same all over the country. School districts are faced with growing costs regarding an influx of special ed kids. Property taxes are going up to accommodate those increased costs, and kids with special ed needs do not get the attention they deserve. This amendment begins to reverse that process, begins to tell school districts all over America that we are going to keep our promise. We will begin adequately funding special education.

Secondly, this amendment increases Head Start funding by $5 billion over the next 3 years. The simple truth is, Head Start works. Its goal is to make sure that when low-income kids get into kindergarten or the first grade, they are not already far behind everybody else so that by the time they are in the fourth or fifth grade, they have given up, they have dropped out intellectually. Head Start works. The problem is, there are many families who want to take advantage of Head Start, but communities don't have the resources to open the doors for those kids. After adjusting for inflation, Head Start has been cut by 11 percent compared to fiscal year 2002. Boy, is that moving in the wrong direction. Meanwhile, less than half of all eligible kids are enrolled in Head Start and only 3 percent of eligible children are enrolled in Early Head Start.

This amendment will not solve all of those problems, but $5 billion will help open the doors to large numbers of kids who desperately need Head Start education.

This amendment would also provide $4 billion for the Child Care Development Block Grant Program. I can tell you the issue of childcare is one of those issues that we have managed in Congress to sweep under the rug, from one end of this country to the other. Where you have mom and dad both working, where is that working family going to find the affordable, quality childcare they desperately need? We tell single moms, go out and work, but we forgot to tell them where they are going to find the childcare they need to take care of their kids. This amendment begins to do that with a $4 billion increase for the Child Care Development Block Grant Program.

This amendment would provide $3.5 billion more for the Food Stamp Program. I don't have to tell my colleagues that in the United States, shamefully, disgracefully, we are seeing more and more of our citizens go hungry. I know in Vermont, and I expect in communities all over the country, we are seeing working people, not unemployed people, working people going to food shelves to get the food they need to take care of their families. That is not the way it should be. This $3.5 billion increase for food stamps is a step forward.

This amendment would also increase funding for LIHEAP, the Low-Income Home Energy Assistance Program, by $4 billion. In Vermont and other States, it gets very cold in the winter. We have seniors living on fixed incomes who cannot pay the rapidly escalating cost of home heating oil. LIHEAP is a successful program. It is underfunded. Nobody should go cold, and we put $4 billion into LIHEAP.

We also provide more for school construction. Not only is it terribly important that our kids study in decent schools, schools that are not falling apart, schools which are energy efficient, but by putting money into school construction, we create a lot of good-paying jobs, and that is what that provision does.

Finally, last but certainly not least, this amendment would also reduce the deficit by $3 billion. In other words, at a time when we have seen recordbreaking deficits, we are now closing in on a $10 trillion national debt. This amendment takes a small step forward in lowering this year's deficit.

Let me quote from a letter I received in support of this amendment from over 50 groups across the country, including the AFL–CIO, AFSCME, the NEA, the Children's Defense Fund, the American Federation of Teachers, the WYCA, the National Head Start Organization, SEIU, and the National Organization for Women, among others:

> The economic downturn is creating a crisis for parents who work hard but struggle to afford nutritious meals as food prices escalate; to pay for energy for their homes and fuel for their cars; to pay for child care so that they can work; and to assure that their young children receive the building blocks of a solid education to prepare them for the future. Programs that assist in meeting these needs have been cut significantly in recent years, while tax breaks for millionaires have soared. Your amendment addresses these needs. . . .We are urging the Senate to adopt your fiscally responsible amendment to address the pressing needs of working families while restoring greater progressivity to the tax system.

I thank these organizations that represent tens and tens of millions of working Americans.

The choice we face is simple. A lot of rhetoric goes on around here. It is pretty warm in this Chamber, and it is not only from the heat. It is from a lot of hot air from all of us. The time for talk is over and the time for action is now. This amendment will not solve all the

problems, but it does say to the American people that the time is long overdue for us to move in a new direction. It is a very simple choice we have to make. The richest people in this country have not had it so good since the 1920s. Frankly, they do not need any more tax breaks. They are doing just fine. But our children are not doing just fine. Senior citizens on fixed incomes are not doing just fine. What this amendment begins to do is to develop a new set of priorities for our Nation. It tells the people we understand that working people are in trouble, they need assistance, and that the time is now to ask the wealthiest people to rejoin the United States and to help us address some of our major social needs.

My understanding is that later this afternoon this amendment will be offered.

I thank the Chair and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

Mr. GREGG. Mr. President, the game plan, as the Presiding Officer laid out, is to go to Senator ALEXANDER and then come back. We will go to the Sanders amendment and then come back. I am not sure which is next, but there will be another amendment from our side.

I wanted to respond briefly to Senator SANDERS. I respect Senator SANDERS because he believes fervently in his view of the way Government should work, which is, we should keep making it bigger and keep raising taxes to accomplish that. I have to disagree with the basic philosophy that the present tax law isn't effectively raising taxes from high-income Americans. The simple fact is, over the last 4 years especially, we have seen a higher growth in revenues than we have ever seen before. That growth in revenues has come from wealthy, high-income Americans.

Today under this tax law, we have a more progressive tax system than was in place under President Clinton. The lowest 40 percent of wage earners who don't pay income taxes, for all intents and purposes—some pay, but the majority do not; they actually get money back under the earned income tax credit—are getting about twice as much back today under our tax laws than they got back under President Clinton's term. The highest percentage income earners, the top 20 percent, are paying more into the Federal Government than they were paying into the Federal Government under the Clinton years. I think it was 82 percent of Federal revenues came from the top 20 percent of income tax payers under President Clinton. Today almost 85 percent of revenues come from the top 20 percent of income earners. That is a progressive system—lower income people getting more back; higher income people paying more of the burden.

The reason it works this way under our tax laws is that we have created a fair and level playing field where people are willing to do taxable investment. Somebody who has income of significant levels has two options. They can take action to invest in a way which takes risks and generates jobs and also is taxable, or they can take action which takes risks, hopefully generates jobs, and probably isn't taxable because they use our tax laws in order to legally position their money so they don't have to pay the tax burden. It is only human nature, as has been proven over and over again, that if you get the tax rates up too high, higher income people start to use legal means to reduce their tax burden. But if you get the tax burden set correctly, then higher income people take the risk, pursue entrepreneurship, and create jobs, all of which generates income to the Federal Government. That is what is happening today.

Mr. SANDERS. Will the Senator yield?

Mr. GREGG. I will yield after I finish making my comment.

The point is, what is the right tax burden. If you have a progressive system where 85 percent of your revenue is coming from one group, the high-income people, and the bottom income folks are getting much more back than they got back historically, you have a progressive system. If you are generating more revenue than you have ever historically generated over a 4-year period, and you are well above the average amount the Federal Government receives, then you have a pretty reasonable tax structure which is giving a fair amount of revenue to the Federal Government. In fact, as a percent, we are well over what is the norm over the last 20 years.

I argue that the tax structure which we presently have in place is working to the benefit of the Federal Government in getting more revenue which is being spent rather aggressively by the other side of the aisle. The Senator from Vermont says: Let's just raise it some more. Raise that tax some more, and we will get even more revenue. I would argue that when you start to jump those rates back up, you will probably not get more revenue. You will dampen economic activity. You will cause people to take action which causes them to invest in a way which reduces their tax liability. You will probably end up reducing revenues with that type of action. It is human nature, and human nature in a capitalist system tends to produce revenues when you have fair taxes and tends to reduce revenues when you have an overly burdened tax system.

I am happy to yield.

Mr. SANDERS. I don't know if it is a New England characteristic that I share, but we make the same points over and over again. The Senator is the ranking member of the Budget Committee. He has heard my point. Let me make it again.

My friend from New Hampshire, from the other side of the Connecticut River, says we have a progressive system. My God, those rich people are paying a fortune. Well, wealthy people do pay a lot. Do you know why? The richest people in this country are earning far more than they used to, while the middle class is shrinking and poverty is increasing. For example, according to Forbes magazine, the collective net worth of the wealthiest 400 Americans increased by $290 billion last year—400 families, $290 billion. The wealthiest 1 percent earn more income than the bottom 50 percent. Yes, my friend from New Hampshire, I do know they pay more in taxes. The reason is, they get all of the money.

Every economist understands that in recent years what has been going on is the middle class is shrinking, real income is going down, and poverty is increasing. The rich are making out like bandits. Yes, they are paying more in taxes because they are making a huge amount more. That is not progressive taxation. What that is about is the fact that we have the most unfair distribution of wealth and income of any major nation on Earth.

I ask my friend, don't you agree with me? That is my question. Of course, you do.

Mr. GREGG. My answer to the Senator from Vermont is, we get two things from Vermont and New Hampshire: bad weather and bad economics.

At this point, I will yield the floor and allow the Senator from Tennessee to pursue his amendment.

The PRESIDING OFFICER (Mrs. MCCASKILL). The Senator from Tennessee is recognized.

Mr. ALEXANDER. Madam President, I wonder if I might ask the Senator from New Hampshire a question before he leaves the floor.

Mr. GREGG. Madam President, if the Senator has time, I will be happy to try to respond to a question.

Mr. ALEXANDER. Madam President, I have some vague memory in my mind that in the late 1960s, or some time in that time period, a millionaire's tax was proposed. I am wondering if the Senator from New Hampshire remembers that and remembers how many millionaires it was to apply to, how many rich people was it whose money they were going to get?

Mr. GREGG. Madam President, if the Senator will yield, it is the Senator's time, so let me put it in the form of a question to ask him back.

It is my understanding—and I believe the Senator would agree with this—at the time it was supposed to be the top 1 percent of taxpayers. It turned out it exploded over the years. It was supposed to apply to 1 million people. It has ended up applying to potentially 20 million people.

Mr. ALEXANDER. Madam President, the great danger with these conversations about ''let's get the rich'' is, we got 115 of them, I think, with the so-called AMT tax. Today it traps, according to the Senator from New Hampshire, 20 million Americans. That seems to be the way things go.

So I thank the Senator for his time, and I wish to move on to a different

subject. We are talking really—it is the same subject—about the Federal budget and how to fix the family budget. The Senator from New Hampshire has eloquently described how the Democratic budget will wreck the Federal budget by raising taxes—which we have just had a beautiful speech about the need for higher taxes—more debt, and more spending. That is one view of how we move ahead in this country.

The view on this side is that we wish to help balance the family budget.

Now, the subject I wish to talk about has to do with where most families get their jobs. We balance the family budget by lower energy prices, which we talked about earlier, by lower taxes—that is one way to do that—by helping every American have access to health insurance without the Government picking their doctor.

Another way is to make sure the small businesses of America have the opportunity to make a profit, to create jobs, to take some money home, and to avoid unnecessary costs.

AMENDMENT NO. 4222

Madam President, I wish to speak for a moment about an amendment I propose to send to the desk in a moment that relates to keeping the family budget in balance by reducing the costs of small businesses, and it has the even more important advantage of helping to unify our country. The subject is the same subject that is chiseled into stone there: e pluribus unum—the motto of our country, what has been the motto of our country: one, from many.

Let me begin with this story.

In March of 2007, the Equal Employment Opportunity Commission, a Federal agency, sued the Salvation Army for allegedly discriminating against two of the Salvation Army's employees in a Boston area thrift store. What had the Salvation Army done to earn this lawsuit from the Federal Government? Well, it had required its employees to speak English on the job.

The English rule was clearly posted, and the employees were given a year to learn it. But this lawsuit, in plain English, means that a shoe shop in Tennessee or a small business in Missouri or in Washington State would have to hire a lawyer in order to make sure they have a clear business reason to require their employees to speak our common language on the job. So I have an amendment to bring some common sense to this subject. It would be to take $670,000 used by the Equal Employment Opportunity Commission, which it is using to bring actions against employers who require their employees to speak English, and instead uses the money to help teach English to adults through the Department of Education's English Literacy/Civics Education State Grant program, which is one of the principal ways we help American adults learn our common language.

So, Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. ALEXANDER] proposes an amendment numbered 4222.

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

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

The amendment is as follows:

(Purpose: To take $670,000 used by the EEOC in bringing actions against employers that require their employees to speak English, and instead use the money to teach English to adults through the Department of Education's English Literacy/Civics Education State Grant nrogram)

On page 4, line 14, decrease the amount by $583,000.

On page 4, line 15, increase the amount by $415,000.

On page 4, line 16, increase the amount by $134,000.

On page 4, line 17, increase the amount by $34,000.

On page 4, line 23, decrease the amount by $583,000.

On page 4, line 24, increase the amount by $415,000.

On page 4, line 25, increase the amount by $134,000.

On page 5, line 1, increase the amount by $34,000.

On page 5, line 8, decrease the amount by $583,000.

On page 5, line 9, decrease the amount by $168,000.

On page 5, line 10, decrease the amount by $34,000.

On page 5, line 16, decrease the amount by $583,000.

On page 5, line 17, decrease the amount by $168,000.

On page 5, line 18, decrease the amount by $34,000.

On page 18, line 16, increase the amount by $670,000.

On page 18, line 17, increase the amount by $20,000.

On page 18, line 21, increase the amount by $482,000.

On page 18, line 25, increase the amount by $134,000.

On page 19, line 4, increase the amount by $34,000.

On page 24, line 16, decrease the amount by $670,000.

On page 24, line 17, decrease the amount by $603,000.

On page 24, line 21, decrease the amount by $67,000.

Mr. ALEXANDER. Madam President, this is not the first time I have offered this amendment. I offered it in the Appropriations Committee of the Senate in June of 2007. Enough Democrats as well as Republicans voted for it to be reported to the Senate floor as a part of the Commerce, Justice, Science appropriations bill.

On October 16, 2007, the full Senate voted 75 to 19 to approve that appropriations bill, containing similar language to the amendment I have just sent to the desk.

On November 8, 2007, the House of Representatives, with the support of 36 Democrats, voted 218 to 186 to instruct its appropriations conferees to recede to the Senate position on the EEOC.

However, the Speaker of the House canceled the conference of the Commerce, Justice, Science Appropriations Subcommittees over this issue, even though the Senate and the House both voted that a Federal agency should not be suing businesses that ask their employees to speak English on the job. The Speaker of the House, for some reason, thought it was so important that she canceled the entire appropriations bill rather than accept this language. So it must be a matter of great significance. I hope the Senate, having already passed this language before in the appropriations bill, as I have said by a vote of 75 to 19, will do it again when the opportunity comes tomorrow.

Madam president, there are thousands of small businesses across America. They may be a Japanese restaurant where the owner may say: I would like for my employees all to speak Japanese. That is fine. They might be an Irish pub, and the owner might say: I would like for them all to speak with an Irish lilt. Or it might be a Chinese restaurant, and for a whole variety of reasons, the owner of the restaurant might say: We would like for all our employees to speak Chinese. That's fine. But in America, if the owner of a business wants to ask his or her employees to speak English on the job, that ought to not be an issue. You shouldn't have to go ask a lawyer to come up with a business reason why you can tell some Federal agency why you asked your employees to speak English on the job. There are practical reasons for it. There are safety reasons for it. There are communications reasons for it. There may be customer reasons for it. But it is a bigger picture than that.

We have, in this country, valued English as our common language for a long time, and let me go back to the reasons why. One of our country's greatest characteristics is its diversity. But diversity is not our greatest characteristic. Our greatest accomplishment as a country may be that we've taken all that diversity and molded it into one common country. It is a source of our great strength. No other country has been able to do it as well. We see many European and Asian countries that wish they had our practice in inviting people from all over the world to come to their country and becoming one country. How do we do it? Because we say at the beginning in our Constitution that we do not make any distinctions based on race or gender or where your grandparents came from.

We say to anyone who wants to become a citizen here: You must become an American. You have to raise your right hand. You have to say essentially the same oath that George Washington and his officers said at Valley Forge, and you basically renounce where you came from. You prove you are of good character. You wait for 5 years. You learn our history. You must learn our common language. Then we are all Americans.

We are proud of where we came from, but we are prouder to be Americans. We have made that a great part of our tradition.

The late Albert Shanker, the head of the American Federation of Teachers for many years, felt passionately about the importance of helping children and new Americans learn what it means to be an American. Once he was asked the rationale for a public school. He said the rationale of a public school is to help children learn English, to learn the ''three Rs,'' and what it means to be an American. The hope was that these students would then go home and teach their parents.

Since 1906, we have required every new citizen to learn English. Federal law requires that all children learn English in public school. We have programs to help adults learn English—including the program I wish to put the EEOC's lawsuit money into. We have in No Child Left Behind, passed not long ago by this Congress, programs to help children learn English, and schools are held accountable for students learning our common language.

When the Senate has recently debated immigration, it has passed two amendments to help value our common language. One was that by 64 to 33 we declared English as our national language. Another, I introduced, was to say that if a new citizen or an applicant for citizenship learned English to a proficient level, that person would be able to wait only 4 years instead of 5 years to become a citizen—a way of valuing our common language. We even said we will give a $500 scholarship to any applicant for citizenship who wishes to learn English, helping them learn English. So in many ways through the last century we have asserted the importance of our common language.

I am sure many of us in the Senate—and many Americans—saw Ken Burns' epic series on World War II. My wife and I went to see a preview of that series last fall, and we were struck by how magnificent it was. Ken Burns said he felt, after doing years of work on World War II, the war was the period of the greatest unity in our country's history. Quoting a book by the late Arthur Schlesinger, ''The Disuniting of America,'' which was written in the 1990s, Ken Burns said: Maybe what we need is a little less pluribus and a little more unum.

Where do we get our unum? We do not get it from race. We do not get it from gender. We get it from learning American history, and we get it from our common language.

The reason we learn American history is so we can understand and learn the principles that unite us. It is those principles and that language which makes it possible for us to say we are all Americans.

So the Equal Employment Opportunity Commission has turned the civil rights laws upside down when it sues the Salvation Army and says: You cannot ask your employees to speak America's common language on the job.

The purpose of the civil rights laws is to unify us, to say no distinctions based on race. We want to be one country. Well, if we want to be one country, we need to have a common language, and in this country that language is English.

It was my hope when I was Education Secretary that every child would grow up to speak at least two languages well. One of them would be English. That is still my hope today.

As I look at the motto above the Presiding Officer's desk, and I think about whose century this is going to be—is it going to be a Chinese century, a Japanese century, an Indian century, a European century, an American century?—part of it has to do with our economy, part of it has to do with our military strength, a big part of it is whether we can stay one country or whether we become just another version of the United Nations—the United States of America or the United Nations; whether we can say we are all Americans or whether we can't. One way to help us be able to say we are all Americans, one way to unite us is to value, not devalue, our common language.

So in some ways this is a very small and simple amendment, taking the approximate amount of money that a Federal agency is using to sue the Salvation Army and other businesses to say: You can't require your employees to speak English on the job, and let's instead use that amount of money to help adults who want to learn English.

We have been sacrificing our unity in the name of diversity for too long. Diversity is a great strength, but our most magnificent accomplishment is our unity. You can't become German, you can't become Japanese, you can't become French very easily, but in order to be a citizen of this country, you must become an American. The way you become an American is by showing good character, waiting 5 years, learning our history, and speaking our common language. The Federal Government ought to be consistently on the side of valuing that common language and not on the side of devaluing it.

So I hope the Senate, when it has the opportunity, will find the same sort of bipartisan support that it had last year, October 16, 2007, when the Senate voted 75 to 19 to approve the Commerce-Justice-Science appropriations bill containing substantially the language in this amendment. We will then be able to say to American small businesses, of which there are hundreds of thousands: No, you don't have to go hire a lawyer to come up with some business reason why you need to ask your employees to speak English on the job.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Madam President, the order is that we will go to Senator NELSON of Nebraska, and we will reserve the side-by-side for Senator ALEXANDER that I will offer on behalf of others at a subsequent moment. We will go to Senator NELSON, and I will ask Senator NELSON not to send his amendment up because in order to maintain the back-and-forth, we need to send a Republican amendment up next. Then, if the Senator from Nebraska is not here, I will send his amendment up so that it is in the queue.

How much time does the Senator require?

Mr. NELSON of Nebraska. Four or 5 minutes.

Mr. CONRAD. I yield up to 5 minutes off the resolution, and if the Senator needs more, we will provide it.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

AMENDMENT NO. 4212

Mr. NELSON of Nebraska. Madam President, I am here to speak about amendment No. 4212. It is already at the desk, and as Senator CONRAD said, he will call it up at the appropriate point. But I rise today to speak about this amendment to the budget resolution that will create jobs and make a lasting investment in our national infrastructure. I ask unanimous consent to add Senator CONRAD and Senator STABENOW to the amendment as cosponsors.

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

Mr. NELSON of Nebraska. Let me thank as well the current cosponsors of the amendment: Senator BAUCUS, Senator VOINOVICH, Senator KLOBUCHAR, Senator DURBIN, Senator BILL NELSON of Florida, and Senator SCHUMER. I am pleased to work with my colleagues to increase our investment in infrastructure to help create jobs. I also wish to thank the National Conference of State Legislatures for supporting my amendment. I believe that as more information is developed about this amendment, others will seek to join as well.

This amendment is very straightforward. It says that if we are going to do additional economic stimulus, then we should invest, not simply spend, taxpayer dollars.

My amendment doubles the amount in the stimulus in the budget for ''ready-to-go'' infrastructure projects from $3.5 billion to $7 billion. It is fully paid for and does not increase the deficit compared to the underlying resolution.

The budget resolution before us sets aside $35 billion over 2008 and 2009 for a second economic stimulus package, if necessary, as we continue to keep a close eye on the economy. Included in this stimulus at the present time is $3.5 billion for these ''ready-to-go'' infrastructure projects—projects that can be up and running in a matter of weeks. My amendment would increase this amount to $7 billion and is paid for by reallocating a portion of the $30 billion of stimulus resources to transportation infrastructure.

If Congress decides that additional stimulus is necessary, we need to ensure that we make a real investment in the economy. Including infrastructure investment will create jobs and make a lasting investment in infrastructure that is so desperately needed. These are projects that will go wanting without the necessary financial support to have them concluded, but they won't go away. Infrastructure needs will continue, and the only way to reduce the need is by investing in them.

This amendment in effect kills two birds with one stone: We get the immediate boost to the economy by investment in job creation, and when the economy recovers, the roads we pave and the infrastructure improvements we make will last for years. They are truly, in that sense, an investment.

When the initial stimulus package was under consideration, the States identified nearly $18 billion in projects that would be classified as ready to go within 3 months. These are projects that are waiting for only one thing, and that is funding.

This amendment does, in fact, create jobs. According to a U.S. Department of Transportation study, over 40,000 jobs are created for each $1 billion we spend on roads and infrastructure. This amendment will create jobs in Nebraska and in all 50 States and will provide an important boost to the economy at the same time.

I also want to be clear what this money is intended for: projects that are ready to go, as I have said, projects that can begin nearly immediately and certainly as soon as funding is available. There are already ready-to-go projects in Nebraska and in all 50 States, as we have been able to determine.

States are crying out for help in this area. The National Conference of State Legislatures supports this amendment. Our Nation's infrastructure needs are immense and are continuing to the point of being staggering. We have an opportunity to stimulate the economy, make lasting improvements to our infrastructure, and assist in more job creation. We can invest more in this area, and we should invest more in this area. So I urge the adoption of this amendment by my colleagues. I ask that their support continue as others will join in over the next day or so.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. Madam President, if I could ask a question of the Senator from Nebraska, this is $3.5 billion in spending which would occur in this budget year, not over the 5 years; is that correct?

Mr. NELSON of Nebraska. That is correct.

Mr. GREGG. This is not offset in any way, so it would just be added to the deficit; is that correct?

Mr. NELSON of Nebraska. This is part of the allocating, part of the stimulus package as it is right now for emergency spending. What it would do is it would allocate part of the $35 billion already set aside in the budget to be added to the $3.5 billion to make a total of $7 billion. It doesn't add any more to the deficit or outside of the deficit than is currently indicated in the current budget resolution. In other words, of the $35 billion right now, only $3.5 billion is allocated to infrastructure. With this amendment, $7 billion would be allocated to infrastructure.

Mr. GREGG. So if I could ask the Senator another question, the Senator from Nebraska is saying that his amendment simply reallocates the $35 billion——

Mr. NELSON of Nebraska. The $3.5 billion.

Mr. GREGG. But there was $35 billion put in the mark that was available for stimulus. Is the Senator reallocating those dollars or is the Senator putting $3.5 billion on top of those dollars?

Mr. NELSON of Nebraska. Not on top. We are reallocating, of that $35 billion, an additional $3.5 billion within the $35 billion to infrastructure, making a total of $7 billion within the $35 billion.

Mr. GREGG. And if I could ask further, where is the Senator taking the money from?

Mr. NELSON of Nebraska. It wouldn't be taking money from, it would be allocating money that has not yet been allocated. So there would be other projects that would not be funded because of this, but it wouldn't be taking any money away from anything already allocated because the balance of it is unallocated.

Mr. GREGG. So this is not a 920—this is not offset with a cut in the 920?

Mr. NELSON of Nebraska. It moved from function 820 over to 400.

Mr. GREGG. I am not sure I understand how this is paid for, to be honest. Maybe the chairman can help.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Madam President, the Senator from Nebraska is exactly right. What he is doing with this amendment, which I support, is of the $35 billion which is unallocated, the second stimulus package, an insurance policy against further economic downturn, he doesn't add any money. What he does is of the $3.5 billion that was reserved for infrastructure in the $35 billion, he is doubling that amount to $7 billion of the $35 billion for infrastructure.

I think that is a wise thing to do because I frankly think the infrastructure projects are the most stimulative. We know for every $1 billion spent on highways and bridges, 45,000 jobs are created, and those are jobs in America. As my colleague knows, the money is reserved—the Budget Committee doesn't have the ability to dictate at the end of the day how it is used. Committees of jurisdiction will do that. But what the Senator from Nebraska is doing is sending a message that of this $35 billion, instead of $3.5 billion dedicated for infrastructure projects that are ready to go—and, in fact, we know there are more than $3.5 billion of infrastructure projects ready to fund.

Mr. GREGG. Madam President, if I could reclaim my time, I think the explanation is that this is a reallocation within the $35 billion which was in the original budget, which basically was added to the deficit.

Mr. CONRAD. That is true.

Mr. GREGG. Thank you. I think Senator SESSIONS is ready to proceed.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

AMENDMENT NO. 4231

Mr. SESSIONS. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS], for himself, Mr. VITTER and Mr. DEMINT, proposes an amendment numbered 4231.

Mr. SESSIONS. Madam President, 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:

(Purpose: To establish a deficit-neutral reserve fund for border security, immigration enforcement, and criminal alien removal programs)

On page 69, after line 25, add the following:

SEC. 308. DEFICIT-NEUTRAL RESERVE FUND FOR BORDER SECURITY, IMMIGRATION ENFORCEMENT, AND CRIMINAL ALIEN REMOVAL PROGRAMS.

(a) IN GENERAL.—The Chairman of the Committee on the Budget of the Senate may revise the allocations of 1 or more committees, aggregates, and other appropriate levels in this resolution by the amounts authorized to be appropriated for the programs described in paragraphs (1) through (6) in 1 or more bills, joint resolutions, amendments, motions, or conference reports that funds border security, immigration enforcement, and criminal alien removal programs, including programs that—

(1) expand the zero tolerance prosecution policy for illegal entry (commonly known as ''Operation Streamline'') to all 20 border sectors;

(2) complete the 700 miles of pedestrian fencing required under section 102(b)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1103 note);

(3) deploy up to 6,000 National Guard members to the southern border of the United States;

(4) evaluate the 27 percent of the Federal, State, and local prison populations who are noncitizens in order to identify removable criminal aliens;

(5) train and reimburse State and local law enforcement officers under Memorandums of Understanding entered into under section 287(g) of the Immigration and Nationality Act (8 U.S.C. 1357(g)); or

(6) implement the exit data portion of the US–VISIT entry and exit data system at airports, seaports, and land ports of entry.

(b) LIMITATION.—The authority under subsection (a) may not be used unless the appropriations in the legislation described in subsection (a) would not increase the deficit over—

(1) the 6-year period comprised of fiscal years 2008 through 2013; or

(2) the 11-year period comprised of fiscal years 2008 through 2018.

Mr. SESSIONS. Madam President, we are dealing with an important issue; that is, the budget of the United States. Under the Budget Act and rules we have established, a budget can be passed without a 60-vote margin, a supermajority. Only a simple majority is required. I think that is a healthy rule because for years there were so many difficulties in creating a budget. So it really gives the majority party the power to pass a budget.

The power of a majority party alone to pass a budget means that document is a defining document, and it defines the agenda for that party. It tells where they stand on matters of taxing, spending, deficits, and the like.

I say that my colleagues on the other side of the aisle, who promoted their move to majority status—and I certainly understand that goal—indicated over the last several years President Bush was spending too much, they would be more responsible when given the control of the Congress and they would produce a better budget for working families in America.

I note that this budget has a major increase in spending—as did last year's—over the President's request for domestic discretionary spending. It contemplates a major tax increase and it will, fairly and objectively stated, increase the deficit. I am concerned about that and I wished to make that statement.

Chairman CONRAD is a wonderful gentlemen, a fabulous leader of the committee. He asked that I offer the amendment on the floor and not in the committee, and I agreed to do that.

I would like to explain the amendment I have offered. It creates a deficit-neutral reserve fund for border security, immigration enforcement, and a criminal alien removal program. It sets aside room in the budget to fully fund existing border security and immigration enforcement programs. It is another statement. Also, the members of this Congress meant what we said when we said we wanted border security and to complete the fence and many other immigration reform measures that we voted on last year. I will talk about that later. We voted on those things. One of the things that is eroding public confidence in this Congress is that we vote for things and we say we are for things and some of them pass and some of them are blocked, but even those that pass don't get carried out. So a Congressman or Senator can say I voted to build a fence, whereas, they may not at all be taking the necessary steps to fund or otherwise ensure that the fence gets built. There are other items that are necessary to create a lawful form of immigration, but that is where we are.

This amendment, I think, is another opportunity for the Members of our body to say we are prepared to move forward and do the things that are necessary to follow through on what we promised when we cast votes previously. My amendment is broad. It covers all border security and immigration enforcement programs. But, specifically, it highlights six programs that will need special attention in this year's budget cycle.

Those programs are: Operation Streamline, the so-called ''zero tolerance'' prosecution policy for illegal entry now in place and being utilized by the Department of Justice and Homeland Security in 4 of the 20 border sectors. I will go into detail about these later. Then there is the border fence construction amendment that would complete the 700 miles that we voted on. It would maintain the presence of a National Guard at the border. It would provide help and assets to effectively execute the criminal alien removal program, to remove those who have been convicted of crimes, as it is supposed to be. The section 287(g) program, which trains State and local officers, would be expanded, as we voted before to do. And the US–VISIT exit portion of the immigration law that was supposed to have been completed in 2005 yet remains uncompleted.

I offered this amendment earlier, but I think some objected that the amendment would create open-ended funding for immigration programs. But this money is not free to be spent. It is not open-ended in reality. It has to be paid for. Full funding for each of these items can only be approved if the proper committees come up with the proper funds.

Simply put, my amendment gives Congress budget flexibility to fund these immigration enforcement programs if we can find a way to pay for them. And we certainly can. These are not that expensive in the scheme of things. They are matters our constituents care about and that we have voted for on a number of occasions.

Also, I note the budget resolution our Democratic colleagues have passed includes at least 35 of these reserve funds, and only 4 of them have any limitation on funding. The other 31—88 percent—are drafted just like my amendment.

So here are the proposals. First, it would allow for funding to expand the zero tolerance prosecution policy for illegal entry. Until recently, only the most serious illegal entries and reentries were ever prosecuted. Routine offenders caught by the Border Patrol were processed in a matter of hours and, if they were from Mexico, they were simply returned to Mexico. If they were not from Mexico, they were released on bail and asked to come back so they could be shipped back to South America or the Middle East or wherever, and we would send them back to those locations. Of course, 90 percent never showed up once they were released because their goal was to get in illegally from the beginning. That has been improved a good bit. We are still, in most of our border sectors, releasing people immediately to return to Mexico. There was a CNN report on this recently. I saw the video. Within hours of two individuals being arrested, they videoed the Border Patrol agent walking them, escorting them, back to the middle of the bridge that divides our countries and basically sending them off back to Mexico. The conclusion of the program was that these individuals, probably the next day, again commenced their effort to enter illegally. Since they weren't recorded as being apprehended, the program indicated they probably successfully made it into the United States. The result has been a ''revolving door'' at the southern border.

According to the Department of Homeland Security, between 20 and 30 percent of all illegal immigrants physically removed from the United States will return within the same year. So a third of them come back, we know, the same year. In 2004, of the 169,000 illegal immigrants removed from the United States, 65,000 returned illegally. In 2006, 37,000 out of 195,000 returned.

In recent months, however, progress has been made. The new zero tolerance prosecution policy, called ''Operation Streamline'' by the Department of Homeland Security, has been put into place in 4 of the 20 border sectors—Del Rio, Yuma, Laredo, and Tucson.

In just over a year, the guaranteed jail time given under this program, the conviction process—instead of escorting them back but having an actual prosecution because it is a crime to enter illegally in that manner—has resulted in a 50-percent decrease in the number of arrests in Del Rio and a 68-percent decrease in the arrests in Yuma, proving, I think, with certainty that this kind of consistent prosecution and conviction is a critical factor in deterring illegal entry.

In fact, Secretary Chertoff, a former Federal prosecutor I served with and have known for some time, was in my office last week. I have been a critic of some of the things he has done, and I have admired some of the things he has done. Secretary Chertoff believes this prosecution sends a different kind of message—and I believe it, too—that the United States of America is serious about deterring illegal entry into our country. When you are simply escorted back to the border and turned loose, that sends a pretty clear message it is not a big deal to enter illegally. These people are not serving long periods of time in jail, but they are prosecuted. A record is made of it, they serve some time in jail and a second offense can lead to a higher punishment.

So I am strongly encouraging DHS and the Department of Justice to expand the zero tolerance policy to the entire southern border by the end of the year 2009. Their efforts ought to be praised. In fact, their success in deterring illegal entry exceeded what most people would have ever expected. It is a proven technique that ought to be replicated across the border. It would need extra funding to make this happen.

This amendment would allow for that. I will note, parenthetically, does it cost us more as taxpayers to prosecute everybody who comes across the border when, in fact, you see a 68-percent reduction in the number who come? I suspect that maintaining a clear message that our borders are not open will cause the number to reduce, and the number of illegal entries is what drives up our costs. If you reduce the number who attempt to come illegally, you reduce costs at the same time.

No. 2, the Secure Fence Act of 2006 required the construction of 700 miles of fencing on the southern border. Eighty Senators voted for the Secure Fence Act. 26 were Democrats. In the House, the bill passed 283 to 138. We know the fence construction, combined with other border enforcement increases, is already having some deterrent effect.

Last year, illegal entries at the border, across the entire border fell by 20 percent. Let me ask—I like to ask this question—how many people were arrested last year? That is how we determine basically what is happening. The number of arrests fell 20 percent. Well, last year we arrested, even after a 20-percent drop, 877,000 people trying to enter this country illegally. It was over a million the year before—1.1 million.

A survey conducted by the Mexican Government, released in November, showed a 30-percent drop since 2005 in the number of Mexican nationals ''looking for a job in another country, or preparing to cross the border.''

In other words, the message is getting out. The National Guard increased border patrol, fencing, and prosecution, but people will follow what reality tells them.

In San Diego, where the first 14 miles of fencing were built years ago, the results were significant and immediate. Crime rates fell dramatically. According to the FBI crime index, crime in San Diego County dropped 56 percent. Vehicle drive-throughs fell from between 6 to 10 per day, to only 4 drive-throughs in a year. Those occurred only where the secondary fence was incomplete.

It does make a difference. Good barriers make a difference. Good borders make good neighbors. If you want to enforce your immigration laws, you have a million people a year coming illegally, and if you are not prepared to build some sort of barrier that is effective, you are fooling yourself and attempting to fool the American people. That is the fact.

Drug trafficking dropped in the area—marijuana smuggling by 38 percent and cocaine smuggling by 88 percent. These new miles of fences along the other parts of the border are expected to mirror the San Diego success. There are news articles already describing the deterrent effect of the new fencing in Arizona. This is new fencing. On November 4 of last year, an article in the Houston Chronicle, titled ''Fences Presence Felt: Residents on both sides of one border crossing say barrier is doing what it was intended to do'' stated these things:

> The fence works, residents north and south of it say.
>
> ''From a law enforcement perspective, it's curtailed a lot of our problems,'' said Sharon Mitamura, a deputy sheriff who patrols the border on either side of Columbus.
>
> ''That fence, I love it,'' Robinson, a Minuteman in New Mexico said. ''But being a Minuteman in New Mexico is getting pretty boring. There's no illegals here to be found,'' he said wistfully.

The bottom line is, the message is being heard: Our borders are no longer open in certain areas. And to continue sending that message we must complete the 700 miles of fencing the Secured Fence Act of 2006 requires.

By the end of 2008, the administration, unfortunately, plans on completing only 370 miles of actual fencing. We need to ensure that funding for the construction of the remaining 330 miles are included in the budget. This amendment will help ensure that occurs.

Now, No. 3. This amendment would allow funding for the National Guard. In May of 2006, the President announced the deployment of 6,000 Guard members to assist Customs and Border Control with surveillance, installing fences, and vehicle barriers.

Since June 15 of 2006, the National Guard units have assisted the Border Patrol by executing logistical and administrative support, operating detection systems, providing mobile communications, and augmenting border-related intelligence.

Operational successes made possible with the National Guard members include direct assistance in 88,000 apprehensions. They cannot themselves apprehend because of the Posse Comitatus Act, but they are able to provide intelligence and surveillance. They accounted for increases in the amount of drugs seized. Marijuana seizures went up by 309,000 pounds, with the National Guard locating 201,000 pounds of that. There have been 91 aliens rescued from being in trouble in the desert. So they even help save lives in the desert.

Although Operation Jump Start has been effective, it is currently scheduled to end. Guardsmen currently stationed on the border number around 3,000. By this summer, the number will be zero—zero. The Senate has already voted twice that the Guard should stay on the border through the end of this calendar year at a minimum.

The Ensign amendment offered during comprehensive reform authorized Governors to deploy Guard troops through 2008 to engage in border control activities to meet training requirements. That was agreed to 83 to 10. My amendment, offered to the DOD appropriations bill, funded Operation Jump Start through the end of fiscal year 2008. It was agreed to by unanimous consent but was stripped from the conference committee.

See, we all agree to it. Everybody is for the Sessions amendment. Yes, we should keep the National Guard longer. But it goes off to a conference committee because we have a bill and the House Members have a bill and the conference committee meets—sometimes I refer to them as masters of the universe—and they just take them out, so the bill comes back to the floor and passes and funding for the National Guard on the border doesn't become law.

So I, along with the majority of the Senate, do not believe Operation Jump Start should end before operational control of the border has been achieved, as required by the Secured Fence Act, which 80 Senators voted for. If we want to continue stationing Guardsmen on the border in 2009, we must make sure the budget resolution permits funding for the continuation of Operation Jump Start.

The mission of the Department of Homeland Security's Criminal Alien Program is to identify criminal aliens—criminal aliens—who are incarcerated in Federal, State, and local facilities, evaluate whether they should be removed at the end of their sentences, and to coordinate a seamless transition from prison to DHS deportation proceedings. A perfectly logical thing. Despite this important mission, DHS is only just beginning to effectively implement the Criminal Alien Program. Congress provided $400 million in 2008 for this program.

The Director of the Bureau of Prisons, Harry Lapin, testified before the Senate Judiciary Committee that 27 percent of the entire Federal prison population is composed of non-citizens—individuals who committed crimes after they entered the country. They are not in jail for immigration offenses. I am not talking about that. We are talking about assault, robbery, drug trafficking, murder, and the like. That is a dramatic number.

We don't know the exact percentages for all State and local prison facilities, but we do have some snapshot statistics. These statistics illustrate that the percentage of State and local jail populations made up of illegal aliens is likely to be similar to Federal prison percentages in a number of areas.

According to a February 2008 California Public Policy Institute report titled ''Crime, Corrections, and California,'' 17 percent of California's jail population was born outside the United States. The New York Times reported that the Los Angeles County Sheriff has reported that 23 percent of inmates in county jails were deportable.

A Center for Immigration Studies study, authored by Manhattan Institute Scholar Heather McDonald, states that:

> In Los Angeles, 95 percent of all outstanding warrants for homicide (which total 1,200 to 1,500) target illegal aliens. Up to two-thirds of all fugitive felony warrants (17,000) are for illegal aliens.

A 2007 DOJ report indicates that 73 of 100 criminal aliens are rearrested at least once, and that the average criminal alien is rearrested six times before

deportation. A 2005 GAO report found the average arrest rate for a sample population of aliens incarcerated in Federal, State, and local jails to be even higher, an average of eight arrests per illegal alien.

In 2009, we have the opportunity to expand and carry out effectively the existing Criminal Alien Removal Program and to fully evaluate all non-citizens in Federal, State, and local prison populations. It would ensure that criminal aliens are deported to their home countries at the end of their sentences and that they are not released back into society first.

This is the problem. What if a person is in jail serving a sentence, is going to be released, and is an illegal who, by law, must be deported as a result of being convicted of a crime in this country. If you allow them to be released from the State or Federal jail before you set up the procedure to have them deported, how many do you think are showing up to be deported? They are not showing up. It completely eviscerates the whole concept of the system.

Of course, if we are going to have a deportation system, we need to be evaluating those persons who appropriately and lawfully should be deported as a result of their convictions for crimes—drugs, assaults, murder—and they ought to be deported. It is just not happening effectively, and it indicates to me that our Government still does not get it—about the things necessary to create a lawful system of immigration that we can be proud of. We ought to be encouraging law-abiding people to come here—people with skills, people who speak English, people who are going to contribute to our society—and not allowing our immigration slots to be filled with persons who come and commit crimes. How logical is that?

The success of any nationwide law enforcement effort depends on effective partnerships with all levels of law enforcement. Federal immigration agents alone—there are less than 20,000 in the interior of the United States—will not solve our interior enforcement problem. It is just a fact. A partnership with the 700,000 State and local law enforcement officers is essential if we want to make this system work. And everybody knows that, frankly. Some who don't want the system to work know it too, and that is why they oppose any effort to give any increased ability of local law enforcement to supplement our effort.

To achieve that partnership, cross-designation of State and local officers as Federal agents through the 287(g) program, as done in my home State of Alabama and some other States, should and can occur throughout the country.

We talked about this for years. The program was on the books. We had to push the Department of Homeland Security to partner with Alabama's State troopers to create these cross-designated officers, and it was not easy, but we finally got it done. It has worked exceedingly well and it should be done around the country.

The latest reported figures show that 34 law enforcement agencies in Alabama, Arizona, California, Colorado, Florida,—which has a pretty good program, I know—Georgia—and SAXBY CHAMBLISS and Senator JOHNNY ISAKSON have sponsored this legislation because it was first championed by Congressman Charlie Norwood from Georgia, now deceased, and they became interested in this—Massachusetts, North Carolina, New Hampshire, Oklahoma, Tennessee, and Virginia—have all signed memorandums of understanding with the ICE agencies, and nearly 600 officers have been trained.

But that is just a small fraction of the potential that is out there. Over the past 2 years, these officers have been credited with identifying more than 37,000 people with possible immigration violations. State and local law enforcement agencies that voluntarily—nobody is mandated under this—offer their services to help enforce Federal laws should be supported and affirmed. The training we require them to receive should be paid for, and the expenses they incur while assisting the Federal Government in enforcing our immigration laws should be reimbursed. So increasing this funding would be helpful.

My final point would be to the US–VISIT system. Researchers at the Pew Hispanic Center estimate that as much as one-half of the illegal alien population was admitted legally. Other numbers are about 40 percent. They come here on some sort of visa or legitimate crossing card but they just stay and do not return.

We don't know who the visa overstayers are because we don't record when visa holders leave or even if they do ever leave. Until the US–VISIT exit system is put into place, we are never going to be able to identify visa overstays. This system was first required 10 years ago. The Illegal Immigration Reform and Immigrant Responsibility Act of 1996 required an automated entry and exit data system that would track the arrival and departure of every illegal alien as they crossed our borders.

Following the September 11 attacks, Congress repeated the mandate. Several provisions in the USA PATRIOT Act, the Border Security Act of 2002, and the Intelligence Reform and Terrorism Prevention Act of 2004 require the immediate implementation of the automated entry and exit data system and call for enhancements in its development.

On September 2005, DHS announced that it would have the entry portion of the US–VISIT system installed at the land border ports of entry by December 31, 2005. Implementation of the exit portion at our land borders has yet to occur. Only pilot programs now exist at airports and seaports—this despite the fact that deadlines for US–VISIT exit completion are in current existing law. Are people upset about this? No doubt. We have passed law after law. They are just not getting executed. For example, December 31, 2003, was the deadline for exit system implementation at airports and seaports. December 31, 2004, was the deadline for exit system implementation at the 50 busiest land ports of entry. December 31, 2005, was the deadline for the exit system implementation at all ports of entry—land, air, and sea.

Failure to complete this system, I am sad to say, is an indication of a lack of seriousness about immigration reform by the executive branch, and it is an affront to Congress and to the rule of law. Until its completion, Congress cannot move forward responsibly on a myriad of other immigration-related issues, such as expanding a temporary worker program to meet domestic labor needs that may be critical.

How can you have a strong entry and exit system when you can't even know whether somebody leaves the country when they promised to leave or they exceeded their time limit? This is not impossible to do. Workers all over America clock in and clock out when they go to work every day with some card that is computerized. Americans can place their card in a bank machine in France or Brazil or anywhere else and get money from their banks in the United States. Surely we can clock out people who leave this country.

My amendment makes sure there is room in the budget resolution to fund the completion of the US–VISIT exit system and the other important components of a legitimate, workable, lawful system of immigration that we in this Nation should have.

The American peoples' instincts on this are absolutely right. We allow a million people to enter our country legally every year. We ought to improve that system in a lot of different ways, but we cannot allow large numbers of people to enter our country unlawfully because it makes a mockery of law. It breeds disrespect and anger in people who wait for months or years to be chosen to enter the country when somebody they know enters illegally.

It is the right thing for us to do, to create a lawful system of immigration that meets our highest standards as Americans. It is time to get that done. Each one of these things I have mentioned in this legislation is a critical component of creating that lawful system. It cannot be done without these. More needs to be done than these, but these are critical.

I hope my colleagues will support this amendment as they have supported most of these matters already that are referred to in the amendment.

I yield the floor.

Mr. CONRAD. Madam President, I thank the Senator from Alabama publicly for the courtesy he showed in the Budget Committee markup. We had a circumstance where he offered an amendment. I asked him to withhold a vote on the amendment until we had a

chance to see if we could work out the amendment. It turns out we kind of ran out of time, so we were not able to work out the amendment.

Another Senator wanted to have an alternative amendment offered, but Senator GREGG and I had already agreed that we would not have additional amendments.

The Senator from Alabama was a consummate gentleman and agreed to withhold his amendment until we got to the floor so as not to disadvantage a colleague, although he would have had the right to do so. I want to say how much I admire that. That, again, is in the best traditions of the Senate and I think reflects well on the whole body. Certainly it reflects well on the Senator from Alabama.

Mr. SESSIONS. Madam President, I thank the chairman. Senator GREGG and he have alternated chairmanships of the Budget Committee. It is a contentious committee, there is just no doubt about it, because we have things about which we disagree that are important to our members and our constituents. But I think both of them have done a really good job of conducting the committee with grace, gentility and courtesy, so it was not at all unusual that I would agree with that request, and I thank the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. I think the key to what the Senator from Alabama said is that we alternate chairmanships, and it is my turn.

Mr. CONRAD. You know, at about this stage, you might be careful what you ask for.

I ask Senator PRYOR if he would not send his amendment up at the end of his remarks about his amendment so we can maintain the going back and forth? We will slot it in as soon as we can.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

AMENDMENT NO. 4181

Mr. PRYOR. Madam President, I rise today to talk about amendment No. 4181 which, at the appropriate time, I would like to call up but not right now. I will defer to the wisdom of the bill managers and their protocol and procedure they have set up.

This is a deficit-neutral reserve fund amendment. Even though it is deficit-neutral and only a reserve fund, I do think it is important for this country that we agree to this amendment. It deals with science parks. Science parks provide a launch pad that startup companies need when they are spun out of a university or a company. Many are affiliated with a university. They do not have to be. I have legislation I will talk about in a minute that makes it clear that they do not have to be, but nonetheless one of the patterns we see is that they oftentimes are affiliated with a university and that becomes a symbiotic and very productive relationship.

Science parks go by many names. They are also called research parks, technology parks, incubators or business incubators, and technopoles. Whatever we call them, they are good at doing one thing; that is, creating jobs and spurring innovation. That has really been their hallmark, that they create jobs and they spur innovation. At a time when our economy is slowing and international competition is growing, we need to do everything we can in this country to spur innovation and create jobs. These are not just any jobs, these are good-paying jobs, oftentimes high-tech jobs.

Earlier this year, I introduced a bill called Building a Stronger America Act, along with Senators SNOWE, BINGAMAN, and seven other cosponsors. Many countries, including China, Hong Kong, Singapore, India, Japan, and the European Union, are investing heavily in science parks in order to attract a talented and educated workforce. America should too.

My amendment builds on a commitment we made through the America COMPETES Act to develop an infrastructure that will again enhance innovation and competitiveness in the United States. We see that things here in this country are undergoing a dramatic transformation. Our economy is changing. Now our economy is really based on knowledge and technology.

The world's first science park was started in the 1950s and led to what we now call Silicon Valley. Another park that was early on in this was designed in North Carolina to stop the brain drain in that State. Today, it is the Research Triangle Park, and it is home to many of the world's most advanced high-tech businesses, and they employ over 40,000 people.

Science parks are often recognized as the gold standard of technology-led economic development. These are formats, these are venues where smart people, scientists, innovators, and entrepreneurs can collaborate, come together and not just come up with ideas but actually come through with the commercialization of new products and new technology.

Last year in the Commerce Committee we had a hearing on science parks, and Dr. Randall Kempner of the Council on Competitiveness said:

> American job growth will come primarily from small- and medium-size businesses and science parks will play a critical role in accelerating entrepreneurship and innovation.

According to a study by Battelle, the typical North American science park is located in a suburban community with a population of less than a half million. Most parks are operated by university or university-affiliated nonprofits. More than 30,000 workers in North America work in a university science park. Every job in a science park generates an average of 2.57 jobs in the economy. Most of these parks were built in the 1980s and 1990s and really have outgrown their original space. Madam President, 78 percent of science parks expanded beyond their physical presence after they were created.

In Arkansas, we have two excellent examples of successful science parks, first with the Arkansas Research and Technology Park, which is affiliated with the University of Arkansas and within the city limits of Fayetteville. That park today has 27 companies. The average salary for the people who work in that park is $81,000. It is the home of GENESIS Technology Incubator, the Innovation Center, the Engineering Research Center, the High Density Electronics Center, and National Center for Reliable Electric Power Transmission. That is at the University of Arkansas in Fayetteville. At Arkansas State University at Jonesboro, AR, the Arkansas Bioscience Institute is focused on plant biotechnology and is completing its Commercial Innovation Center as we speak.

Last year, the Arkansas General Assembly established a research park authority to facilitate the development of research parks. The authority and the Little Rock Regional Chamber of Commerce are looking at establishing new science parks to leverage the basic research being done at the University of Arkansas at Little Rock and the University of Arkansas for Medical Sciences, which is also in Little Rock. All three of these groups have told me they need additional funding to meet the growing demand of companies that want to locate in their science parks.

Here again we see an opportunity for the Senate to spur innovation and create jobs for the U.S. economy. This is not a short-term game. But for a small financial commitment from the Congress, we can really spur innovation over the next several decades.

Again, I mentioned Silicon Valley. I mentioned the Research Triangle in North Carolina. Those are two great examples. There is no reason we cannot start this phenomenon all over the country and really build on this knowledge-based and technology-based economy we have today.

I am offering this amendment to try to build in the right budget room. Hopefully, what we will do is later this year, in the coming months—at some point we will pass the broader authorization bill, and then, of course, we will fight the fight when it comes to appropriations at the appropriate time. But I believe strongly this will be a very positive thing for the U.S. economy.

I ask my colleagues to consider this amendment and consider the bill. I definitely ask their support for this amendment today.

Madam President, I yield the floor.

I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to each side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Ms. STABENOW). Without objection, it is so ordered.

Mr. CONRAD. Madam President, I yield 5 minutes off the resolution to the Senator.

The PRESIDING OFFICER. The Senator from Missouri.

Mrs. MCCASKILL. Madam President, I will speak for a few minutes about the amendment I have cosponsored with Senator DEMINT concerning the earmarking process in Congress.

It is very unusual that a problem is as bipartisan as this problem is. Spending public money is something we should take very seriously. It is one of the most important things we do. We all have to remember, it is not our money. This spending of public money should be done on merit; it should be done on a cost-benefit basis; it should be done on getting the most bang for our buck.

Spending public money should not be based on your political party. It should not be based on what State you come from. It should not be based on which committee you are assigned to. And it should certainly not be based on how politically vulnerable you might be in the next election.

If you look at the numbers, for example, the minority Members of the House of Representatives who represent primarily African-American districts, it is frankly hard to explain that they get less in earmarking money than even the Republican Members of the House. Why is that? Many of them are in politically safe seats.

In other words, what happens around here sometimes is you get more money if everyone thinks you need to be able to spend more money because that will help you get reelected.

Well, that is a goofy way to spend public money. That is not the way we should be spending public money. Many of these projects that are funded are great projects. Many of them I support. But distribution is not done on merit.

I have heard over and over again the arguments about the power of the purse, and that somehow if we do not do earmarking we are ceding congressional authority to the executive branch. Well, with all due respect, for 200 years we did fine without earmarking. I do not recall President Lincoln or Thomas Jefferson or FDR or LBJ saying it was essential for the balance of power in our constitutional form of Government to make sure that individual Members of Congress have the ability to personally decide how to spend public money.

So I think the idea that this practice, which started in the 1980s, late 1980s, and did not become an art form until the last 5 or 6 years, is kind of a hollow argument to say somehow this building is going to shake and lightning is going to strike and our power is going to dissipate.

We are debating this week all the power we have. The power of the purse is reflected in our budget amendments and is reflected in the appropriations. We continue to make the decisions. We will always continue to make the decisions about the priorities of the way our Government should spend its money. That is the way the Constitution was designed.

Finally, there are practices that continue to occur that hurt many States and hurt many citizens in terms of the way we are sacrificing the formula grants and the competitive grants in order to fund earmarks.

We give haircut after haircut after haircut to our formula grants and to our other grants. If you look at the Byrne grants, if you look at the violence against women grants, if you look at the COPS Program, all of these were based on merit. I know, because I used to apply for them when I was a prosecutor. They have been cut and cut and cut while earmarks have gone up and up and up. We are still air-dropping. We are continuing to fund private companies for projects not even requested by the Government.

It is time for, as I would say to my kids when they were young, a time-out. We need to take a deep breath, see if we can take another run at more reform and see if we cannot get to the business of spending public money based on merit and getting the best value for the dollar, not on the power of an individual Member or who you know.

I yield the floor and I suggest the absence of a quorum and ask that the time be charged equally to both sides.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CONRAD. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. CONRAD. Madam President, I thank the Senator from Missouri for her remarks.

Next up is Senator CORNYN. Could the Senator give us a rough idea of how long he will require?

Mr. CORNYN. Madam President, I should not take more than 10 minutes, perhaps as few as 5.

Mr. CONRAD. I thank the Senator, who is always a gentleman.

Then Senator REED wishes to speak or offer an amendment?

Mr. REED. I would offer an amendment. I need 5 minutes.

Mr. CONRAD. We will have to ask the Senator to speak on the amendment but to reserve sending it up, because we have this order where we have to go back and forth. If you are not here, I will send up your amendment when your slot arrives. It may be a while before your slot arrives. We are going to go back and forth. It requires a delicate balance. Is that okay with the ranking member?

Mr. GREGG. We wish to see the amendment.

Mr. CONRAD. If you could share the amendment with the Republican side so they have a chance. They give us their amendments, we give them ours.

I yield to Senator CORNYN.

The PRESIDING OFFICER. The Senator from Texas is recognized.

AMENDMENT NO. 4242

Mr. CORNYN. Madam President, I have an amendment that will create a 60-vote point of order against any legislation that raises income tax rates on the American people.

If this sounds familiar, it is. Last year the Senate voted, by a vote of 63 to 35, to pass this particular amendment. In a time when there is precious little bipartisan cooperation in the Senate on important matters, this is a list of the Senators on the other side of the aisle who, on March 21, 2007, voted in favor of this point of order that would require a vote of at least 60 Senators in order to raise income tax rates on the American taxpayer.

Now I know the distinguished chairman of the Budget Committee and others have claimed that this budget does not contemplate an increase in taxes for the American people. I frankly do not understand that, because I do not know how you raise the kind of revenue that is necessary in order to make this budget balance without raising taxes dramatically on the American people.

But I believe this point of order is an insurance policy, so when Congress decides to look into the pocketbook of taxpayers for more revenue, we ought to look first to eliminate Government waste, fraud, and abuse.

What concerns families and small businesses have about the economy is now is not the time to think about raising taxes. Of course, this amendment will not hinder our efforts to close down illegal tax shelters or close perceived loopholes in the Internal Revenue Service Code.

The amendment deals with the tax tables contained in 1040 forms that the IRS annually sends to every American taxpayer. Nor will it hinder efforts to overhaul the Tax Code. I believe the Tax Code is way too Byzantine and complex. We need to make our Tax Code fairer, simpler, and our tax rates flatter. But any tax simplification and reform effort will need bipartisan support from the Senate.

I believe the support for the amendment as we had last year would demonstrate a strong bipartisan commitment not to raise taxes at a time particularly when our economy is starting to show some softness.

As former Chief Justice John Marshall once said:

> The power to tax is the power to destroy.

The power to tax is indeed one of the most powerful tools available to the Congress. My amendment puts in place safeguards that will protect the pocketbooks of middle-class families, college students, and hard-working American taxpayers, put a safeguard in place that will protect them.

I know there will be strong bipartisan support for this amendment when it is offered. I believe it is important that the American people hear the Senate's voice that now is not the time to raise income tax rates. I ask my colleagues once again to support this strong bipartisan protection for American taxpayers.

I yield the floor.

Mr. CONRAD. Madam President, I would ask the Parliamentarian, through the Chair, a series of questions, if I could, about the Cornyn amendment.

Does the Parliamentarian have the Cornyn amendment?

The PRESIDING OFFICER. The amendment has not been proposed.

Mr. CORNYN. The amendment has not been called up. I would be happy to do so, but I was told that is not possible; that there was an objection to calling up the amendment at this time.

Mr. CONRAD. Actually, I would ask the Senator—we are in this situation in which we try to go back and forth on both sides. There are a number of other Senators who have preceded you in presenting the argument for their amendment, but they have had to withhold actually sending it up so we can go back and forth. I do not know if we are at the point where Senator CORNYN can send his amendment to the desk.

Mr. CORNYN. Madam President, I am happy to wait for my turn in line.

Mr. CONRAD. The Senator is next. The amendment can be sent to the desk.

Mr. CORNYN. Madam President, I certainly do not want to cut in line ahead of my other colleagues who have already talked about their amendments. I will patiently wait my place in line and then call it up.

Mr. CONRAD. It is OK. You would not be going out of line. We have cleared the others who are before you. It would be OK for you to send yours up.

AMENDMENT NO. 4242

Mr. CORNYN. I send an amendment to the desk and ask for its immediate consideration.

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

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. CORNYN] proposes an amendment numbered 4242.

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

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

The amendment (No. 4242) is as follows:

(Purpose: To protect the family budget by providing for a budget point of order against legislation that increases income taxes on taxpayers, including hard-working middle-income families, entrepreneurs, and college students)

At the end of title II, insert the following:

SEC. ____. POINT OF ORDER ON LEGISLATION THAT RAISES INCOME TAX RATES.

(a) POINT OF ORDER.—

(1) IN GENERAL.—In the Senate, it shall not be in order to consider any bill, joint resolution, amendment, motion, or conference report that includes a Federal income tax rate increase.

(2) DEFINITION.—In this subsection the term ''Federal income tax rate increase'' means any amendment to subsection (a), (b), (c), (d), or (e) of section 1, or to section 11(b) or 55(b), of the Internal Revenue Code of 1986, that imposes a new percentage as a rate of tax and thereby increases the amount of tax imposed by any such section.

(b) WAIVER.—This section may be waived or suspended only by an affirmative vote of three-fifths of the Members, dully chosen and sworn.

(c) APPEALS.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

Mr. CONRAD. While we are giving a chance for the Parliamentarian to review this amendment, maybe we can go to Senator REED for discussion of his amendment.

How much time does the Senator require?

Mr. REED. About 5 minutes.

Mr. CONRAD. I yield up to 10 minutes to the Senator from Rhode Island off the resolution.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

The PRESIDING OFFICER (Mrs. MCCASKILL). The Senator from New Hampshire is recognized.

Mr. GREGG. I am not sure the Senator from Texas heard that discussion.

Mr. CORNYN. I thought I had the floor, Madam President.

Mr. GREGG. If I could interject, what has happened is the Parliamentarian desires a few minutes to look at the amendment of the Senator from Texas. We thought we could grant him that and then during that period have Senator REED speak for 5 minutes and then come back to the amendment of the Senator from Texas, which would remain pending.

Mr. CORNYN. I have no objection.

Mr. CONRAD. I thank the Senator from Texas for his courtesy. We are trying to use the floor time as efficiently as possible. The Parliamentarian needs a chance to review the Senator's amendment.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. I thank Senators CONRAD and GREGG for graciously allowing me to speak.

We are debating the Federal budget today. While we do that, thousands of families in my State of Rhode Island and across the country are struggling to balance their household budgets. They are, in many cases, in dire circumstances. They are dealing with the effects of failed economic policies. Over the last several years, wages have been stagnant for most Americans. There has been no real increase in family income for almost a decade. In addition to a stagnant income, they have been assaulted by extraordinarily high prices. I had bakers in my office today whose bakeries in Rhode Island have to pay 100 percent more for wheat. What is staggering today is a fact my colleagues are probably aware of. The price of a barrel of oil is exceeding $110. That is the highest price ever for oil. It is even higher in real terms than we saw in the wake of the oil embargo of the 1970s. So wage growth and skyrocketing costs, particularly energy costs, are crushing and squeezing families. I regret that the President's budget proposal does not respond realistically to these current challenges. Instead, it offers more of the same.

Since he took office, President Bush and his allies in Congress have increased our national debt to over $9 trillion, which is roughly $30,000 for every man, woman, and child in America. They have also made it harder for working families to make ends meet. In contrast, the resolution advanced by Senator CONRAD and the majority would provide much-needed relief for millions of Americans and begin to reverse some of the negative trends that have accelerated with President Bush's term of office.

I am pleased, for example, that the Budget Committee has increased the fiscal year 2009 authorization for low-income home heating energy assistance to $2.5 billion, $500 million more than the President's request. But I believe we need to do more. We certainly need to do more when the price of oil is soaring above $110 a barrel. That cost will quickly translate into heating oil costs, increased prices at the pump, and other energy costs throughout the economy and will have dire impacts on families.

I will, at the appropriate moment, offer an amendment, along with Senator COLLINS, to provide an additional $2.6 billion for LIHEAP for a total level of $5.1 billion, the fully authorized amount. As my colleagues know, LIHEAP helps low-income families, seniors, and individuals with disabilities with their heating and cooling bills, bills that have become unmanageable, and with the skyrocketing price of oil, will become even more so. Family budgets have been squeezed. We have to do something to help them out.

For example, heating oil prices have increased 138 percent from January 2000 to January 2008. Paychecks for working families have not increased 138 percent and neither has LIHEAP funding. We are not even keeping pace with the acceleration in the cost of energy. LIHEAP helps these households avoid making the tough choices between paying their energy bill or putting food on the table or also, in this environment, paying their mortgage. So we have to increase, not cut, LIHEAP funding. Funding LIHEAP at $5.1 billion would help literally millions of families cope with high energy prices during bitter cold winters and accelerating costs of energy and hot summers for those who live in the Southeast and Southwest and other parts of the country.

I urge all my colleagues to join with me and Senator COLLINS in supporting

this vital amendment to the budget. At this juncture, I ask unanimous consent that in addition to the 16 cosponsors listed on amendment 4154, as submitted, further, Senators COLEMAN, KOHL, LEAHY, LIEBERMAN, LINCOLN, and SCHUMER be added as original cosponsors as well.

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

Mr. REED. In conclusion, this budget resolution and the amendment I have offered provide a blueprint for legislative action. The amendment that will be offered in its appropriate turn by Senator CONRAD will address the critical issue of helping families make ends meet by helping them with their energy costs, both in severe winters and scalding summers.

However, we have to do much more than this. We have to help people with mortgage bills, the rising cost of food and energy and stagnant wages. I hope the administration and my colleagues on the other side of the aisle will join us in the coming months to enact legislation that will make a huge difference for Americans in all phases of the economic issues that challenge them—paying the mortgage, feeding the family, heating their home, paying the health care bills, getting jobs in the United States that pay wages with which they can support their families. We could do that. We have done it in the past. There is no reason we cannot work together to make it happen now.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 4181

Mr. CONRAD. I send the Pryor amendment to the desk to be in order after the Cornyn amendment.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for Mr. PRYOR, for himself, Ms. SNOWE, and Mr. BINGAMAN, proposes an amendment numbered 4181.

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

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

The amendment is as follows:

(Purpose: To add a deficit-neutral reserve fund for Science Parks)

At the end of Title III, insert the following:

SEC. ___. DEFICIT-NEUTRAL RESERVE FUND FOR SCIENCE PARKS.

The Chairman of the Senate Committee on the Budget may revise the allocations of a committee or committees, aggregates, and other levels in this resolution for one or more bills, joint resolutions, amendments, motions, or conference reports that would provide grants and loan guarantees for the development and construction of science parks to promote the clustering of innovation through high technology activities, by the amounts provided in such legislation for such purpose, provided that such legislation would not increase the deficit over either the period of the total of fiscal years 2008 through 2013 or the period of the total of fiscal years 2008 through 2018.

Mr. CONRAD. Maybe we should thank the desk crew for working under very challenging circumstances because we know we are sending them a tremendous flood of amendments and paper. They are having to keep it straight, and we very much appreciate their diligent work.

AMENDMENT NO. 4242

Mr. GREGG. I was wondering if we could set the order here before we go back to the Cornyn amendment.

Mr. CONRAD. I think we could.

Mr. GREGG. If the order is now, the Cornyn amendment is the regular order, that would be followed by the Pryor amendment in the voting sequence, followed by the Allard amendment, followed by a side-by-side to the Allard amendment.

Mr. CONRAD. Yes, we may have a side-by-side for the Allard amendment. We have reserved that slot at least.

Mr. GREGG. And then after this discussion, we would turn to Senator BIDEN.

Mr. CONRAD. After I ask the Parliamentarian a number of questions with respect to the Cornyn amendment, which we set aside so the Parliamentarian could study it.

I ask, through the Chair, the Parliamentarian if the Cornyn amendment is germane to the budget resolution.

The PRESIDING OFFICER. The amendment is not germane.

Mr. CONRAD. I ask further if this amendment was accepted on the floor, if that would be corrosive to the privileged nature of a budget resolution?

The PRESIDING OFFICER. It would be.

Mr. CONRAD. I ask further if the Cornyn amendment came back from conference committee, if that would be fatal to the privileged nature of the budget conference report?

The PRESIDING OFFICER. It would be.

Mr. CONRAD. Therefore, I have no choice but to raise a point of order on germaneness on the Cornyn amendment at the appropriate time. I will not do that now, but I wished to have this conversation in the presence of the Senator from Texas. We had this conversation last year. I alerted him that this issue was raised with us afterwards, and I wanted him to hear for himself the answers of the Parliamentarian.

The PRESIDING OFFICER. The Senator from Texas.

Mr. CORNYN. Madam President, I understand the concerns of the Senator. It will take 60 votes to waive the point of order. Sixty-three Senators voted for the amendment last year. My hope would be they would vote with me to waive the point of order. Unfortunately, the Senator is correct. After 63 Senators voted on a bipartisan basis for this amendment last year, it was stripped in the conference. Unfortunately, this is the kind of thing that tends to undermine public confidence in what we are doing, when we see a strong bipartisan show of support for a commonsense amendment and then, behind closed doors, it is later stripped from the legislation. I respect and understand the concerns of the Senator. I will move to waive the budget point of order at the appropriate time.

I thank the Chair.

Mr. CONRAD. I thank the Senator. Now we have time for Mr. BIDEN, the senior Senator from Delaware. Would 15 minutes be plenty?

Mr. GREGG. Madam President, I ask if the chairman would be agreeable to recognizing Senator ALLARD around 5:15 and that debate on his amendment and any substitute to his amendment be for 1 hour, up to an hour equally divided.

Mr. CONRAD. One understanding we might have, if that amendment consumes less time or the side-by-side consumes less time, that we go on to other business.

Mr. GREGG. Absolutely.

Mr. CONRAD. All right. I have no objection.

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

The Senator from Delaware.

AMENDMENT NO. 4164

Mr. BIDEN. Madam President, I thank the chairman of the Budget Committee. It is a job I don't envy.

Let me say at the outset, I have two purposes in rising today. One is, I am going to, at the end of my comments, introduce an amendment that restores full funding for the 150 function, the State Department budget, cosponsored by Senators FEINSTEIN, SMITH, DURBIN, SUNUNU, DODD, MARTINEZ, MENENDEZ, SNOWE, KERRY, COLLINS, LEVIN, VOINOVICH, OBAMA, CORKER, LEAHY, and HAGEL.

What I rise to speak to now is an amendment already at the desk, amendment No. 4164. That amendment will add $551 million to the $599 million already provided in the budget resolution for the COPS Program for a total funding of $1.15 billion. I thank the Budget Committee for allocating the $599 million to the COPS Program in this resolution. That is a significant increase from the President's priorities. In fact, for the first time since its inception in 1994, the President's budget proposes to eliminate the COPS Program entirely. I am offering my amendment to get us closer to full funding of the level of $1.15 billion that proved successful in driving down crime in the 1990s.

I realize I am a broken record on this issue. Each year my colleagues hear me come down and talk about the COPS Program, the fact that we have to fully fund the program. Why am I such an advocate for the COPS Program? Mostly because I wrote the original legislation. There is a tendency around here, if you write something, you hang onto it, even if it no longer functions. But that is not the reason. It is not pride of authorship. I support it because it works. It worked. It continues to work. And it will work even better if we fund it.

In the 8 years following the creation of the COPS Program, we have driven down violent crime by 30 percent in the United States. Cops and sheriffs themselves have told us the COPS Program works and is critical to their ability to keep communities safe. In addition, we have one dozen academic studies showing that COPS grants help reduce crimes in cities of all sizes.

If it ain't broke, as Ronald Reagan used to say, why fix it? I have never heard the other side argue that this program does not work. They all agree it works. But they choose not to fund it because they think funding of local law enforcement is not a Federal responsibility or that we need to defund the program to be fiscally responsible. The truth is, this devolution of Government argument I find not very compelling. The argument that the Federal Government has no responsibility for local crime would be true if the Federal Government had no responsibility, if the States were able to do something about the drugs pouring across our international borders, if, in fact, States were able to affect crime coming across their borders from some other States, if, in fact, they had jurisdiction to reach out and deal with 60 percent of the crime that occurs in their communities because of drug abuse and drug trafficking. So there is an overwhelming Federal responsibility here.

My view is that allowing crime rates to grow and not doing everything in our power to protect our constituents is irresponsible. It is not that we are being fiscally responsible, we are being irresponsible by not funding programs we know work.

I should point out, the COPS Program actually saves money in the long run. I hear from some of my neoconservative friends, who are big on the devolution of Government and fiscal responsibility, as they talk about it. I also hear them use phrases as businesspeople: You have to spend money to make money. Well, we should, as I say, change the paradigm here.

Last March, the Brookings Institute issued a study showing that the COPS Program greatly benefits society as a whole. The study found that every $1.4 billion invested in COPS generates a benefit to society of between $6 billion and $12 billion by reducing crime. According to Brookings scholars:

> COPS appears to be one of the most cost-effective options available for fighting crime.

That is because when you prevent a crime or you fight crime, you do not pay for the cost of the injury, you do not pay for the cost of the physical damage done to the community, you do not pay for all the ancillary costs that are associated with high crime rates. You actually save money by spending money on COPS.

The Bush administration argues that because crime is lower than it was in the early 1990s, we can afford to slash crime-fighting assistance. Well, I find that striking. I start with the basic premise that if we do not see a drop in crime rates each year, then we failed. The fact is, we talk about the number of crimes, violent crimes being committed in America. If you take the total number of crimes being committed, even though they have leveled out or are only slightly increasing, they are down from the high points in the mid 1980s and the early 1990s. The fact is, there are still over 1,400,000 of those crimes being committed. Is that OK? Should we not spend money to deal with what is still an incredible number of crimes committed in America—17,000-plus murders this year? We need to get back on track now.

Our law enforcement agencies are facing a perfect storm. Let me explain why I mean by that.

Since he took office, the President has cut annual funding to COPS and Byrne Justice Assistance Grant Programs by $1.7 billion. The President's budget proposes now to eliminate these programs entirely. At the same time, he asks State and local law enforcement to take on new responsibilities—new responsibilities—relating to counterterrorism, homeland security, and immigration duties. The President is asking cops to do much more and giving them considerably less.

The FBI agents reassigned away from fighting crime to terrorism—and they must do that—have not been replaced. One investigative report last year stated that the number of criminal cases investigated by the FBI has dropped by 34 percent. I am not being critical of the FBI, nor critical of the commitment to counterterrorism. But in our effort to protect America from terrorism, we cannot leave them vulnerable to violent crime on their streets. It does not matter if you get blown up by a terrorist or shot by a drug thug on the street, you are dead. You are dead. Family members do not make a distinction between how you die. We have to protect them from both the crime on the street and from terrorism. That takes a commitment of resources that has been lacking in recent years.

Finally, the economy has slowed down. The Washington Post reported recently that next year 20 States expect their budgets to be in the red. As State governments are forced to tighten their belts and cut back on critical law enforcement funding, as they do that, Federal assistance is going to become even more important.

Many of you have heard me say this before: Fighting crime is like cutting grass. This spring, when the grass begins to grow, you go out and cut it. For 1 week, it is going to look great. Don't cut it for 2 weeks, it looks a little ragged. Don't cut it for a month, it is really ragged. Don't cut it for the summer, and you have a jungle in your front yard.

Ralph Waldo Emerson once said in another context: Society is like a wave. The wave moves on, but the particles remain the same.

God hasn't made a new brand of man in a millennia. As long as there are people and the population is increasing, there is going to be continued crime. The idea that we can spend less money one year than the year before in fighting crime I find preposterous because you do not change human nature.

Many of you have, as I have said, heard me say this for a long, long time. But the fact is, we have neglected State and local law enforcement for much too long, and we have an increasing problem on our hands.

A recent poll published by the nonpartisan Third Way indicates that 94 percent of Americans view crime as a ''very serious'' or ''fairly serious'' problem. Sixty-nine percent of Americans think violent crime is a bigger threat to them than the possibility of terrorist attacks. It is sort of a self-evident proposition, but it is interesting to know they feel that way.

The concerns of these Americans are serious, and they are real. Last year, 1.4 million Americans were victims of violent crime. Now, if crime is down from what it was a decade ago, is that an acceptable rate? Is it acceptable to say we do not have to spend any more money, we can level off violent crime at 1.4 million violent crimes a year? Are we doing our job? Are we winning the war? Are we protecting Americans? How can we justify spending less money when there are still 1.4 million violent crimes in America? More than 445,000 Americans were robbed. More than 17,000 were murdered. Is there anyone in this body who does not think these numbers are unacceptably high for a civilized nation? We know what the solution is. We know how to make American communities safer. But we know it takes a commitment, and it takes a financial commitment.

In all my years dealing with this issue of crime and the criminal justice system, there are only a few things we know for sure. One is, the older you get, the less violent crimes you commit because it is harder to run down the street being chased by a cop and to jump a chain-link fence when you are 50 years old. So violent crime decreases as you get older. The other thing we know for sure is that cops matter. If there is going to be a crime committed at an intersection and there are three cops at that intersection, the crime is going to be committed on the corner of the intersection where the cops are not standing. Cops matter.

So I find it preposterous that no one has argued against the merits—the merits—of the COPS Program and the crime bill originally written. No one argues that it does not work, but they argue we fiscally cannot afford it. Can we afford 17,000 murders in this civilized country? Can we afford 1.4 million violent acts against our fellow citizens? Can we afford 445,000 robberies, for which we know if we commit these resources of $1.15 billion a year we can significantly reduce the number

of people being victims of violent crime?

My amendment will add $551 million for the COPS Program to support the local law enforcement officials on the front lines, and it is fully offset by an across-the-board cut to nondefense, discretionary spending.

So when the appropriate time comes, I will urge my colleagues to vote for this amendment. I might add, it passed last year. It passed, and it passed the appropriations process until we ended up with a continuing resolution. So there has been overwhelming support for this, and I think it is needed.

Now, Madam President, I would like to turn, in the moments I have left, to an amendment I would like to offer at this time for myself and Senator LUGAR. We are joined by a number of our colleagues whom I mentioned earlier. Our amendment builds on similar work done by Senator FEINSTEIN. We all share the same goal.

My amendment restores the full amount of the President's requested $39.5 billion to the international affairs budget. To put this in perspective, for every $19 we spend on the military, we spend $1—$1—on diplomacy and development.

Last week, two distinguished former senior military officers, GEN Anthony Zinni and Admiral Smith, came before the Foreign Relations Committee to tell us that we must reorder our Nation's priorities in order to protect our national security. With more than 50 of their fellow former flag officers behind them, they are calling for a new emphasis on smart power—using our Nation's diplomatic and economic resources to protect our interests.

Secretary of Defense Gates has made the same point absolutely clear. He said:

> Having robust civilian capabilities could make it less likely that military force will have to be used in the first place.

We can all see the results in both Iraq and Afghanistan of not having those capabilities, the resources, or the plan to turn military action into a sustainable peace.

But Secretary Gates was also perfectly clear about the real issue. In his words:

> Sometimes there is no substitute for money.

He was talking about the need for an international affairs budget that can do the jobs that are now increasingly shifted onto our overburdened military or simply are not being done at all. The way we do things now, we have, in his words, ''field artillerymen and tankers building schools and mentoring city councils—usually in a language they don't speak.''

We have to do better. We face many challenges around the world in the rise of religious fundamentalism, the proliferation of weapons of mass destruction, the spread of disease, and failed states. They are all vectors that, in fact, intersect and cause great threats to us. Not one of them can be met solely or even primarily with military force. No one knows that better than our men and women in uniform.

The message we heard in our committee last week was: ''We cannot rely on military power alone to make our nation secure.'' Yet, as I said, for every $19 we spend on military resources, barely $1 goes toward civilian programs that can prevent military action, support a balanced response to security threats, or secure the peace once the shooting stops. We spend more in 3 weeks on military operations in Iraq, for example, than we have spent since 9/11 to rebuild and secure Afghanistan—the total amount of money spent in Afghanistan, which is one end of the superhighway of terrorism between Afghanistan and Pakistan. We have spent less money, since 9/11, in Afghanistan defeating the Taliban and dealing with its civilian as well as military needs than we spend for 3 weeks in Iraq. This amendment will not fix that problem, but it will keep us from making it worse.

Last month, I wrote to my colleagues on the Budget Committee asking them to treat the President's budget for international operations ''as a floor, not a ceiling.'' I ask unanimous consent, Madam President, to have a copy of my views printed in the RECORD.

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

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, February 26, 2008.

Hon. KENT CONRAD, *Chairman,*
Hon. JUDD GREGG, *Ranking Member,*
Committee on the Budget, U.S. Senate,
Washington, DC.

DEAR CHAIRMAN CONRAD AND SENATOR GREGG: I write in response to your request for the views and estimates of the Committee on Foreign Relations, as required by Section 301(d) of the Congressional Budget Act of 1974, regarding the budget for programs under the jurisdiction of the Committee. Most, but not all, of the programs within function 150 are under the jurisdiction of the Committee on Foreign Relations.

At the outset, I repeat my suggestion made in years past that the Committee consider functions 050 and 150 as part of a ''national security budget.'' Both national defense and international affairs programs are essential to the security of the country, and we should fund both adequately. This was true before the attacks on the United States in September 2001, and is even more so today.

International affairs funding is the ''first line of defense,'' and the request should be treated as a floor, not a ceiling. The international affairs agencies remain underfunded and understaffed, in spite of increases in the last decade. That is not my conclusion alone, but that of several recent studies performed within and without the government. Therefore, in preparing the budget resolution, I urge you not to reduce the money allocated to function 150 under the President's request.

I also urge the Committee to bear in mind the difficulty of estimating foreign affairs funding over the duration of the budget resolution. Predicting the future in foreign policy can be difficult, because so many events outside the control of the United States can affect the course of American policy. I think it safe to say, however, that our international interests are unlikely to diminish over this period; the opposite is true. In the age of globalization, with ever-increasing links in commerce, travel, and communications, it is more likely that our interests will increase. Most important, we face a continuing threat of attack by international terrorist organizations. The unclassified portions of a National Intelligence Estimate, issued in July 2007 (entitled ''The Terrorist Threat to the U.S. Homeland''), stated that the ''U.S. Homeland will face a persistent and evolving terrorist threat over the next three years.'' The main terrorist organization threatening the United States—al Qaeda—has its base of operations overseas. Our foreign policy institutions devote substantial resources to combating al Qaeda and its affiliates in numerous countries overseas. In sum, our security and economic interests dictate that we continue to provide adequate funding for the international activities of our government.

Against this background, let me discuss several specific items that your Committee should consider in preparing the budget resolution.

Funding for Iraq and Afghanistan

The President has requested a relatively small amount of foreign affairs funding for Iraq in the FY 2009 budget—$397 million in foreign assistance funds, and $65 million for State Department operations. But this modest request obscures a much larger supplemental request of over $2 billion for State Department operations in FY 2008. I would expect additional supplemental funds to be requested in FY 2009. This continues an objectionable practice of treating these costs as somehow unforeseen and worthy of exemption from the normal budget discipline. We should not force the taxpayers of tomorrow to bear the costs of today's military and foreign policy priorities.

I am pleased that the President's budget contains over $1 billion in additional assistance for Afghanistan, but I remain concerned that the level of commitment falls far short of the President's pledge, made in 2002, of a reconstruction program modeled on the Marshall Plan. In fact, over the past six years the funds spent on Afghanistan's reconstruction equal what we spend on military operations in Iraq every three weeks. The budget presents little cause for optimism that the Administration will adopt a coherent plan for combating the illicit narcotics trade, which remains a major threat to the objective of establishing a secure and stable society. We, and the Afghan people, have waited half a decade for the President's promises to be fulfilled for Afghanistan. It is in our vital national interest to see that this budget funds a new strategy for success rather than a continuation of the failing policies of the past. Accordingly, I expect that the Committee on Foreign Relations will closely review the ongoing programs in Afghanistan and will reauthorize the Afghan Freedom Support Act (P.L. 107–327) at levels higher than those in the President's budget.

Non-proliferation programs

An ongoing priority of the Committee will be to improve the non-proliferation and counterterrorism posture of the United States. The Administration has emphasized military action against states, but has paid insufficient attention to. non-military efforts to keep the world's deadliest weapons, materials, and technology out of the hands of the world's most dangerous people.

Committee priorities in this area will include: ensuring that sufficient resources and authority are available to take advantage of opportunities to verifiably disable and dismantle sensitive nuclear facilities in North Korea and, if possible, Iran (additional resources will be of particular importance if

Congress is unable to enact a budget-neutral Glenn Amendment waiver for disablement, dismantlement, and verification activities related to North Korea's nuclear programs, a proposal that is supported by the Administration, Senator Lugar and me); providing robust funding in a timely manner to key international organizations carrying out critical nonproliferation tasks, such as the International Atomic Energy Agency and the Organization for the Prohibition of Chemical Weapons; funding new State Department efforts to promote biosecurity worldwide; and enacting the Global Pathogen Surveillance Act to strengthen the ability of developing countries to detect and combat bioterrorism threats and infectious diseases. I first developed this legislation in 2002, and it has been approved by the Senate twice (most recently in December 2005 as S. 2170, a Frist-Biden-Lugar bill). The authorization of appropriations for these initiatives is expected to be $150 million in FY 2009 and $180 million in each of the out years.

Lastly, I would highlight a need that Senator Lugar has rightly raised in the past. The Department's Directorate of Defense Trade Controls (DDTC) is seriously understaffed and in need of funds to hire more full-time personnel to process munitions license applications. Without an increase in funds for the activities of DDTC, license applications for critical arms sales to support our allies and their activities in Afghanistan and Iraq will continue to be processed far more slowly than we believe would be the case if more funds were available. Last year, for instance, DDTC had to process more than 40,000 cases with only 34 licensing officer positions filled. By comparison, the Bureau of Industry and Security at the Department of Commerce has far more staff to process far fewer cases involving dual-use export licenses. Yet the President's budget request for FY 2009 includes no funding for additional staff at the Licensing Office at the Directorate of Defense Trade Controls. The Foreign Relations Authorization Act for Fiscal Year 2003 (P.L. 107–228) authorized $10 million to be available in FY 2003 for DDTC salaries and expenses. Six years later, the Administration's request for FY 2009 is only $6.9 million. A doubling of that figure is warranted, to ensure that DDTC has sufficient funding to hire additional licensing officers.

Reconstruction and stabilization assistance

A priority for Senator Lugar and me continues to be to significantly improve the U.S. civilian capacity to undertake stabilization and reconstruction missions in countries that are recovering from War or conflict. I am encouraged that the President has requested $248 million for the Civilian Stabilization Initiative (CSI), and I urge your Committee to assume funding for this initiative. The request level for the CSI would support a civilian active response corps of 250 personnel, a standby response corps of 2,000, and a civilian reserve of 2,000 drawn from the general U.S. workforce. This capacity is the core of legislation which Senator Lugar and I have introduced in every Congress since the 108th Congress. The Senate approved our bill in the 109th Congress and, with strong support from the Administration, we are working for enactment of the current version (S. 613).

Global health

Progress in the battle against HIV/AIDS constitutes one of the leading accomplishments of this administration and U.S. foreign policy in recent years, but the President's request for global health funding, including HIV/AIDS, will fail to build on those achievements. The request includes a very small increase for HIV/AIDS funding overall, but it cuts funding for the multilateral Global Fund to Fight AIDS, Tuberculosis, and Malaria by $340 million from the enacted funding level for FY 2008, requesting only $200 million within State and Foreign Operations and $300 million within the Health and Human Services budget. In keeping with Congress's strong support of the Global Fund, I urge that the budget resolution assume additional funds for a U.S. contribution that will be provided within the 150 account. The President's budget request also significantly reduces funding for Child Survival and Health, including a substantial cut in bilateral funding to combat tuberculosis, despite the fact that drug resistant strains of tuberculosis are growing increasingly common and more dangerous.

Additionally, I would note that the authorization period for the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2003 will expire at the end of FY 2008, unless extended by Congress. I believe that a strong, bipartisan majority in Congress is committed to the reauthorization of these important and successful programs. I expect that the Committee will initiate and Congress will pass reauthorization legislation. Therefore, the budget resolution should assume the continuation and, I hope, expansion of these programs.

International Violence Against Women

Current U.S. efforts to address violence against women are well intentioned, but fragmented and piecemeal, and lack systemic integration into current U.S. foreign assistance programs. Our approach to this issue can, and needs to be, more effective. Senator Lugar and I recently introduced comprehensive legislation to address the issue, entitled the International Violence Against Women Act (S. 2279). The bill contains three primary components: First, it reorganizes and rejuvenates the gender-related efforts of the State Department by creating one central office, directed by a Senate-confirmed Ambassador who reports directly to the Secretary. The Coordinator will be charged with monitoring, coordinating, and organizing all U.S. resources, programs and aid abroad that deals with gender-based violence. Second, we know that in humanitarian crises, conflict and post-conflict environments, women and girls are even more vulnerable to horrific acts of violence. The legislation requires training, reporting mechanisms and other emergency measures for those who are working directly with or protecting refugees and other vulnerable populations. Finally, the Act mandates a 5-year, comprehensive strategy, with coordinated programming, to prevent and respond to violence against women in 10 to 20 targeted countries. The Act authorizes $175 million a year to support programs to prevent and address violence. against women in areas such as strengthening criminal and civil justice systems, enhancing women's access to property and inheritance rights, improving access to health care and education, and supporting public awareness campaigns to change social norms. I urge your support for the additional funding contemplated by this bill.

Millennium Challenge Corporation

The President has requested $2.225 billion to fund the Millennium Challenge Corporation (MCC) in FY 2009, which is significantly below the FY 2008 request of $3 billion. I remain concerned about the lack of funds disbursed by MCC and delays in implementing its Compacts. Of the nearly $7.6 billion appropriated to MCC since 2004, only $145 million has been disbursed to date. At the same time, MCC enjoys the continued support of the development community and represents one of the few institutions in the U.S. Government dedicated to providing longterm development funding. Given the slow pace of disbursements, Congress has continued to reduce the President's requests. This year, he has scaled back his budget request to an appropriate level. Therefore, I request the Committee assume MCC will receive its full funding request.

Development Assistance funding

The President requests an increase in funding for the Development Assistance account to over $1.6 billion, reversing a declining trend in this account as well. I have watched with increasing concern as the Administration has diverted funds from the development assistance account to the shorter-term Economic Support Funds. I believe adequately funding both accounts is critical to supporting a multi-faceted and balanced foreign policy. The programs supported by Development Assistance funds—basic education, water and sanitation, agriculture and trade capacity building—are essential building blocks for developing countries. I support the request level for this account.

Humanitarian assistance

I am concerned by the President's reduced request for humanitarian assistance funding, especially funds for the International Disaster and Famine Assistance account. The Administration has conveyed that it intends to request additional funds for this account through a budget supplemental. I do not believe this represents the best approach for dealing with emergencies as they arise. In each of FY 2004 through FY 2007, the total appropriation for the International Disaster and Famine Assistance account has exceeded $500 million. There is little reason to expect this year to be any different, yet the President's request stands at $298 million. As a result, humanitarian agencies working on the ground are forced to plan in a vacuum, leading to lives lost and inefficient expenditure of taxpayer funds. I believe it is much more sensible to fully fund these accounts in the regular budget.

Contributions for International Peacekeeping Activities

The President's request for Contributions for International Peacekeeping Activities—the account through which we pay the U.S. share of United Nations peacekeeping operations—significantly underestimates the amount that we will be required to pay for the United States' proportionate share of assessments in 2009. The estimate of U.S. payments for fiscal year 2008 was $2.3 billion; the budget request for fiscal year 2009 is $1.5 billion. We know that the need for peacekeepers in Africa alone is immense, and projected to remain the same, if not grow. Darfur, Chad, and Somalia are still in the grips of terrible conflicts. The Democratic Republic of Congo, which has seen horrendous violence in recent years and contains the largest of the U.N. peacekeeping missions, may be on the verge of a breakthrough toward genuine peace and needs a stable environment to support such a breakthrough. The President's budget request, however, would effectively cut funding for nearly all of the U.N. peacekeeping operations from estimated 2008 levels, and in particular a cut of $75 million for the Congo mission, a $56 million cut for the mission in Liberia, and a cut of $39 million in the Cote d'Ivoire mission. No justification for these reductions is provided in the budget request; the budget resolution should assume that these projections are inadequate.

Migration and Refugee Assistance

The request for $764 million for the Department of State's Migration and Refugee Assistance (MRA) account represents deep cuts from the Fiscal Year 2008 appropriation of $1.023 billion. These cuts are most troubling at a time when significant refugee crises

continue in nations such as Thailand and Chad. and where refugees remain in camps for a decade or more in some regions of the world. Of greater concern is that the President's request makes these cuts following a year where up to two million Iraqis have now sought refuge in neighboring countries in the Middle East, millions more Iraqis are internally displaced within Iraq, and at a time when the world community is struggling to address the needs of these populations. The budget resolution should assume a higher level of funding, at least consistent with last year's level.

USAID operating expenses

The President reverses a declining trend of funding towards USAID's operating expenses by increasing its FY 2009 funding request to over $767 million. This will cover critical salary, operational, administrative, IT and central support costs. I believe it is a well-needed and much delayed step in the right direction. In particular, this request will allow the Agency to recruit, hire and train 300 new Foreign Service Officers, barely covering attrition rates. We have asked the Agency to expand its mission and operations into new theaters like Iraq and Afghanistan. We cannot expect it to achieve U.S. foreign policy objectives if we do not provide appropriate resources. I view this request as just the first step in a comprehensive reform and overhaul of how USAID operates.

State Department operations

The President has requested a 6.5 percent increase in the operating budget of the Department of State. Much of this is devoted to addressing personnel shortfalls and the need for more officers trained in difficult languages. The lack of experienced officers with adequate language skills in languages such as Arabic or Chinese is well known. In addition, several studies in the past few years—including by the Government Accountability Office and the Center for Strategic and International Studies—have noted that the Department suffers from serious personnel shortages. Altogether, the budget requests 1,543 new positions in the Department, of which 448 would be funded by fees in the Border Security program (i.e., visa and passport fees). I support this increase in personnel.

Extension of Overseas Private Investment Corporation

The basic authorities of the Overseas Private Investment Corporation (OPIC), set forth in Section 234(a), (b), and (c) of the Foreign Assistance Act of 1961, expired at the end of FY 2007, but have been extended by Congress to April 1. The House has approved a four year reauthorization (H.R. 2798); the Committee on Foreign Relations ordered reported a substitute version of this bill on February 13. I believe a majority of the Senate supports OPIC programs. Therefore, the budget resolution should assume the continuation of OPIC operations.

Direct spending

I request that the Committee provide the Committee on Foreign Relations with a small allocation (not more than $10 million) for direct spending for Fiscal Year 2009. In recent authorization legislation for the Department of State, the Committee has approved provisions related to management and personnel in the Department that have resulted in small amounts of direct spending, though most of these provisions affect direct spending and revenues by less than $500,000 annually.

I appreciate your consideration of these views and look forward to working with you on the budget resolution.

Sincerely,

JOSEPH R. BIDEN, Jr.,
Chairman.

Mr. BIDEN. Madam President, working under tight constraints, the committee reduced the President's budget request by $4.1 billion. I understand they have a difficult task and a great staff, but I believe we have to do a lot better.

I ask my colleagues today to join me, when this amendment comes forward, in restoring the full $39.5 billion the President requested. That will allow us to at least continue the work now underway to help rebuild Iraq and Afghanistan, to support our ongoing nonproliferation programs, to provide the manpower and skills for our Civilian Stabilization Initiative, to fight AIDS, and to do all the things that reduce threats, relieve human suffering, and help to rebuild the moral stature of the United States in the world.

Our amendment is supported by the One Campaign, Interaction, the U.S. Global Leadership Campaign, and many other groups, many of whom are men and women who have worn the uniform their whole life.

The money we are asking for is less than a couple weeks of military operations in Iraq. It is an absolutely essential investment in our national security. So at the appropriate time, I will urge my colleagues to support this amendment.

Madam President, I thank my colleagues for the time on the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

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

Mr. CONRAD. Mr. President, I want to enter a plea to my colleagues: We need an attitude adjustment around here. We need an attitude adjustment around here. Here it looks pretty placid. Underneath all of this, there is a great deal of turmoil. If we are going to complete this in any reasonable way, we have to have people be more cooperative, less confrontational, less insistent on side-by-side amendments for even minor matters. I plead with my colleagues. I have a feeling what we have here is a lot of staff members who have gone into hyperactive mode, insisting on things in the name of their boss, and I bet their boss doesn't even know. I bet a lot of bosses would be a little embarrassed, frankly, about the insistence being made here from their staffs about how they have to have this and they have to have that, no matter how minor, no matter how insignificant, no matter how petty. I will tell my colleagues, it is wearing pretty thin with me. It is wearing real thin with me. I want to send that message.

Senator GREGG and I have been here for hours, we will be here hours more. We were here all day yesterday. Let's get serious. If we want to get done, then everybody is going to have to start getting a little better attitude about getting done. I hope people think very carefully about what I have said.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLARD. What is the regular order?

The PRESIDING OFFICER. The Senator is recognized.

Mr. ALLARD. What is the regular order?

The PRESIDING OFFICER. The pending amendment is the Conrad-Pryor amendment.

AMENDMENT NO. 4246

(Purpose: To raise taxes by an unprecedented $1.4 trillion for the purpose of fully funding 111 new or expanded Federal programs)

Mr. ALLARD. Mr. President, I ask unanimous consent to set aside the pending amendment, and I send an amendment to the desk.

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

The clerk will report.

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

The PRESIDING OFFICER. The clerk has not yet reported the amendment.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ALLARD] proposes an amendment numbered 4246.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

Mr. GREGG. Mr. President, I simply ask—we have an order to go through. We will protect the rights of the Senator from Colorado to have it voted on and he is actually in the queue to come after Senator PRYOR at this point. So I don't think the Senator from Colorado needs to ask for the yeas and nays right now.

Mr. ALLARD. I thank the Senator from New Hampshire, and I will respect those wishes. I will move right to the debate on the amendment.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLARD. Mr. President, one of my goals for this debate is to fight what I see as an erosion of fiscal discipline in the budget. I have offered an amendment to fully—I planned on offering an amendment to fully budget for the war, a war we know we are going to pay for but we are underbudgeting for by about $100 billion. I had planned on offering an amendment to tighten the requirements on reserve funds so they cannot be gimmicked into adding billions of dollars in spending. I plan on offering an amendment to curb the use of time shifts to allow budgets to falsely make claims on spending levels when the true picture is unchanged. I had planned on offering an amendment to allow authority to fight Medicaid waste, fraud, and abuse to be extended.

I am offering another ''truth in budgeting'' amendment now. I think we

need to work harder to tie what is in this budget with what is actually going to be spent by the U.S. Government.

As a component of that work, I want to add an amendment—an amendment I intend to vote against, but an amendment I think needs to be a part of this process—that will budget for some of the rhetoric we are hearing on the campaign trail. Three of these amendments could be offered, but I am going to offer only one.

Senator OBAMA has offered 188 campaign proposals that would add up to at least $300 billion in new annual spending. That has a 5-year cost of more than $1.4 trillion. Of the 188 new spending proposals, the $300 billion pricetag only covers 111 proposals. There are another 77 proposals with unknown cost estimates that will add billions to this number. This new spending, if enacted, would represent an almost 10-percent increase over the President's budget for fiscal year 2009.

To put this in perspective, this $300 billion spending proposal would cost more than 42 States' budgets combined when we look at their general fund expenditures. It is more than the United States spent last year on imported oil, and it is more than 60 percent larger than any 1-year Federal spending increase ever.

Who will pay for the proposed $300 billion increase in spending? The middle-class American taxpayers and small businesses, which are the engine of growth for our economy, that is who. Raising taxes on just the rich simply won't cover it.

Under pay-go budget rules, new spending or tax cuts are paid for by spending cuts or tax hikes. The CBO budget baseline already incorporates the extra revenue due to higher tax rates, so the end of the Bush tax cuts won't pay for the proposed spending and still satisfy our pay-go requirements.

Senator OBAMA has promised to pay for his record new spending increases with a tax increase on families making $250,000 and over. However, this increase would only yield $225 billion over 5 years. Now, that is a far cry short of the $1.4 trillion required under his new spending plan. So we will need to raise taxes on the middle class and small businesses or deficit spend. Those are the choices we have.

According to CBO, President Clinton's 1993 tax increase raised taxes $240.6 billion over 5 years. The late Senator Patrick Moynihan called it the ''largest tax increase in the history of public finance in the United States or anywhere else in the world.'' This proposal will increase spending $300 billion in a single year.

To finance the first year of this proposed spending—the $300 billion—Congress would need to increase taxes on the top 1 percent of taxpayers by 57 percent. Under that scenario, taxpayers with incomes over $365,000 would see a tax hike of at least $40,300 on top of what they are currently paying. That is simply not realistic. So if Congress decides to widen the pool of taxpayers footing the bill, it would have to raise taxes on the top 5 percent by 38 percent. It would have to raise—the top 10 percent of taxpayers, it would have to raise their tax rates by 32 percent; or the top 25 percent by raising their tax rates 26 percent; or the top 50 percent of taxpayers by raising their tax rates 23 percent.

The top 50 percent of American taxpayers, who already pay 96.9 percent of all Federal income taxes, are those who earn $31,000 of adjusted gross income or more.

To translate this point into language everyone can understand, if you have an income of $104,000 or more, the plan would cause your tax bill to go up at least an additional $5,300 a year. If you have an income of $62,000 or more, the plan will cause your tax bill to go up at least—at least—$2,300 a year. This is on top of the $2,300 increase already assumed by the failure to extend the current tax policy that was put in place by this President and a Republican Congress. But we are not just looking at new spending. He also wants to balance the budget and stop spending the Social Security surplus. If he follows through with these promises, it would mean the average taxpayer earning $62,000 would see their income tax bill rise 5,300 or 61 percent, or the average taxpayer earning $104,000 would see their income tax bill rise by 12,300, or 74 percent. The average taxpayer earning $365,000 would see their income tax bill rise by an astounding $93,500. That is a 132-percent increase.

Keep in mind that all these tax increases would be on top of the $2,300 tax increase 43 million families will feel, when the current tax policy expires; the $2,200 tax increase seniors will experience, when the current tax policy expires; and the $4,000 tax increase small business will have to pay, when the current tax policy expires.

If such a massive hike is deemed politically undoable, all of this staggering spending would simply be added to the Federal debt each year, to the tune of over $1.4 trillion over 5 years. That debt would be passed along to our children and grandchildren, with interest.

I will oppose this amendment. But I think we need to include these proposals in our budget debate. I refer to, and other Members have referred to, this as the ''Obama spend-orama.'' It is a huge spending proposal that he is talking about in the campaign, which we can expect him to present to Congress if he is elected President. The consequences are a huge increase. When you pay for that, he is going to have to implement a huge tax increase. That is on top of the expiring taxes that will be taking place in the next 2 or 3 years.

So we have a tax increase built into current law that will be compounded by this type of spending plan.

My point is that the taxpayers of this country simply cannot afford this kind of budgeting. Their taxes are too high. They are going to be too high in the next 2 or 3 years. We are going to have tax increases when our economy can least afford to deal with them.

So I ask my colleagues to join me in voting against this ''Obama spend-orama'' amendment. I think it is the wrong answer in today's world. We need to have the American people keep their money in their own pockets so they can spend it on their own family needs, so it can be used in their local communities to take care of the needs of those communities in which they live. Sending it to Washington and sending it back in some type of programmatic dollars simply will not do the trick to keep our economy growing, and that is certainly not what I want to see.

I came to Washington to make sure we kept power at the State and family level. So I am proposing this amendment so we can have this debate and move forward with this budget policy, which we may have to deal with after this particular Presidential election.

Mr. President, I see Senator BURR. I will yield the floor so he can raise his concerns.

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

Mr. BURR. Mr. President, I thank my colleague for his amendment. I want to make it clear to my colleagues in the Senate that you should not vote for this amendment. I will say that again. You should not vote for the Allard amendment.

The amendment reflects the proposals that one candidate made in the Presidential race to, in a blanket way, spend $300 billion a year—the first year. We all know if you have 1 year of spending up here, all you need to do is multiply it by how many years you are going to watch it because you will end up close to what the total is. If you look at over a 5-year period, you are looking at a tremendous growth in spending.

Now, this may be considered by some an economic stimulus package—I think that is probably the only way it could be billed—and that we are going to grow the size of the Federal Government through what they spend. That is not how I envision economic growth. I envision that when you fuel, through policies, the commitment by the private sector to invest in bricks and mortar and buy new equipment, to create jobs and hire our children and grandchildren, to continue to innovate to bring new resources to the marketplace and make sure the U.S. economy grows—not the U.S. Government—I think if the American people wish for anything today, they wish we would slash the size of the Federal Government. They wish we would cut the number of employees and that we would actually take a look at the programs that the Federal Government has that we have funded—and that we created many times—that don't work today, and actually fix them and make

them work or get rid of them. But, no, in typical fashion, every election year we say the Government is broken, this or that doesn't work, so let's create new programs. Let's not try to fix the ones that are there. Maybe they will just go away on their own. But they never do. Spending piles up and piles up.

So there is a big difference as we go into this budget debate, and as we go into this election year. The question is, are you going to ask the private sector to fuel the economic growth? Are you going to ask the private sector to invest in bricks and mortar and job creation or are you going to let the Federal Government do it? Our track record in the Federal Government is not too good.

Senator OBAMA's $300 billion spending proposal—in one year, again—would cost more than 42 State budgets combined; 42 of the States in this country, in total, have a smaller budget than the $300 billion that Senator OBAMA is proposing to spend in the first year of his administration.

Quite frankly, who will pay for the $300 billion increase in the size of the Federal Government, the spending and the number of employees in the Federal Government? The American people will, the middle class will. I think my colleague from Colorado said it very well—that even though the rhetoric says we are going to target those people at just the top of the income level, that Congress would need to increase taxes on the top 1 percent of taxpayers 57 percent, which would be a $40,000 increase, if you want to try to raise it just on the backs of the wealthiest or highest taxpayers. In all likelihood, the average taxpayer earning $62,000 a year would see their income tax rise $5,300 or 61 percent. That is how low you would have to go on the taxable scale to be able to raise the money you need to fund the $300 billion increase in the Federal Government.

Let me put things into perspective. CBO said that President Clinton, in 1993, raised taxes in this country $240.6 billion over 5 years. The late Senator Moynihan, from New York, called it the ''largest tax increase in the history of public financing in the United States or anywhere else in the world.'' Now, what Senator OBAMA is proposing for a spending increase in 1 year is bigger than the 5-year increase that President Clinton imposed on the American taxpayer, which was the largest in the history of the country or, as Senator Moynihan said, anywhere else in the world. Senator OBAMA has promised to pay for this new record spending with tax increases on families making over $250,000 a year. That is a pretty attractive target, as we have learned. I think more Americans aspire to get there than worry about getting there.

However, as my dear friend from Colorado points out, this increase would only yield $225 billion over 5 years, which is a far cry from what the amount is that we will need, which is $1.4 trillion. I will say that again. It is $1.4 trillion, which is required under the new spending program.

So in typical Washington fashion, we have a proposal by somebody to spend $1.4 trillion and to pay for it in total with the taxes on just families making over $250,000 in income, which would equal $225 billion over 5 years. Somehow in Washington that is understood as a promise to pay for it in total—$225 billion collected in taxes and $1.4 trillion spent.

I don't need to belabor the point. I am here to beg my colleagues to vote against this amendment. Vote against my friend from Colorado. Turn him down. America doesn't need us to spend more money. They need us to fix the programs designed to affect the American people today. We don't need to tax the American people more. We need to tax them less. We need to look at corporate taxes in this country and we need to reduce them. We need to look at health care and fix it. We need to look at education and we need to figure out how every child crosses the goal line of graduation on time. Government is not going to do that. Communities and the private sector are the ones that will invest in bricks and mortar and will create the jobs. If we create them here, it is not the job most Americans want. If we allow the private sector to create those jobs, the future of every child in this country is unlimited, only controlled by their commitment and their willingness.

Let's make sure our investment is to make sure our policies support the private sector, our programs help the American people, and that we don't fuel the economy fictitiously by proposing that the Federal Government can increase spending and, in fact, balance it on the backs of a select few. It will be like every other tax increase. We will balance it on the backs of Americans who cannot afford any more taxes.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLARD. Mr. President, I thank the Senator from North Carolina for his comments. He is entirely right. This is an appropriate time to consider this because we are talking about the budget of 2009. Whoever is going to be the next President, we are talking about his or her budget. We are talking about the same year he or she will be in his or her first year in office.

There is a debate going on out on the campaign trail for President, and I think we need to seriously look at the proposals that are being put forward on the campaign trail. This particular amendment looks at, right now, the leading Democrat candidate for President, the proposal he is going to be making, with the 188 programs he is promoting out there. We have done an analysis on 111 of them. Spending just goes through the roof. Consequently, taxes will go through the roof. If you don't raise taxes to take care of the spending program, then your deficit spending is going to go through the roof.

I think this is a meaningful amendment. I urge my colleagues to vote no, and my view is that, if you make this argument that you are going to make the rich pay for all these programs, that just cannot happen. It will filter down, and the middle class and small businesses are the ones that will carry most of it.

I have mentioned this before on the Senate floor, and I will say it again. If you want economic growth in this country, it comes out of the small business sector. When you raise their taxes markedly, it is going to have an adverse effect on the economy. So this is the wrong solution at the wrong time. I ask my colleagues to vote no on this important amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. Mr. President, how is the time being charged now?

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. GREGG. Then I ask that the time I am on the floor and the time going forward be charged against the bill.

The PRESIDING OFFICER. That is the order. Time is being charged against the resolution.

Mr. GREGG. Mr. President, if I might have the floor, there are a number of folks who wish to speak to this bill and have amendments relative to the bill. I strongly urge them to wander over here in the next few hours and give their talks and talk about their amendments. It is possible that we will start the vote-arama tomorrow. Once we start, there is not going to be any discussion. There will be one vote after another, with a very brief time period in between equally divided. If people want a substantive discussion on their amendments, now is the time to come over and make their presentation.

Taking my own advice, I will mention an amendment I intend to offer which deals with the H–1B issue. H–1Bs are visas which go to people who can contribute immensely to our economy. We have an economy that depends on value added—smart people creating ideas which create jobs. A lot of those smart people come from overseas, and we should take advantage of them wanting to come to the United States. One of our great strengths as a nation is people want to come here, and we should take advantage of that strength and convert it to an economic engine.

The way to do that, of course, is to encourage people who want to come here and who are going to contribute to the economy by being job creators—rather than taking jobs, they will be actually job creators—to come to the United States. So I will have an amendment to expand the H–1B program. This is critical to the high-technology industry especially.

I expect that this amendment will be strongly supported by those who wish to expand our economy, especially by advancing our leadership in the area of technology, and I know it will be strongly supported by everybody——

Mr. DURBIN. Mr. President, will the Senator yield for a question?

Mr. GREGG. I am happy to yield to the Senator from Illinois for a question. There will be no dead people brought over to the United States.

Mr. DURBIN. Lucky 7,000.

I would like to ask the Senator from New Hampshire, if I might, is he aware of the companies that took advantage of the H–1B visas in 2006, which companies led in the number of H–1B visa awards?

Mr. GREGG. Well, I know the Senator from Illinois doesn't like the H–1B visa program, doesn't desire it to be expanded. I appreciate that and I understand we have a difference of opinion on that, and when he wants time, I will be happy to listen to his views again. But the fact is I happen to think, even though there may have been abuses in the program, I don't think they were at the core of the problem; that the primary energy of this program has been to create jobs in the United States by bringing smart people here.

We should be going across the world and saying to the best and the brightest——

Mr. DURBIN. Will the Senator yield?

Mr. GREGG. I will in a second—and saying to the best and the brightest in the world, if you want to come to the United States and be a job center that adds to the value of our economy, we would like to have you come. We would like to consider you as being a participant under an H–1B visa program.

Mr. DURBIN. Will the Senator yield for a question?

Mr. GREGG. Yes.

Mr. DURBIN. The Senator inadvertently misstated my position. I know it was an accident. We are good friends. He is probably not aware I do support the H–1B.

But is the Senator aware that out of the top 10 companies that secured H–1B visas, 6 of those companies were Indian corporations; 5,000 visas to Infosys, an Indian corporation which is a body shop which moves H–1B engineers from India to the United States for a fee and then back to India to compete with American companies; WoodPro, which is the second largest company, 4,000 visas; and the first American company on the list for H–1B visas was Microsoft, with 3,000. So 9,000 had already been awarded to Indian companies, and the Government of India has said the H–1B is what they consider their outsourcing visa so they can send engineers to the United States to learn how to compete against American companies.

Does the Senator believe that is an abuse which should be addressed?

Mr. GREGG. Well, I would say to the Senator from Illinois that when you bring a person here who has the capacity to add to the strength of a Microsoft, for example, which is probably our single biggest international producer of economic activity for us as a nation, after maybe, I don't know, Wal-Mart, but it is a value-added company of the first level, and that when you bring somebody here who Microsoft feels adds to their ability to be more competitive, if that person decides to go back to India or back to China, well, that will be a choice they make.

But I suspect the odds are pretty good if that person has the opportunity to stay here under an H–1B visa program, they will probably end up staying here, or at least a large enough percentage of them will stay to add to our economy.

Now, what my amendment does——

Mr. DURBIN. Will the Senator yield?

Mr. GREGG. I will in a second. What my amendment does, to make it clear, is it recaptures visas that are unused and it uses those visas now. It also specifically targets bringing in high-skilled nursing, people who are trained in the nursing facility area, which is very much in demand right now.

Mr. DURBIN. Will the Senator yield?

Mr. GREGG. Certainly. Of course.

Mr. DURBIN. Does the Senator feel the option of job vacancies that may be filled by H–1B visa holders should first be offered to Americans to fill those jobs before an H–1B visa is given to a person coming from another country?

Mr. GREGG. I happen to believe the H–1B program is one of those programs that expands jobs in the United States, and by getting people here, you actually create jobs and you will create more jobs for Americans rather than lose jobs.

So, no, I don't happen to think you create a uniform rule that says nobody can come here if somebody else can take the job because then you are going to get the bureaucracy behind that which would basically bar those people from ever getting here. That becomes then a bureaucratic nightmare for building those jobs. It makes much more sense to bring these smart, intelligent people here, have them create jobs here, rather than leave them creating jobs in China and India.

Bill Gates speaks to this far more eloquently than I do. He speaks to most things more eloquently than I can because he can pronounce the words. But as a practical matter, he says these people are centers for the energy that creates the ideas, that creates the jobs that drive the economy. And if you leave them in China, if you leave them in India, as those types of individuals creating jobs, they become huge competitors to the entrepreneurship of America. If you bring them here, they become adjuncts to our economy.

I think the proposal makes a lot of sense from the standpoint of job creation and from the standpoint of making our economy stronger, so I will be offering it later in the day.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. REID. Mr. President, if I can ask my friend to withhold for a minute.

The PRESIDING OFFICER. The Democratic leader.

Mr. REID. Mr. President, I have had a conversation with Senator MCCONNELL, and he and I have had a discussion as to what is going on here and what needs to go on. We believe we should start voting about 11 o'clock tomorrow, or maybe a half-hour earlier. We have an event in the Rotunda that he and I have to attend, and there is a moment of silence for our troops, so we can start about 10:30 or 11 o'clock.

Tonight, Members should offer any amendments they want, talk as long as they want. But it appears, based on my conversation with the Republican leader, it will not be necessary that we be in all night. So that would be all I have to say, and that is also based on the conversation we had with the two managers of the bill earlier in the evening.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I would ask the leader, for the purposes of clarification, if Members would be permitted to speak tonight on their amendments but to call them up tomorrow. We already have a very long line of amendments in the queue. I think the ranking member would probably agree that we would permit Members to speak tonight, but they would have to sequence their amendments tomorrow because we already have a long line of amendments in the queue. I think that would provide a better discipline for the process tomorrow.

Mr. REID. I would say to my friend, if the managers of the bill agree to that, I am sure Senator MCCONNELL would agree to that. So unless we hear from the Republican leader to the contrary, I would say, based on that, there will be no rollcall votes tonight and that we will proceed along that line. Staff will draw up a consent agreement the two of you can take a look at and make sure it is in order.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. GREGG. I take it the Senator from North Dakota is suggesting we will continue this evening, but in debate only, unless the chairman and the ranking member of the committee agree to put an amendment in order.

Mr. CONRAD. I think that would be the best way to proceed, don't you, to maintain some discipline for what is to come tomorrow?

Mr. GREGG. I agree. I wished to make certain.

Mr. REID. Mr. President, I ask unanimous consent that be the order.

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

Mr. GREGG. Mr. President, I understand that Senator DODD is going to speak for 20 minutes. At the end of Senator DODD's presentation, I ask unanimous consent that Senator ENSIGN be recognized.

The PRESIDING OFFICER. Is there objection?

Mr. CONRAD. I would not object, but if Senator ENSIGN can give an idea, for the knowledge of other Members, how long he will take. An approximation.

Mr. ENSIGN. About 20 minutes.

Mr. CONRAD. That might be helpful to our colleagues who might be listening, in knowing how much time it would take.

The PRESIDING OFFICER. So the order will be the Senator from Connecticut for 20 minutes and the Senator from Nevada for 20 minutes?

Mr. CONRAD. That is correct.

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

The Senator the Connecticut is recognized.

Mr. DODD. Mr. President, I wish to talk about a couple amendments I will be offering, but let me inquire, if I may, of the chairman of the Budget Committee, if it would be appropriate for us to submit our amendments this evening. I understand the sequence will be left to the committee, but I am not sure whether I should be submitting an amendment or whether we can do that tomorrow.

Mr. GREGG. If the Senator will yield.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. I think you can file one, but it can't be called up.

Mr. DODD. I understand that. That is the point.

Well, Mr. President, what I will do, then, is I would like to file two amendments, and I send them to the desk and ask they be filed.

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

Mr. DODD. Mr. President, let me discuss these two amendments, and I will reserve about 5 or 6 minutes at the end to talk about the present housing issue that is critical to all of us. I wish to take a few minutes, which is far more than I will probably get tomorrow with the 1 minute allocated to talk about these amendments that are important in a number of aspects.

I wish to thank Senator ORRIN HATCH of Utah, Senator SCHUMER, the Presiding Officer, and Senator DURBIN for joining me in the first amendment I will be offering to increase funding for the Maternal and Child Health Block Grant. This amendment that I will be calling up is supported by a large coalition of organizations, and I ask unanimous consent that the list of organizations and letter from the organizations be printed in the RECORD at this point.

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

FRIENDS OF THE TITLE V MATERNAL AND CHILD HEALTH PROGRAM,

DEAR SENATOR: As organizations committed to improving the health of America's women, children, and families, we urge you to support full funding for the Title V Maternal and Child Health (MCH) Services Block Grant. Full funding at the authorized level of $850 million will enable all states and territories to provide vital public health and health care services to millions of women, infants and children, including children and youth with special health care needs.

The MCH Block Grant is the only Federal program that focuses solely on improving the health of all of our nation's mothers and children. State and territorial health agencies and their partners use MCH Block Grant resources to reduce infant mortality, deliver services to children and youth with special health care needs, support prenatal and postnatal care, screen newborns for genetic and hereditary health conditions, deliver childhood immunizations, and prevent childhood injuries. MCH Block Grant funding assists states in addressing critical health workforce needs, including the training of health professionals, and supports the development and testing of innovative public health practices.

State and territorial MCH programs coordinate their work with Medicaid agencies, state Special Supplemental Nutrition Programs for Women, Infants and Children (WIC) and other programs serving vulnerable and at-risk populations. This collaborative work assures that every dollar is used to provide necessary services without duplication to underserved mothers, children, and families in your state.

Six years ago, funding for the MCH Block Grant was $731 million and has remained flat or has decreased ever since. The FY 2008 omnibus appropriations bill cut MCH Block Grant funding to $666 million, the lowest level since 1993. Five years of cuts have curtailed progress in improving the health of mothers, children, and families. Full funding for the MCH Block Grant will allow states to efficiently meet increased demand for public health and health care services in their communities.

We strongly urge you to fully fund the Title V MCH Block Grant at $850 million. Your support of this vital program is appreciated.

Sincerely,

Association of Maternal and Child Health Programs; American Academy of Pediatrics; American College of Obstetricians and Gynecologists; American Public Health Association; Association of Public Health Laboratories; Association of State & Territorial Health Officials; Association of University Centers on Disabilities; Autism Society of America; CityMatCH; Children's Dental Health Project; Division for Early Childhood of the Council for Exceptional Children; Epilepsy Foundation; Family Voices; Families USA; First Focus; IDEA Infant Toddler Coordinators Association (ITCA) March of Dimes Foundation National Association of County and City Health Officials; National Assembly on School-Based Health Care; National Center for Children in Poverty; National Healthy Start Association; National Hispanic Medical Association; Prevent Blindness America; The Arc of the United States; The Children's Defense Fund; The Children's Health Fund; United Cerebral Palsy.

SUPPORT FOR DODD AMENDMENT ON MATERNAL AND CHILD HEALTH BLOCK GRANT

Association of Maternal and Child Health Programs; American Public Health Association; Association of Public Health Labs; Association of State & Territorial Health Officials; Autism Society of America; AFSCME; Child FIRST, Bridgeport Hospital, Yale New-Haven Health System; Child Welfare League of America; CityMatCH; Division for Early Childhood of the Council for Exceptional Children (DEC); Easter Seals; Epilepsy Foundation; Family Voices; First Focus; IDEA Infant Toddler Coordinators Association (ITCA) March of Dimes Foundation; National Assembly on School-Based Health Care; National Center for Children in Poverty Mailman School of Public Health, Columbia University; National Center for Learning Disabilities; National Child Abuse Coalition; National Healthy Start Association; Prevent Blindness America; SEIU; Voices for America's Children.

Mr. DODD. Mr. President, among the associations and organizations that are supporting this amendment is the Association of Maternal and Child Health Programs, the American Academy of Pediatrics, the March of Dimes, and many others.

In a minute, I will speak to the second amendment I am offering relating to autism funding.

Under the President's budget, the Maternal and Child Health Block Grant will be funded at $666 million for the second consecutive year. This amount represents a cut of $65 million from 5 years ago, when funding peaked at $731 million. These persistent cuts and flat funding have a real impact on the services States are able to offer to nearly 35 million women, children, and youth affected by maternal and child health programs.

The Maternal and Child Health programs include direct health care for children with special needs, preventive and primary care for children and youth, integration of health care with other child and family services, newborn screening for genetic disorders, lead poisoning prevention, injury prevention, and public education.

We must ensure that the States are able to continue to offer these services to those in need. That is why I am offering this amendment, which will increase the funding of this block grant by $184 million to the authorized level of $850 million.

Again, I wish to thank Senators HATCH, SCHUMER, and DURBIN for supporting this effort in a bipartisan way. The Maternal and Child Health Block Grant services act as a critical source of care for many of our Nation's uninsured children. Of the more than 23 million children receiving services in 2006, 6.8 percent, or nearly 1.8 million children, had no known source of health insurance at all.

More than a third of MCH funds are used to provide primary and preventive health care services to children—including immunization clinics, outreach to enroll eligible children in Medicaid and the State Children's Health Insurance Program, SCHIP, and funding and technical assistance to school based health centers, that serve adolescents.

In other words, MCH funds are used to ensure that mothers and children in traditionally underserved populations receive absolutely necessary care.

Yet, despite this important mission, we continue to ask State MCH programs to do more with less. According to the Association of Maternal and Child Health Programs, the purchasing power of the MCH block grant has decreased close to 24 percent since 2003.

Consider this: at present, low birth weight and preterm births are increasing, the U.S. ranks 32nd out of 33rd of the world's industrialized nations in the rate of infant deaths with African American infants in the United States more than twice as likely as white infants to die before their first birthday, and childhood obesity rates for some age groups representing a three-fold increase in rates over the past two decades. We can do much better. This program has proven it works. Thus you have the support of Senator HATCH and others who know that this program has made a difference in the lives of millions.

Nearly one-half of all preterm births have no known cause but what we do know is that by reducing certain risk factors in the mother such as cigarette smoking and obesity, we can help reduce rates of prematurity.

I chair the Children and Families Subcommittee of the HELP Committee and authored the Newborn Screening Saves Lives Act with Senator HATCH—passed the Senate unanimously last December—and the Preventing Prematurity Research Expansion and Education for Mothers who deliver Infants Early Act, better known as the PREEMIE Act with Senator ALEXANDER, enacted into law. These initiatives have made important steps toward giving children a healthy start at life. But now it's time for us to ensure that the money will be there to continue the success of these vital programs.

The MCH block grant is a proven success for helping ensure a healthy future for our Nation's children. States are required to match $3 for every $4 of Federal funds provided by the block grant. The MCH block grant has performance measures and evaluations that document the effective impact of this modest investment. To quote the Bush administration:

> The program is well designed. The [MCH Block Grant] serves as a safety net to help improve the health of mothers and children and has a positive impact on their health.

The MCH program is critical to the health and well-being of millions of families across this country, including some of the most vulnerable members of our society. Years of funding cuts and level funding have stretched maternal and child health programs to their limits. I urge my colleagues to support my amendment to increase MCH block grant funding to $850 million in this year's budget resolution. On behalf of Senators HATCH, SCHUMER, DURBIN and others, we hope that members will be in favor of something that has enjoyed broad support.

Mr. President, I would now like to speak on an amendment I will be offering with Senators COLLINS and KENNEDY. I thank Senator COLLINS and Senator KENNEDY, the distinguished Chairman of the Health, Education, Labor and Pensions Committee for their support for this amendment. I would also like to thank Autism Speaks for their support for this amendment.

The amendment increases funding for autism in the fiscal year 2009 budget by $197 million in a budget-neutral manner, bringing autism funding up to its authorized level and then doubling our commitment to funding research into the causes of and treatments for autism.

In 2006, the Congress unanimously passed the Combating Autism Act, which my colleague from Pennsylvania former Senator Rick Santorum and I authored along with the strong support of Senators KENNEDY and ENZI. This initiative was the largest Federal expansion of funding and programs for children and families with autism spectrum disorder. It authorizes $800 million to find the causes and decide how to treat the myriad of problems faced by families of children with autism.

At the time the bill passed, the Centers for Disease Control and Prevention, CDC, estimated that 1 in 166 children were diagnosed with autism. Today the CDC estimates that number to be 1 in 150. In fact, 67 children are diagnosed with autism spectrum disorder per day. A new case is diagnosed almost every 20 minutes.

It continues to be a challenge to determine how much Federal funding is actually going to study the causes of and treatments for autism. In fact, some estimates are that actual NIH funding for research specific to autism is less than half of what is being reported.

That is why this amendment is so critical. It will redouble our Federal commitment to funding autism, the fastest-growing developmental disability in the U.S.

At a time when the number of children and families living with autism has grown exponentially, the President's budget proposes to freeze Federal spending on autism at levels that are insufficient to make the kind of discoveries in autism that are needed.

Many of my colleagues no doubt have been visited by children and their families with autism. Autism is a complex neurological disorder, which manifests itself differently in each individual but occurs in all racial, ethnic and socioeconomic groups. It is a lifelong condition that affects not only the individual with the disability, but impacts the entire family, often requiring intensive levels of support and intervention.

There are so many unanswered questions about autism. And it will require a major scale-up in funding to bring us closer to answering them. We should close no doors on promising avenues of research into the causes of autism and my amendment allows all biomedical research opportunities on autism to be pursued.

The amendment I am offering would enable us to redouble our efforts on autism research and treatment services by increasing funding for research, treatments, education and interventions by $197 million in fiscal year 2009 and I urge my colleagues to support the amendment.

Again, I emphasize it is the fastest growing developmental disability in our country. The number of children who will be born with autism is increasing every day in this country. Again, on behalf of Senator COLLINS and myself, Senator KENNEDY and others, we urge you to be supportive of this amendment when it comes up. It is deficit neutral, which ought to make it easier for Members to support this amendment.

Lastly, I want to take a couple of minutes, to commend the chairman of the Budget Committee, Senator CONRAD and Senator JUDD GREGG, the ranking member as well, and the other members of the Budget Committee. I served on that committee for many years and have nothing but admiration and respect for those going through this process. This budget is a positive step to address the serious challenges our economy is facing today. Having just spoken on the specific issues regarding the resolution, on autism and maternal and child health, I want to take a moment to again address some of the problems that are plaguing our economy.

I have been coming to the floor with some regularity in recent weeks to speak on economic issues. I do not wish to test the patience of our colleagues. But I believe that these issues are of such paramount importance at this point in our national life that they merit the consideration of our colleagues.

Just yesterday the Federal Reserve announced a significant new action that attempts to address the liquidity lock-down that has spread through our credit markets and crippled the ability of lenders to lend and borrowers to borrow. The announcement by the Fed is a significant measure that is intended to address this very serious situation. The markets' strong positive reaction to the Fed's action demonstrates that policymakers can undertake actions which have the potential to improve our situation. However, I do not believe that the Fed's action alone will be enough to right our Nation's economic ship. Additional steps should also be considered to address the root cause of the present market turmoil—namely, the housing market and specifically the foreclosure crisis.

New data was released last week regarding the condition of America's homeowners. It is stark, even alarming in certain respects. Foreclosures have hit a new all-time record, according to the Mortgage Banker's Association, MBA. This data shows that more than 1 in every 50 homes with a mortgage in the country is in foreclosure, as of the end of last year. Foreclosure rates have been growing at record levels for some time. Foreclosures are increasing because people are continuing to struggle to make their payments, and because those payments are increasing for millions of Americans. The report tells us

that 1 in every 13 homeowners with a mortgage has fallen behind on their mortgage.

The Federal Reserve also released new data, which shows that Americans' equity in their homes is at a record low. Home equity has fallen for three straight quarters and now, for the first time in recorded history, which dates back to the end of the Second World War, Americans own less than 50 percent of the value of their home. By virtually all estimates, the housing problem is getting worse, not better.

Congress can and in my opinion, must, address the situation. There are several pieces of legislation that I, along with others, am working to do just that. I am working with my ranking member, Senator SHELBY and our colleagues in the House on legislation to reform the Federal Housing Administration. I remain committed to creating a world-class regulator for the GSEs. I also believe that we need to expand the community development block grant program to enable cities and localities with the tools and funding they will need to address the foreclosure crisis which is upon us. I have worked with Senators SCHUMER, the Presiding Officer BOND and others to make sure that high-quality counseling is available to homeowners who are facing the brunt of the storm, and I remain committed to this important program.

Congress should consider creating a home ownership preservation entity that can help restore stability and liquidity to the mortgage market and credit markets generally. Fed Chairman Bernanke called for such an entity in an important address last week.

In addition to addressing the problems in the housing market, which are at the epicenter of our current economic crisis, we also need to make sure that our economy is fundamentally strong for the future. One of the most effective ways to do that is to invest in our Nation's infrastructure. Just yesterday, I chaired a hearing of the Senate Banking Committee on the condition of our Nation's infrastructure and on ideas as to how to improve it. The hearing generated some good ideas that I believe we need to act on. One such idea is contained in legislation written by Senator HAGEL and myself to establish a national infrastructure bank.

I commend Senator RON WYDEN of Oregon and Senator JOHN THUNE for their efforts as well, on a similar idea which we intend to incorporate with our idea that can help us in this effort as well.

The budget resolution before allows for such action. It establishes a reserve fund for the specific purpose of meeting our infrastructure needs. The fund could encompass the legislation Senator HAGEL and I have introduced. I appreciate the willingness of the Budget Committee to work with us on this issue. I commend Chairman CONRAD and Senator GREGG for establishing this fund. It is evidence of a growing consensus in Congress and the country that complacency can no longer substitute for action.

From the days of the Roman aqueducts to the present, a nation's ability to grow and prosper rests upon its success at effectively moving people, goods, and information. Ask any American today how we are doing in achieving this objective, and chances are the response would be the same: we can do better. When the average American spends 51.5 hours a year in traffic congestion, we can do better. When 33 percent of all urban and rural roads are in poor, mediocre, or fair condition, we can do better. When the United States invests less than 2 percent of its gross domestic product on infrastructure while countries like China and India invest between 7 and 12 percent, we can do better.

Economist Stephen Roach, in a recent op-ed in the New York Times, suggests that investing in infrastructure would be an effective strategy for dealing with the current economic slowdown. Specifically, he recommends that:

> Fiscal initiatives should be directed at laying the groundwork for future growth, especially by upgrading the nation's antiquated highways, bridges, and ports.

I have been working closely with Senator SHELBY on these issues and remain hopeful that when the Senate returns after the Easter recess, we can get back to working on cost-effective approaches to allow people to keep their homes and bring liquidity to the housing market.

Lastly, the budget resolution was a good step to address the problems before us by allocating funds to existing programs, such as the Community Development Block Grant Program, as well as, of course, I mentioned the reserve account here to deal with infrastructure needs.

I commend the authors of this resolution. I urge my colleagues to consider the two amendments I will be offering dealing with maternal and general health offered by myself, Senators HATCH, SCHUMER, DURBIN, and others.

Dealing with autism, Senator COLLINS and I will be offering two critical issues. We are accounting for them here in the budget resolution, so they are budget neutral but also making a difference in the lives of people in the kinds of proper investments we may have.

I thank the chair for the time. I thank my colleague from Nevada.

I yield the floor.

Mr. CONRAD. Would the Senator from Nevada wait to proceed for one moment for a unanimous consent request?

Mr. ENSIGN. I would.

Mr. CONRAD. Madam President, I ask unanimous consent that this appear before the gentleman's remarks so his remarks are not interrupted.

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

Mr. CONRAD. I have talked with Senator GREGG about this matter. The one thing we did not agree to formally that needs to be agreed to is that Senator MENENDEZ would have a right to offer the side-by-side amendment to Senator SESSIONS' this evening. That would be the only thing that would be permitted tonight, other than additional agreements between the ranking member and the chairman.

But that is one piece of business we previously agreed to informally but have not done formally. We should do that at this moment.

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

Mr. CONRAD. I thank the gentleman for his courtesy.

Madam President, to modify that request, there are a number of Senators wanting to know what the order would be following the Senator from Nevada. I see Senator GREGG here. We have Senator AKAKA, Senator CORKER, Senator CHAMBLISS. How much time will the Senator from Georgia seek?

Mr. CHAMBLISS. No more than 10 minutes, probably less.

Mr. CONRAD. The Senator from Tennessee?

Mr. CORKER. Six or seven.

Mr. GREGG. Senator GRASSLEY is here.

Mr. GRASSLEY. May I speak at 8:05?

Mr. CONRAD. Yes. For how long at 8:05?

Mr. GRASSLEY. Six minutes.

Mr. CONRAD. Would you be again praising the resolution and the chairman of the Budget Committee or would it not be so favorable?

Mr. GRASSLEY. I know you will not believe it, but I will not have anything negative to say.

Mr. CONRAD. It is my birthday. I wonder if we can agree, after the Senator from Nevada, that Senator CHAMBLISS be recognized for 10 minutes, Senator AKAKA for 10 minutes, then come back to Senator CORKER for up to 10 minutes.

Mr. CORKER. Six will work for me.

Mr. GREGG. And that Senator GRASSLEY be recognized at 8:05.

Mr. CONRAD. After Senator CORKER, then Senator MENENDEZ have his opportunity for 15 minutes, Senator GRASSLEY at 8:05.

I ask unanimous consent that that be the order.

The PRESIDING OFFICER. Is there objection to the request, as modified?

Without objection, it is so ordered.

The PRESIDING OFFICER (Ms. CANTWELL.) The Senator from Nevada.

AMENDMENT NO. 4240

Mr. ENSIGN. I wish to speak on two amendments I will be offering to the budget. The first amendment has to do with means testing Medicare Part D, the new prescription drug benefit, by making sure that seniors who are wealthier pay a little more so that middle-class Americans are not subsidizing their prescription drug benefits to the extent they do today.

As Members of Congress, we have an obligation to all Americans to ensure that senior citizens and individuals

with disabilities have access to medical care. We must maintain that commitment by strengthening the program and controlling costs. We already means test Medicare Part B, which helps cover doctor services and outpatient care.

Today, I am proposing that we finish the job. In order to put the Medicare Program on better financial footing, we should means test the Medicare prescription drug program so that beneficiaries with higher incomes pay higher Part D premiums.

Five short years ago, many of my colleagues, both Democrats and Republicans, voted with me in support of a Feinstein amendment to require high-income Medicare beneficiaries pay a greater share of their Medicare Part B premiums. Many of these Senators are still with us in the Senate today. In fact, the current chairman of the Senate Budget Committee, Senator CONRAD, supported an amendment to means test Medicare Part B. Other Democrats who supported the measure include Senators BIDEN, CARPER, DODD, FEINGOLD, KOHL, LANDRIEU, and WYDEN.

I hope my colleagues on both sides of the aisle recognize that our entitlement programs are in serious danger. As our Nation grows older, these programs will only devour more and more of our Federal budget. Without reform, our entitlement programs will consume our entire Federal budget somewhere around 20 years from now, leaving no funds for national security, education, transportation, or anything else.

Unfortunately, the Democrats are not proposing anything to solve the problem of entitlements in this budget.

Today, I am asking my colleagues to again show the courage to make tough choices and to take our lead from American families across the country who make hard choices each and every day.

My amendment would impose an income test on the wealthiest seniors to ensure that they pay their fair share for prescription drug coverage. This amendment will extend the existing Medicare Part B income test to the Medicare Part D program, the prescription drug part of the program. By doing so, we will save almost $2 billion over the next 5 years.

Under the proposal, single Medicare patients with an adjusted gross income over $82,000 and couples with incomes of more than $164,000 will be responsible for a greater share of their Medicare Part D premium based on a sliding scale. For example, a single Medicare beneficiary with an adjusted gross income between $82,001 and $102,000 a year will see an increase of only about $10.41 in the monthly Medicare premiums they pay. These income levels will be adjusted in the future for inflation.

The vast majority of Medicare beneficiaries will not be impacted by this proposal. This chart shows the percentage of Medicare beneficiaries who are impacted: 96.6 percent of all seniors enrolled in Medicare Part D will not be affected by my amendment. Almost 3.5 percent of seniors will be affected, just the wealthiest of those seniors.

This proposal does not deprive senior citizens of the Medicare prescription drug benefit. What it does say is that if you can afford to pay a little more, then you should pay a little more. I believe it is wrong for the retired CEO of a Fortune 500 company not to pay a little more so that middle-income taxpayers are not subsidizing their prescription drug benefits. It really makes no sense for someone like Bill Gates' father to have his prescription drugs subsidized by a waitress in Las Vegas or a truck driver in Elko, NV. I strongly believe that American taxpayers, struggling to make ends meet, certainly should not be subsidizing, to the current extent, the Medicare Part D premiums of those seniors who can afford to pay for the cost of premiums themselves.

In this instance, means testing is fair. Remember, this prescription drug benefit is a new benefit. It is not something seniors paid for through their taxes, it is a new entitlement benefit that current taxpayers are subsidizing. I think it is only fair to the school teacher, the firefighter, the police officer, and the small businessperson who is struggling to make ends meet, that wealthy seniors pay a little more per month for this new prescription drug benefit.

Madam President, the second amendment I am going to be offering has to do with an issue that is fundamental to our country, the right of employees to have a secret-ballot election for determining whether you are going to have a union represent you in the workplace. This issue is also known as ''card check.'' We need to ensure the right of employees to a secret-ballot election conducted by the National Labor Relations Board. My amendment will create a reserve fund to ensure that the National Labor Relations Board has sufficient resources to conduct secret-ballot elections.

The NLRB is a Federal agency that was created by Congress in 1935. It is responsible for administering the Labor Relations Act, which is the primary law governing relations between unions and employers in the private sector. The NLRB works to protect the rights of employees to organize and collectively bargain with or without a union.

We need to ask a fundamental question: Should Americans have the right to a secret ballot in choosing whether to have a union represent them?

The Democrats offered a bill last year, that passed in the House, which was filibustered by Republicans in the Senate. Their bill would say: No longer are we going to allow employees the ability to have a secret ballot on whether to have a union represent them. Instead, they say: We are going to have a card check.

The Democrats have offered something they deceptively title the Employee Free Choice Act. As I was saying, instead of secret ballot elections to determine whether or not to be represented by a union, they would pass out cards, have employees sign them, and as long as they get 50 percent of the employees, plus one, to sign a card saying they wanted a union, they automatically have a union.

The problem is that when you use these cards, instead of a secret-ballot election, coercion and intimidation can take place. That is why we have secret-ballot elections to elect our representatives virtually everywhere. Right here in the Senate, when we elect our leaders in each party, we do secret-ballot elections. This reduces the opportunity for intimidation.

People want secret-ballots so that they are free to exercise their right and their conscience while voting. In whatever they do, whether it is a union or electing somebody to represent them in the Halls of Congress, they elect them through the use of a secret ballot. It is fundamental to the American system of government and the American way of life.

Unfortunately, the Democrats have sided with the big labor bosses on this, and not with the union members. If you read the polling data, 80 percent of union members want to maintain their right to secret ballot elections. As a matter of fact, that number is pretty consistent whether you are in a labor union or not. Eighty percent of the American people support the right to secret ballot elections to decide whether or not to have a union represent them.

We have had actual experiences with this in my hometown of Las Vegas.

Bruce Esgar, then an employee at the MGM, testified in front of a House Committee about his experience. He talked about how, when the union wanted to come into his workplace, he and others asked for a secret ballot vote. They were labeled ''anti-union.'' And when the card check campaign began, they were threatened that if they did not sign the card and the union came in, they would lose their jobs and their benefits.

He said that employees were harassed in the dressing rooms before shifts, and that these tactics worked. Employees got tired of being harassed all the time so they signed the cards. Mr. Esgar testified about a coworker whose wife was the union at another casino, and that the union threatened to fire her if her husband did not sign the card at MGM. Another coworker was told that the union knew where his wife worked and where his kids went to school. He was told, ''accidents happen.'' I wonder which of these workers feels that the union is standing up for them?

Bruce summed it up pretty well. He said:

> These are the things that the employees put up with. We did it for two years. And all we were asking for was our right to vote. In America, you vote for your future.

My amendment is fundamental. It says, let's preserve the secret ballot right that Americans have in choosing whether to have a union represent them in the workplace. This is a critical issue facing our country today. It literally goes to the very fabric of our society. I realize that labor unions are big supporters of the Democratic Party across the country. I realize this is their No. 1 issue, the labor unions' No. 1 issue. It is and the labor union bosses No. 1 issue, but it is not for the labor union members. We need to make sure we are standing up for the rights of American workers everywhere, of union workers everywhere and make sure that we preserve their right to a secret ballot in the workplace.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Madam President, I ask unanimous consent that after Senator MENENDEZ speaks, Senator ENZI be recognized for 10 minutes, then Senator CASEY for 15 minutes, and then if Senator CARDIN seeks time, he be recognized for up to 10 minutes.

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

The Senator from Georgia.

AMENDMENT NO. 4230

Mr. CHAMBLISS. Madam President, I rise to discuss and support amendment No. 4230 which has been filed by Senator FEINSTEIN and myself. While this amendment is identical to amendments Senator FEINSTEIN and I have offered previously to budget resolutions and that have been adopted by unanimous consent, Senator FEINSTEIN has been an excellent partner and colleague in developing this amendment. She has been a strong supporter not just of this particular provision but of law enforcement in general. It has been a pleasure to work with her.

What this amendment does is to provide for an increase in the funding level for the Edward Byrne Memorial Justice Assistance Grant Program, which we commonly refer to as the Byrne/JAG provision, to a total of $906 million. This amendment is fully offset, and I am pleased to say that the following Senators have asked to be added as cosponsors in addition to myself and Senator FEINSTEIN: Senators BOND, HARKIN, CANTWELL, BIDEN, INHOFE, BROWN, COLEMAN, CLINTON, BINGAMAN, OBAMA, COLLINS, DURBIN, ISAKSON, KERRY, BURR, LINCOLN, FEINGOLD, and DOLE.

The Byrne/JAG program is the primary provider of Federal criminal justice funding to State and local jurisdictions, and the funding supports all components of the criminal justice system—multijurisdictional drug and gang task forces, community crime prevention programs, substance abuse programs, prosecution initiatives, domestic violence programs, and information-sharing initiatives. Our law enforcement officials, our sheriffs, prosecutors, and drug court professionals, and many other public servants in the law enforcement community, rely on these particular grants to fight the drug issue in their particular jurisdictions. They are making their communities safer because of the awarding of these grants over the years.

According to a survey conducted by the Iowa Governor's Office of Drug Policy, in the 2004 grant year, multijurisdictional drug enforcement task forces, funded by the Byrne/JAG program, made more than 221,000 drug arrests. Almost 18,000 kilograms of cocaine was seized, with an estimated consumer street value of $1.6 billion. Almost 5,500 kilograms of methamphetamine was seized, with an estimated street value of $518 million. The total value of drugs seized was over $12 billion, representing $63 in seized drugs for every $1 spent on drug task forces.

I know the results our law enforcement community gets with Byrne/JAG funding are tangible and real. In my State of Georgia, we have used this program extensively. It has been essential to fighting crime, drugs, and gangs across the State. Last year in Georgia, with Byrne/JAG funding, the following successes were achieved: Multijurisdictional task forces were able to make 5,600 drug arrests and seize almost $50 million in drugs; 2,500 law enforcement officers were trained in more than 100 different classes offered by the Georgia Public Safety Training Center through its drug enforcement training program; the Georgia Bureau of Investigation's State drug task force led a cooperative investigation resulting in an interstate drug enforcement effort with Alabama that received national recognition. The Georgia Information Sharing and Analysis Center is Georgia's Homeland Security State-level fusion intelligence center. The center expanded its Southern Shield initiative and widened the focus for intelligence integration in the region by coordinating with 12 other States within the Southeast on intelligence collection and dissemination. Nine drug court programs were supported, as was a mental health court diversion program.

One great thing about this Byrne/JAG program is that the money is allocated so that 40 percent of the funding is distributed to local governments. In many cases, grants from the Byrne/JAG program are the only source of Federal funding for sheriffs and police in smaller communities. I hope all of my colleagues will join me in supporting this amendment.

The former president of the National Sheriffs Association happens to be a good friend and constituent of mine, Sheriff John Cary Bittick in Forsyth County, GA. Sheriff Bittick was here recently when Senator FEINSTEIN, Senator HARKIN, Senator BIDEN and I, along with Senator BOND, talked about the Byrne/JAG program. During that conversation, my friend Sheriff Bittick related the fact that there are a number of joint programs in our State that, due to the decrease in the funding last year in the omnibus bill, were having to eliminate their programs. If we eliminate these programs in small rural communities around my home State and the other 49 States, what we are going to see is certainly an increase in drug and illegal trafficking activities in those rural areas. This program is essential to fighting the drug problem in rural America.

Our amendment is supported by the following organizations: the National Criminal Justice Association, the National Sheriffs Association, the American Correctional Association, the American Probation and Patrol Association, the National Narcotic Officers' Coalition, the National Association of Drug Court Professionals, the National Association of Police Organizations, International Association of Chiefs of Police, Major County Sheriffs' Association, National Center for Victims of Crime, National Association of Counties, International Community Corrections Association, and Boys and Girls Clubs of America.

It is pretty obvious that this program is very popular in the law enforcement community. The reason is because it works. Lives are being saved. More drugs are being confiscated. More bad guys who are manufacturing and distributing drugs around America are being locked up and put away because of this program.

I urge my colleagues to support amendment No. 4230 sponsored initially by Senator FEINSTEIN and myself.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. AKAKA. Madam President, I am pleased to discuss funding for VA in the budget resolution for fiscal year 2009. Chairman CONRAD and his colleagues on the Budget Committee have done impressive work on this resolution.

They have demonstrated sound judgment in their funding recommendation to address the needs of our country.

Service members returning from Iraq and Afghanistan, like those who returned from Vietnam, Korea, World War II and all previous wars, bear the effects of their service.

They show us that the costs of war do not end on the battlefield. In crafting this budget, we are in a position to ensure that care for returning service members, of every war, is a top priority.

The Department of Veterans Affairs provides superior health care to millions of veterans every year.

It is widely regarded as one of the top health care systems in America. Today, VA faces a growing wave of new demands—veterans of past wars are aging and making greater use of the system, and younger veterans of the current conflicts require a new range of services from VA.

Congress must provide the resources for VA to meet all of these demands.

This budget resolution acknowledges the challenges facing VA. It meets our responsibility of caring for our Nation's service members and veterans.

In recent years, VA and Congress have made a tremendous investment in mental health services. I am pleased that this budget reflects an ongoing commitment to better serve the needs of veterans with mental health concerns.

Madam President, I remind my colleagues that battle wounds frequently manifest themselves as invisible wounds. These wounds can be just as devastating as physical wounds. Indeed, many mental health disorders, including substance use disorder and PTSD, have both physical and mental manifestations.

They impact the veteran's relationships and his or her ability to work and to interact in society. The effects of many mental health disorders can be limited or even avoided if they are caught and treated promptly, before long-term disabilities develop.

This budget resolution provides the funds to continue the essential task of providing timely access to mental health care for all veterans.

Families play a critical role in the well-being of veterans. As chairman of the Committee on Veterans' Affairs, I held a hearing yesterday on the role of families in veterans' lives, and on the support VA and DoD provides them.

Families are often the primary caregivers for injured veterans, and provide essential assistance in recovery and rehabilitation through reintegration into civilian life. The degree of support provided by family members is directly related to a veteran's ability to deal effectively with readjustment and mental health concerns.

Providing support to veterans' families is in VA's vital interest.

One of the harshest realities of the wars in Iraq and Afghanistan is the number of soldiers who have sustained complex and multiple injuries in combat.

Significant improvements in battlefield medicine have enabled many seriously wounded servicemembers to survive their injuries. These men and women are coming home with extraordinarily complex health care needs.

VA and Congress have focused on addressing the needs of these veterans. There have been improvements in screening and care for service members with traumatic brain injury, but much remains to be done.

In addition, Congress directed VA to establish specialized centers for rehabilitative care in response to the challenging medical and rehabilitative needs of veterans with multiple and complex injuries.

VA's four lead polytrauma rehabilitation centers are essential to meeting the needs of the most severely injured veterans and their families.

As we work to meet the needs of all returning servicemembers, we must pay close attention to the full range of war wounds—from eye trauma and damage to servicemembers' hearing, to PTSD and depression, to burn injuries.

Another important tool which VA is still developing is comprehensive health screening for returning servicemembers. This is absolutely essential. Without effective screening for mental health disorders, traumatic brain injury, hearing and vision loss and other injuries or disorders, VA will miss opportunities to help veterans in need of services.

Further, I believe comprehensive health screening before deployment is essential to help with the evaluation and understanding of the effects of combat on servicemembers. As chairman of the Committee on Veterans' Affairs, I have worked to ensure that all veterans receive appropriate health screenings. I will continue to advocate for these screenings.

On the benefits side of the ledger, in the last year, Congress has provided a significant amount of funding to VA for much-needed staffing to adjudicate claims. Our Nation's veterans deserve nothing less than having their claims rated accurately and in a reasonable period of time. Now, the American people, especially veterans, will expect to see a decreasing backlog and increased timeliness and quality.

I pledge my continuing support to get veterans the benefits they need in an appropriate amount of time. Congress must now assure that VA has sufficient funding for technology and training initiatives to aid in its endeavor to reduce the backlog of claims. This budget resolution is certainly a step in the right direction.

The entitlement funding provided to veterans in this budget resolution reflects the Nation's continuing responsibility to care for he who has borne the battle, long after the last shots of war have been fired. Indeed, I view funding for veterans' entitlements as a continuing cost of war.

The administration's VA budget request proposed severe cuts to many essential programs and accounts. Research, the inspector general, the National Cemetery Administration, and grants for State home construction would all be unnecessarily cut.

I am particularly troubled by the proposed cuts of nearly 50 percent to the VA construction accounts. Over the past year, internal reviews identified widespread maintenance concerns, in addition to already planned construction projects. I find it unconscionable that in the face of the pressing demands across the country, the President would suggest such cuts. The budget proposal advanced by Chairman CONRAD and his colleagues rectifies these mistakes in the President's request, and I appreciate their foresight on these issues.

I am pleased with the investment in veterans programs that is made in this budget resolution. I again commend Chairman CONRAD and the Budget Committee for their thoughtful and responsible work. Care for our Nation's veterans is truly a cost of war, and it is our responsibility to meet their needs.

I urge my colleagues to support swift passage of the resolution before us.

I thank you, Madam President.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Madam President, I know Senator CORKER is next. I ask unanimous consent that Senator VOINOVICH be recognized for up to 10 minutes at the conclusion of Senator CARDIN's remarks and that Senator BARRASSO be recognized at 8:45 for 15 minutes and that after Senator VOINOVICH, Senator BROWN be recognized for 10 minutes.

So the order, as it presently stands, is: Senator CORKER, Senator MENENDEZ, Senator ENZI, Senator CASEY, Senator CARDIN, Senator VOINOVICH, Senator BROWN, then Senator GRASSLEY, who would like his time to be expanded to 20 minutes, and then Senator BARRASSO at 8:45. Senator GRASSLEY is recognized at 8:05.

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

The Senator from Tennessee.

Mr. CORKER. Madam President, it sounds like it is going to be a long night. I hope you have some relief coming. But I wish to thank the Senator from New Hampshire.

I rise today to talk about the budget that is getting ready to be put forth. I do not wish to talk specifically about this budget. But having gone through this process once before, it is obviously a very undignified process we are getting ready to enter into tomorrow, where we will have 30, 40, 50, maybe 60 amendments to a budget, many of which are set up solely to send messages, cause people to vote on things that might make them look good in the next election so that 30-second ads might be generated. I do wish to say I have tremendous respect for our budget chairman and ranking member. I think they are outstanding leaders in the Senate. I realize they are dealing, if you will, with the process that has been set forth in the Senate. I think they both exercise their duties very diligently.

I know there are differing points of view as to how we might deal with this next year's budget. Let me say in general I think this entire process is not what it ought to be. It is, to me, a great disservice to our country the way we handle our budgeting, and appropriations processes that follow. I wish to talk about a couple things as it relates to this issue.

First of all, I know one of the amendments that will come up tomorrow will be the DeMint amendment relating to earmarks. It is an amendment I will support because I do believe earmarks have gotten way out of control in the Senate. I do not believe people who earmark necessarily in any way are doing bad things. I think it is actually an outcome that has been generated due to processes breaking down in the Senate.

When various Senators want to see road projects go forward or other things that are needed, they have now sort of sidelined the processes we ought

to be going through, which requires planning and responsibility on our part—a little bit of discipline. Instead, now we have moved to this very cumbersome and, I will say, most inefficient earmarking process. I think that is not a good thing.

I realize, in essence, in the Appropriations Committees earmarking pots are set up and allocated based on numbers of things, in most cases having nothing to do with the priorities of our country. I do wish to say that while I support this amendment in the hopes that together somehow or another through a moratorium this year on earmarks we will begin to look responsibly at ways of funding—funding infrastructure, funding projects that are very needed in our country—that is done so on merit and with oversight, I do not believe that solving the earmark problem in any way is going to deal with our overall budgetary process, nor with the appropriations process that follows that.

As a matter of fact, I worry sometimes that we talk so much about earmarks that we feel like if we were to solve this earmark issue—and the American public, I think, is beginning to buy into this—we would solve all the financial woes this country has. Earmarks—as bad as I think they have gotten out of control and need to stop—do nothing of that sort. It is a small piece, very small piece, in a bigger picture that needs to be solved. As a matter of fact, I hope at some point all of us in this body will realize how ridiculous the processes are that we go through and realize we are not in any way dealing with the longer term issues our country faces. One of those things I would like to see us do—I know there is an amendment that has been brought forth before: the biennial budgeting process, where we would actually look at the budget in a 2-year process.

I know Ranking Member JUDD GREGG has brought forth such an amendment—I am a cosponsor of that amendment—so that in the odd years we are actually allocating resources and in the even years—election years—we are actually doing oversight and making sure we are spending money wisely.

One of the things in the process we go through right now that I think we are totally blind to is the tremendous entitlement tsunami that is getting ready to face our country. I think most people realize we as a body are not dealing with that issue. For us to even be down here passionately debating amendments over a budget and not dealing with that, again, does not serve the country well. I think everybody knows we have huge problems that are coming up in the future. Let me give a little bit of a picture of that.

Today, if you took in all the money we have set to come in over the next 75 years and then looked at the liabilities we have toward Social Security, Medicare, and Medicaid, we have $66 trillion in unfunded liabilities. Yet tomorrow you are going to see us on the floor haggling over amendments that, at the end of the day, will have no effect whatsoever on this huge problem we have to deal with in the very near future.

To put that in perspective, today if you looked at the entire net worth of our country, it is only $57 trillion. So because of the Social Security, Medicare, and Medicaid entitlement issues, we have a greater unfunded liability than the entire net worth of our country. I think that is a pretty big issue.

To put that in perspective, since our Government was formed a couple hundred years ago, we have taken in during that entire time only $42.7 trillion in revenues.

So, Madam President, I look forward to coming tomorrow and going through an exercise—an exercise that I realize will have some impact, if you will, on the amount of money we spend on various programs. Then I realize at the end of the year we will have an appropriations process. Then, during that period, unless we are able to have a moratorium on earmarks, we will have another 10,000 or 15,000 earmarks that direct money out in various places. But I know in the process of all that occurring, we still will not have dealt with the major issues this country has to deal with. I hope somehow this body will have the courage, in a bipartisan way, to come together and deal with this issue.

I strongly support the Gregg-Conrad amendment that would cause this body, in a bipartisan way, to bring forth solutions to this problem—to this entitlement problem—in a manner that can only be voted on up and down, with no amendments, so we as a body, hopefully, will have the courage to deal with the real issues our country has to face as it relates to fiscal issues.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 4259

Mr. MENENDEZ. Madam President, pursuant to a previous unanimous consent agreement, I ask that the pending amendment be set aside and that amendment No. 4259, which is at the desk, be reported.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. MENENDEZ] proposes an amendment numbered 4259.

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

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

The amendment is as follows:

(Purpose: To establish a reserve fund for immigration reform and enforcement)

On page 69, after line 25, add the following:

SEC. 308. DEFICIT-NEUTRAL RESERVE FUND FOR IMMIGRATION REFORM AND ENFORCEMENT.

(a) IN GENERAL.—The Chairman of the Committee on the Budget of the Senate may revise the allocations of a committee or committees, aggregates, and other levels in this resolution for 1 or more bills, joint resolutions, amendments, motions, or conference reports, by the amounts provided in such legislation for the purposes described in paragraphs (1) through (7), that—

(1) provide for increased border security, enforcement of immigration laws, greater staffing, and immigration reform measures;

(2) increase criminal and civil penalties against employers who hire undocumented immigrants;

(3) prohibit employers who hire undocumented immigrants from receiving Federal contracts;

(4) provide funding for the enforcement of the employer sanctions described in paragraphs (2) and (3) and other employer sanctions for hiring undocumented immigrants;

(5) deploy an appropriate number of National Guard troops to the southern or northern border of the United States provided that—

(A) the Secretary of Defense certifies that the deployment would not negatively impact the safety of American forces in Iraq and Afghanistan; and

(B) the Governor of the National Guard's home State certifies that the deployment would not have a negative impact on the safety and security of that State;

(6) evaluate the Federal, State, and local prison populations that are noncitizens in order to identify removable criminal aliens; or

(7) implement the exit data portion of the US–VISIT entry and exit data system at airports, seaports, and land ports of entry.

(b) LIMITATION.—The authority under subsection (a) may not be used unless the legislation described in subsection (a) would not increase the deficit over—

(1) the total period comprised of fiscal years 2008 through 2013; or

(2) the total period comprised of fiscal years 2008 through 2018.

Mr. MENENDEZ. Madam President, I rise today to offer an amendment, an alternative to the amendment offered by Senator SESSIONS, an alternative that I think actually has a chance to help fix our broken immigration system.

My amendment would increase border security and enforce immigration laws without wasting our resources in unnecessary and potentially even dangerous ways. We have to be smart when we think about solutions to the immigration problem. We have to enact measures that do more than sound tough. They have to be tough. We have to consider the impact our legislation will have on other programs and other priorities, and we cannot just throw money and personnel at the border without thinking carefully about the consequences.

My amendment gets to the real heart of the problem. It provides for increased border security and increased enforcement of immigration laws. It gives us the manpower we need to address our immigration problems by providing for greater staffing for the Department of Homeland Security because the Department can't do its job if it simply doesn't have sufficient staff.

My amendment addresses the real root of the immigration problem: the incentive—the incentive for crossing

the border without a visa. It helps eliminate this incentive by getting tough on employers who hire undocumented immigrants. We know undocumented immigrants come to the United States—for what? They come looking for a job. They want a better life. They see an American paycheck as the means to get it. Well, without the draw of the job, without the draw of income, the motivation to risk it all to cross the border illegally dries up. Building a bigger, stronger, taller fence simply doesn't cut it because, as we all know, if there is a will, there is generally a way. Rather than create new obstacles that undocumented immigrants are going to try to figure out how to get around, we need to address the underlying motivation that is the magnet that drives them to migrate in the first place. The way to do this is to come down harder on the employers who provide them the incentive.

My amendment would do this by increasing criminal and civil penalties against employers who hire undocumented immigrants. It seems clear that today's penalties are not a sufficient deterrent for these companies. So my amendment sends them a clear message: we are going to hold you accountable for your actions. There are going to be real consequences for breaking the law.

My amendment would also prohibit employers who hire undocumented immigrants from receiving Federal contracts. There is simply no reason any company that receives a Federal contract should be breaking the law by hiring undocumented immigrants. It is interesting that there are some news stories about those who are actually building the wall doing exactly that. Isn't that ironic? The amendment I am offering isn't just about getting tough; it is about getting smart.

Senator SESSIONS and others on the other side of the aisle would not only build a bigger, longer, taller fence along the border—something we have seen which simply will not work on its own—they also want to deploy a significant number of our National Guard to help support the Border Patrol.

Let me say from the outset I am not at all opposed to sending reinforcements for the Border Patrol. I voted for those increases in the Border Patrol agents. They are understaffed and underfunded, and they need all the help they can get. What I am opposed to is taking one resource away from a desperate situation in order to give that resource to another allegedly desperate situation. Just like our Border Patrol, our National Guard is stretched thin. Right now, there are over 15,500 members of the National Guard deployed in Iraq and Afghanistan. In the time between September of 2001 and November 30, 2007, close to 255,000 National Guard troops have been deployed in support of Operation Iraqi Freedom and Operation Enduring Freedom. This year, my home State of New Jersey, by way of example, will witness the largest deployment of National Guard personnel since World War II.

So before we rush to act, we should know what the impact of moving the National Guard would have on the safety of our troops in Iraq and Afghanistan in terms of those needs. That is why my amendment would prohibit deployment of the National Guard—would ensure, I shouldn't say prohibit—would ensure that deployment of the National Guard to the borders could take place, but two important things would have to happen first. First, the Secretary of Defense would have to certify that the deployment would not negatively impact the safety of our troops in Iraq and Afghanistan. Second, the Governor of the home State of the National Guard must certify that the deployment would not have a negative impact on the safety and security of that home State. After all, protecting the people of the home State is the whole reason States have National Guard units in the first place.

We cannot endorse a policy that robs Peter to pay Paul. We have to think long and hard about the impact of taking resources away from Iraq or Afghanistan, taking resources away from the States that face the risk of natural disasters as big and as devastating as Hurricane Katrina. We have to know that taking these resources away will not hurt us more than it helps us. My amendment makes sure that before we act, we know what we are getting into.

Now, I do not disagree with every aspect of my colleague's amendments. In fact, there are two provisions in the Sessions amendment that I wholeheartedly support and they are in my amendment as well. I, as Senator SESSIONS, believe we can do more to remove those undocumented immigrants in our prison system who should be removed. That is why my amendment would evaluate the Federal, State, and local prison populations that are noncitizens in order to identify removable, undocumented immigrants.

I also believe, as Senator SESSIONS does, that we need to do more to implement the US–VISIT entry and exit data system to make sure we are keeping track of those who actually exit our country once their visas expire. That is why my amendment would help to implement the exit data portion of that program.

So I will close on this issue by simply saying it is interesting to see some of those who have some of the harshest rhetoric, as well as some of the harshest legislative initiatives, then come and say: But while I am doing this, we need ag workers, we need H–1B high-tech workers, or we need H–2B lower skilled workers. So they want their piece of the immigration pie, but they also want to portray themselves as sentries at the border. It just doesn't quite work that way. It just doesn't quite work that way.

Immigration is a difficult problem to tackle. That is something I think we can all agree on. Any solution needs to be smart, it needs to be tough, and it needs to be effective. That is what my amendment is—smart, tough, and effective. It provides for enhanced, improved border security and enhanced enforcement of immigration laws, while allowing the Department of Homeland Security and the States to determine how best to use Federal resources. It provides support for our Border Patrol without threatening the safety or security of our troops serving overseas, or for that matter, people of our States. It gets to the root of the immigration problem by beefing up enforcement against employers acting illegally by hiring undocumented immigrants, the very essence—the magnet—of what drives people to this country.

So I urge my colleagues to vote for this amendment when we have the opportunity tomorrow rather than the amendment offered by Senator SESSIONS. I think it gets to the heart of the problem that all of us are challenged to achieve.

Very briefly, let me move to one other issue while I still have time. I have said before that our debate over this budget is a fight for the economic future of America. The core of our economy is America's middle class: How productively they work, how much they save, how much they spend. It is clear as day, clear from the tsunami of foreclosures, clear from the reports that are coming in about thousands of people losing their jobs, clear from rising gas prices and health care bills and college tuition, it is clear that the middle class needs help.

What the middle class does not need is another round of tax giveaways for some of the richest members of our society in which their collective taxes are being used in a way that is disproportionate to those who least need it.

Budgets are about priorities; they are about choices. We have to choose. Are we going to do what many of my colleagues on the Republican side of the aisle are advocating and spend the people's money helping a billionaire avoid taxes when he bequeaths his mansion to his child or are we going to help out two parents who are struggling with the mortgage payments on a house for them and their children?

When Senate Democrats put together this budget, we made the choice to put middle-class families first. I am proud to join Senator BAUCUS in offering a responsible plan for expanded middle-class tax relief.

The amendment he is offering will take some of the pressure off the families who are most in need of help by providing $300 billion in tax relief for working families.

First, it provides tax benefits to members of America's armed services. It is up to us to make sure that when our men and women in uniform risk their lives overseas, they have some measure of financial security at home. This amendment would help those servicemembers in need by allowing combat pay to count toward eligibility for

the earned income tax credit. It would also provide additional relief to small businesses that continue to pay the salaries of National Guard and Reserve members who are called to duty.

The amendment extends relief to parents and married couples. It would expand the child tax credit to provide relief to more families, provide permanent relief for married couples from the marriage penalty, and make the 10-percent tax bracket permanent.

I am also especially pleased that this amendment includes a provision that I have worked closely in the past with Senator BAUCUS on expanding Federal tax relief for property taxes. It is a provision that would be welcome news to thousands of New Jersey families since property taxes are always a top concern. We would create a new standard deduction for property taxes that could benefit more than a half million New Jersey taxpayers alone, and could send $86 million to the people across the State. So that is only one example of how it is replicated across the country.

So I say to my colleagues: remember that American families are all watching us right now to see what we are going to do. Are we going to spend $51 billion to hand out tax breaks to Americans who are earning over $1 million a year? Or are we going to focus our resources, spend them wisely, to put tax breaks in the hands of those who need it: families, service men and women, and Americans who are working hard every day to achieve the American dream? Are we going to do the same on the amendment on immigration? Are we going to focus our resources against the very essence—the magnet—of what drives people to come to this country in an undocumented fashion and to make sure that our National Guard and Reserves are used the right way and to pursue the assistance of the Border Patrol where they ultimately need the help? Those are our choices. That is what we will have tomorrow.

I hope we will join together to give this responsible tax relief to middle-class families in America who need it most.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Madam President, I am here today to explain the three amendments I have filed to the fiscal year 2009 budget resolution.

The Federal Government is now telling a majority of the States, which of course includes Wyoming, Montana, Colorado, New Mexico, and other States that allow for the production of minerals in their State, that an even split is not enough for the Federal Government, even though the law—the agreement in effect for years—says there will be a split. So in an attempt to satisfy an insatiable appetite for money, the administration's budget is to take more of it away from these States—$40 million more every year. I am referring to net receipt sharing. That title kind of gives you an idea that these Federal mineral royalties are divided in half—net—that is after expenses—the sharing of receipts from mineral leasing activities on public lands. This is money that our State governments actually use for roads, for health care, for residents of our States, for education for our children, and more efficient and environmentally friendly development of our energy resources. It is money that finds its way directly to the people, not down in some bureaucratic black hole. Similar policy that was implemented in 1991 was repealed in 2000. At that time, they were stealing 1 percent after the net receipts. That led to a loss of nearly $250 million in State revenues. Now they are back again, trying to take more money away from the States. This time they said 2 percent is better. The Federal Government has maneuvered itself to be in a position where it can take an even higher percentage of our mineral royalty money.

Last year, the fiscal year 2008 Consolidated Appropriations Act took 2 percent of the net receipt sharing of Federal mineral royalties from the States. Furthermore, the administration's budget includes a plan to make permanent a 2-percent net royalty receipt sharing provision in fiscal year 2009.

I ask my colleagues now whether your State is being taken advantage of, whether you are a Democrat or a Republican, I am asking you to stand with us and support this amendment, amendment No. 4214, to restore the 2-percent net receipt sharing of Federal mineral royalties lost to the States in last year's appropriations bill. You know as well as I do that your State's money could be next.

The Federal Government collects mineral royalties from States that allow for energy production on lands in their State. Under the law, the States are entitled to half of the loyalties collected. To distribute the State share, the law intends for the Minerals Management Service to divide the amount of mineral royalties collected by two, write a check for that amount, and mail it to the States. That is all it entails. But the Federal Government's feeble excuse was that it needed an extra 2 percent share for ''administrative costs.'' Now, they have been doing this for years without the administrative costs, but they remembered there was this time they were able to steal it before, so now they are trying to steal it again and decided to double the amount. It is not anything that is done from an accounting standpoint. It is a Washington shakedown.

As an accountant, I can tell you that dividing by two and writing a check doesn't take a significant amount of time. Somehow the administration believes it deserves approximately $40 million per year to do this activity. This is logic that only happens inside the beltway, and I am telling you that it is patently unfair. If they can do it here, they will do it on other things. It drastically affects my State of Wyoming, which supplies a disproportionate share of energy to our country. Yet the Federal Government still wants more.

We need to pass my amendment not only to keep the mineral royalty system fair and equal, not only to ensure that more money is used directly to help people rather than for trumped-up administrative charges, but also to ensure that a few States aren't trapped in a corner by the administration and some in Congress who have their ideas for the money.

Unlike bureaucrats, we answer to our constituents. Mine are telling me they don't want the Federal Government to take anymore of the State's money. I am sure yours will tell you the same thing, either now or later. Think about that and support my amendment, which will help ensure the Federal Government gets a fair share but just a fair share.

I also want to speak about two amendments I filed earlier today and I will offer at a later time. One amendment, No. 4215, is designed to ensure that our States continue to receive formula funding for animal health research and disease programming. It is administered by the Cooperative State Research, Education, and Extension Service in the Department of Agriculture. This assistance allows State research institutions to carry out critical animal health research that is used in our communities.

We know that animal health is one of the greatest threats to the animal agriculture in our Nation. Recent experiences in other countries with foot-and-mouth disease, avian flu, and mad cow disease bring home the importance of how animal diseases can affect the food supply, human health, and even national economies.

In Wyoming, these funds have been used to help State officials and researchers respond to outbreaks of brucellosis in cattle and help stop incidences of blue tongue in livestock. This Animal Health Research and Disease program is an excellent investment in American agriculture. This amendment seeks to ensure that animal health formula funding is fully funded so our Nation can continue to enjoy the benefits of healthy animals and a safe food system.

The third amendment, No. 4216, concerns Ryan White CARE Act funding. Some have wondered why we need to discuss this issue. The answer is simple: We need to ensure that the authorization process and the appropriations process work in sync with each other. The budget is the first step in doing that.

I worked diligently with Senator KENNEDY and others for over a year to retool our discretionary domestic HIV/AIDS care program—the Ryan White CARE Act. In putting that reauthorization together, Senator KENNEDY and I did some background research. We learned that more African Americans,

more women, and more individuals in rural areas—especially in the South—are infected and dying from HIV than ever before. We learned that the old Ryan White formulas didn't count someone until they had AIDS, instead of trying to help them when they had HIV only—that is ''only'' with a very small ''o.'' We learned that the funding formulas hurt areas where most African Americans lived because they were more likely to have HIV and not AIDS. Given what we learned, Senator KENNEDY and I had a principle that the money should follow the person. We realized the program had to be fairer, the money had to follow the person.

The Senate passed the revised Ryan White funding formulas by unanimous consent on December 6, 2006. A few days later, the House also passed the Ryan White program unanimously. We were all pleased when the President signed that bill and that formula into law a week or so later. Then, of course, we all worked to ensure that the Ryan White program received the appropriate funding for those newly revised funding formulas. You can imagine my dismay when, during the appropriations process last year, the Ryan White funding formulas were hijacked for other purposes. As noted by the GAO, one provision, which was called on the Senate floor a ''Pelosi fix,'' funneled $4.8 million away to the San Francisco metropolitan area, or EMA, from all of the other cities receiving funding. In other words, one city changed the formula in appropriations, as opposed to authorization, and stole money from the other cities to give themselves a level of funding that was not related to the people who had HIV. GAO also noted that ''the San Francisco EMA continues to be the only urban area whose formula funding is based on both living and deceased AIDS cases.'' I will repeat that—''deceased AIDS cases.'' San Francisco continues to receive funding for dead people.

So, in effect, this misguided appropriations process took money from the growing population of individuals infected with HIV, including African Americans, women, and people living in rural areas, so that San Francisco could receive more dollars. This is further infuriating because a recent report by the HHS Office of the Inspector General noted that in the last 5 years, San Francisco has been unable to spend all of the funds it has received. This simply doesn't make sense.

Therefore, I hope this year we will start the debate off right and reaffirm our commitment to those who have the HIV domestically by standing by our newly revised Ryan White funding formulas, which passed by unanimous consent in both Houses, and were addressed in an amendment referred to the budget where, again, those people objected to having money stolen from their funds to go to a community that didn't follow the authorization funding. So we don't want it funneled off for inappropriate purposes. That is why I will be offering this amendment, and I hope the Senate will be able to accept it.

I yield the floor.

The PRESIDING OFFICER (Mr. CASEY). The Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, the next speaker in order is in the chair. When somebody replaces him, I will yield the floor. I rise to say a couple of words about what I consider to be a very dangerous precedent that appears about to be reset through the House resolution on the budget. There is something called reconciliation, which is the true hammer in the budget resolution. It allows changes in things such as Medicare, Medicaid, entitlement programs, or tax policy to be passed under an expedited procedure here in the Senate with only 51 votes. It is at the essence of the Budget Act.

Its whole purpose, and the reason it was created, was in order to discipline the rate of growth of entitlement programs as its primary cause and to address tax policy.

Last year, there was a token reconciliation instruction given of $750 million. I say that because reconciliations passed always have been used to save considerable sums of money, or reduce the rate of growth of programs by considerable sums.

When I chaired this committee, we reconciled primarily Medicare, but other spending accounts, including agriculture, to the tune of almost $40 billion. In 1996, reconciliation was used for, I believe, $96 billion of savings and reductions in the rate of growth of programs. So this $750 million alleged savings put in the House vehicle last year was essentially a fig leaf to cover up not a use of reconciliation for the purpose it was originally designed, which is to control the rate of growth of spending, but to actually use it as a stalkinghorse to radically expand programmatic activity, with the protection of a 51-vote procedure that is basically not amendable.

What happened last year was that under that $750 million of savings, almost $19.2 billion of new spending occurred—new spending, new programs, expanded programs.

As a result of that, the Government grew by $19.2 billion in the long run. Yes, there were savings taken from other accounts, basically reducing the reimbursement to student lenders, but those savings pale compared to the outyear costs of what the programmatic activity that was added under reconciliation will be in last year's bill. Now we see this game being played again.

This is a cynical game, because reconciliation applies only to the Senate. The House doesn't need reconciliation protection. They have a House Rules Committee. No bill in the House can come to the floor without a rule, and the Rules Committee has the ability to enforce the will of the majority—without the filibuster.

In the Senate, of course, there is the filibuster. Reconciliation was designed for the sole purpose of addressing these very significant programmatic activities, and trying to control their rate of growth in a way that would not have the filibuster applied, because these programs were so significant and because making progress on controlling the rate of growth is always a challenge.

So reconciliation is a vehicle that only disciplines the Senate activity. It doesn't discipline House activity. What it does in the Senate is denies the minority rights, because it basically eliminates the filibuster, as things are put under reconciliation.

Why would the House of Representatives include reconciliation instructions? The Senate bill doesn't have any reconciliation instructions—none. Well, there is a game going on. As I said, it is cynical, and it is a game that undermines the basic purpose of the Budget Act. This is a direct attack on the rights of the Budget Act and the rights given under that act. When the House puts in that reconciliation instruction for a token amount of money—it is a lot of money, but under the terms of this budget, it is a fig leaf event—$750 million. What happens is when they go to conference, they will claim they have the right to pursue reconciliation instructions, which will not affect the House's ability to pass a bill, but it will affect the Senate's bill and how the Senate proceeds. We may see that reconciliation instruction—in fact, I almost guarantee we will see it in conference balloon into a massive programmatic expansion of some nature, and it could be two or three different programs, protected by reconciliation, and then passed in the Senate under a procedure of reconciliation; and while the savings may be a token amount that is put forward in the House bill, the expansion in the size of the Government will be extraordinary.

The whole purpose of the Budget Act, which is to discipline the rate of growth of the Federal Government and put some discipline into the process of budgeting, will have been made a farce by this procedure. It truly damages and destroys the Budget Act, in my humble opinion, for this process to go forward. It is also an incredibly cynical act.

If the Senate leadership wants to expand programs in the Senate with reconciliation protection, have the courage to bring the language to the floor of the Senate and let us vote on it during the budget process. Don't use this backdoor procedure of having the House Budget Committee do your dirty work, which is what is happening in this situation.

So this, regrettably, appears to be the game that is about to be played. I happen to think it violates the privilege of the budget resolution. I think when something like this happens, which is such a clear and obvious affront to the process of the budget and is so outside the scope of what was

originally considered as the purpose of reconciliation, that basically undermines the privilege of the budget resolution. Clearly, if it does not do it from a standpoint of a parliamentary situation, it does it from a standpoint of what is fair play around here and what is a proper procedure and the proper way to budget.

Mr. President, I yield the floor, and whoever is in order next I guess will be recognized.

The PRESIDING OFFICER. The Senator from Ohio.

AMENDMENT NO. 4238

Mr. VOINOVICH. Mr. President, I have an amendment at the desk, amendment 4238, which I will call up at the appropriate time, but for now I would like to explain to my colleagues what this amendment is about.

This amendment is very similar to a provision Senator GREGG included in the Fiscal Year 2007 Budget resolution. It would stop Congress's addiction to emergency spending. It would create a point of order against any spending over a designated amount set aside for emergencies—called an ''emergency reserve fund.'' By now Congress knows that we will have emergencies every year.

We should, therefore, set aside a designated amount for true emergencies to meet that obligation and try to stick to it, rather than continuing on with an unlimited emergency designation that just invites abuse and irresponsible budgeting.

When I was Governor of Ohio I had a rainy day fund, or a savings account, for those economic downturns or unforeseen events beyond the control of even the best money managers. Soon after I arrived at the statehouse, I discovered that Ohio's rainy day fund was at 14 cents, but by the end of my eight years as Governor, I had increased the rainy day fund balance to $906.9 million.

Again and again, the United States Congress has abused the emergency designation to skirt around budget limits and pay-go. We all understand that on occasion we face natural disasters or unanticipated crises such as Hurricane Katrina and 9/11 that require emergency resources. For this reason, we cannot estimate all of our emergency spending in the budget each year.

But I am extremely concerned that Congress has abused the emergency designation in recent years to spend large sums of money outside the budget for purposes that are not true emergencies. Congress doesn't even count the money as spending. If spending is designated as ''emergency,'' it is exempted from budget controls and spending limits. Congress doesn't even count the money on spending.

An example of the sort of abuse of emergency spending that concerns me is the designation of funding for the 2000 Census as an emergency, even though the U.S. Constitution has required a census be conducted every 10 years since 1790. The definition of ''emergency'' uses words like ''sudden'' and ''unforeseen.'' But in 2000 we had known about the census for 210 years. This is absurd.

As part of my effort to reign in wasteful spending and conduct meaningful oversight of government programs, I asked the GAO to review trends in so-called ''emergency'' and ''supplemental'' spending over the decade stretching from 1997 through 2006, as well as propose reforms to ensure that emergency funding truly is for real emergencies and not simply a way to camouflage spending that is driving up the national debt.

GAO found that $31 billion over a 10-year period did not fit the definition of an ''emergency,'' 35 spending accounts received emergency funding in at least six out of 10 years, and over one-third of emergency spending has no time limit on when agencies can spend the money.

My amendment would state that the fiscal year 2009 emergency designation can only be used for $65 billion worth of spending-reserving $50 billion for the global war on terror and leaving another 15 billion for any legitimate emergencies. Of course, this $50 billion would be in addition to the $70 billion already in the Budget for Iraq and Afghanistan-and so my amendment would allow $120 billion total for the global war on terror outside the discretionary spending limits.

This point of order could be raised against any spending over the designated amount set aside for emergencies and would make clear that this increase in spending would have to bust through the regular budget. Of course, the Senate could still bust the budget with 60 votes, but at least someone would be throwing a penalty flag so that we are being honest about it, instead of using the emergency label to claim we are staying within the budget when we are not.

Mr. President, $50 billion is based on the 5-year average for emergency defense spending and $15 billion is based on the 10-year average for certain other types of emergencies, as estimated by the GAO. These levels are based on a recent study conducted at my request by the Government Accountability Office evaluating recent trends in emergency spending.

I hope that my amendment can find broad bipartisan support, and that we can begin to eliminate some of the outright abuses of the emergency designation.

It is time for us to be honest with the American people about the true state of our nation's fiscal health and stop relying on smoke and mirrors. The longer Congress waits before it gets serious about fiscal responsibility, the heavier the burden will be for our kids and grandkids. And it all starts with honest and transparent budgeting.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I appreciate the fact that the Presiding Officer has the right to the floor as soon as someone comes over and helps him out. Pending him being relieved of his duties as the Presiding Officer, I ask unanimous consent that we yield to Senator COLLINS 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Maine.

AMENDMENT NO. 4209

Ms. COLLINS. Mr. President, this is the only time I am happy that a Democratic Senator is in the chair. It actually worked out well tonight. I thank Senator GREGG for his courtesy as well and also for his tremendous leadership on budget issues.

Senator LEVIN and I have filed an amendment, No. 4209, that will help set us on a path toward energy independence, as well as provide a more sensible and balanced energy tax policy.

This has been a very long, hard, cold, and snowy winter in the State of Maine. As I have visited communities across the State, I hear time and again that the high cost of energy is imposing such a burden on our citizens.

My hometown of Caribou, ME, saw 17 days of at or below zero temperatures in February. Caribou is only inches short of setting a record for snowfall in the winter. The previous record was 181 inches of snow. It is clear that record is going to be broken. In fact, more snow and cold weather is forecast for this weekend. It takes a great deal of energy to heat a home under such conditions.

Rapidly increasing prices for home heating oil, gasoline, diesel fuel, and other products refined from fuel are a huge burden for most Maine families, for our truckdrivers, for our small businesses, for so many people. High oil prices affect virtually every corner of our economy in Maine and throughout the Nation, and they are a significant cause of the current economic downturn.

With net profits of a single oil company reaching almost $10 billion in a single quarter, I believe we should not expect taxpayers struggling to pay their bills to continue to subsidize the oil industry through tax incentives.

Last year, I introduced a bill that would take away needless tax breaks for the oil industry, and along with my colleague, Senator LEVIN, I am proposing much the same approach today with the Collins-Levin energy independence amendment. These are the very tax breaks that at a hearing in November of 2005 executives of the big oil companies themselves conceded are not necessary. I simply see no justification to continue to provide reduced tax rates for one of the world's most profitable industries at a time when so many families and small businesses are struggling due to the high cost of oil.

Mr. President, does it not make sense for us to take a look at these tax subsidies which the oil companies themselves have admitted they do not need

as incentives? In fact, obviously, with oil over $100 a barrel, it is difficult to think that price alone is not a sufficient incentive for exploration and drilling to find additional supplies.

We also must embrace the goal of energy independence. I think we should establish the year 2020 as the date by which we want to be energy independent. We need to pursue this goal of energy independence with just as much fervor and commitment as we pursued the goal of landing a man on the Moon in the 1960s.

I am pleased that the Budget Committee included provisions to extend the renewable energy production credit, the clean renewable energy bonds, and provisions for energy-efficient buildings, products, and powerplants in section 304 of the budget resolution. But we need to do more. We need to develop policies that are all aimed toward the goal of freeing us from our dependence on imported oil.

I know it must trouble you, Mr. President, as much as it does me when I hear the dictator in Venezuela threatening to shut off oil to this country. The fact is, with 12 percent of our oil coming from Venezuela, that would hurt our economy. I don't think we should be dependent on Middle East oil given the instability of that region as well.

So we can embrace the goal of energy independence by the year 2020. We have taken a step toward that goal by increasing the fuel-efficiency standards for our cars, light trucks, and SUVs. That will help save a million barrels of oil a day. But there is more we can do.

In addition to the energy tax credits that I have mentioned that are in the budget resolution, the Collins-Levin amendment would provide for a tax credit for replacing old, inefficient wood stoves with clean-burning, more efficient wood stoves and pellet stoves that can provide much more heat for far less fuel than was once the case.

In addition, we should provide a production tax credit for cellulosic ethanol and a vehicle tax credit for plug-in hybrid electric drive vehicles. I know that has been a goal of the Senator from Utah for many years as well.

Unlike the current language in the budget resolution, the Collins-Levin amendment also proposes offsetting some of the costs of these renewable energy credits and other kinds of conservation credits by pulling back some of the tax breaks for the large oil companies. Estimates of savings from this proposal range up to $6.4 billion over 5 years. I think that is reasonable, and that will help shift our tax policy toward credits and other incentives that will help us reach the goal of energy independence.

Let me describe a little bit more the provisions having to do with a tax credit for clean-burning wood stoves or for wood pellet stoves.

During the height of the oil crisis in the 1970s, many families throughout the country turned to wood as an affordable way to heat their homes. With oil prices soaring once again, wood is the fuel of choice for an increasing number of households, particularly in a heavily forested State such as the State of Maine. But, unfortunately, many of the wood stoves purchased decades ago are outdated, inefficient, and are contributing to both indoor and outdoor air pollution. The emissions from these old-style wood-burning stoves present a serious health concern, contributing to respiratory ailments such as asthma.

There have been great, exciting advances in wood stove technology. I saw them personally at a Jotul plant in Gorham, ME. They now have a second burn of the emissions, which makes them far more efficient and also far cleaner burning. New EPA-certified wood and wood pellet stoves can cut emissions by more than 70 percent and use as much as a third less firewood for the same amount of heat.

But it is expensive to make that transition from the old, dirty, inefficient wood stove to the clean-burning stove. That is why our amendment includes a $500 tax credit to help consumers purchase and install these new clean-burning stoves as well as the efficient, clean wood pellet stoves.

We also provide a tax credit for the production of cellulosic ethanol. While there has been a great deal of focus on corn-based ethanol in order to decrease our reliance on foreign oil, there are other renewable plant-based energy sources.

Mr. President, I ask unanimous consent to have 1 additional minute.

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

Ms. COLLINS. Mr. President, the University of Maine is doing exciting work in this area.

In addition and finally, our proposal would provide a tax credit for plug-in hybrid vehicles. That, too, would help reduce our reliance on foreign oil.

This amendment takes a balanced approach toward our tax policy, and it will help advance us toward the goal of energy independence.

The Collins-Levin amendment would provide for a tax credit for production of cellulosic ethanol. While there has been a great deal of focus on using corn-based ethanol in order to decrease our reliance upon foreign oil, there are other renewable, plant-based energy sources that are more environmentally friendly and have greater potential to reduce greenhouse gas emissions. These technologies will help move our petroleum-based economy toward a renewable, sustainable forest bio-economy. In fact, researchers at the University of Maine recently teamed up with a local pulp mill to demonstrate cellulosic ethanol production at a commercial scale. It is an exciting time for this new technology.

Finally, the Collins-Levin amendment would provide for a tax credit for plug-in hybrid vehicles. If all new vehicles added to the U.S. fleet for 10 years were plug-in hybrids, an additional 80 billion gallons of gasoline could be saved each year. Obviously, we won't be replacing all new vehicles with plug-in hybrids, but that statistic illustrates the large impact plug-in hybrids can have on reducing our use of oil.

The provisions in our amendment are in addition to renewable energy production and energy efficiency provisions already in section 304.

Section 304 would allow for extension of the renewable electricity production tax credit. I believe it is important to give companies certainty now to plan investments in renewable electricity generation for the near future. These efforts represent a large up-front capital investment. Thus, companies will not continue to expand renewable energy production in the absence of this credit, which makes such projects cost competitive with traditional energy sources.

Section 304 also would allow for legislation to encourage energy efficient buildings, products, and powerplants. Making buildings more energy efficient can dramatically reduce our use of oil and save money for consumers at the same time. For example, on average, weatherizing a home reduces heating bills by 31 percent and overall energy bills by $358 per year.

Mr. President, as I mentioned at the beginning of my remarks, this amendment provides for the rescission of tax breaks that the oil companies themselves testified they do not need. It uses that revenue for additional renewable energy and energy efficiency initiatives. I urge my colleagues to support the Collins-Levin energy independence amendment.

Mr. President, I urge my colleagues to support the Collins-Levin amendment when it is voted on.

Mr. GREGG. Mr. President, I ask unanimous consent that at the close of business tonight, all statutory time be yielded back, except for 30 minutes to be equally divided and controlled between the chair and the ranking member for their use when the Senate resumes consideration of the concurrent resolution on Thursday, March 13.

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

The Senator from Utah.

Mr. HATCH. Mr. President, I compliment my distinguished colleague from Maine. She does such a great job around here, and we all respect her and know how hard she works. She has terrific ideas, so we are very grateful to have her as a colleague.

Mr. President, I rise to offer an amendment designed to protect Medicare beneficiaries' coverage choices. It will protect beneficiaries living in rural areas. It will protect beneficiaries with chronic conditions such as diabetes, congestive heart failure, and even cancer. It will protect beneficiaries who use preventive health screening benefits. It will protect low-income Medicare beneficiaries from high out-of-pocket costs.

Simply put, my amendment creates a budget-neutral reserve fund so that if Congress takes action to improve the Medicare, Medicaid, or CHIP Programs, it may not limit coverage choices for Medicare beneficiaries. It also may not reduce the benefits of those who are enrolled in Medicare Advantage Plans.

The Medicare Advantage Program was established by the 2003 Medicare Modernization Act. I know; I was on the conference committee and one of the key people in helping to pass that bill. Through the Medicare Advantage Program, health plans receive a monthly payment to provide beneficiaries at least all of the health benefits covered by traditional Medicare.

Prior to the MMA, these plans had difficulty existing in rural areas, such as Utah, due to very low monthly payments. In fact, Utah did not have Medicare Plus Choice Programs for any length of time because the plans simply could not exist due to low reimbursement rates, and that was true in almost every rural area in the country. The Medicare Modernization Act of 2003 increased payments to these plans, and as a result, every State now has Medicare Advantage Plans that are offered to its residents, and each State's residents are benefiting greatly from this.

Medicare Advantage Plans provide a lot more to beneficiaries than traditional Medicare. Medicare Advantage Plans provide a range of additional benefits not available in traditional Medicare, such as vision and dental care, annual physical exams, and hearing aids. Medicare Advantage Plans also have chronic-care programs for beneficiaries with chronic diseases, such as diabetes or congestive heart failure. Through chronic-care plans, these beneficiaries are able to manage their illnesses because their doctors provide a coordinated care approach to their conditions. That is why these plans work. That is why they are so much appreciated by seniors, especially, all over this country. In other words, health care providers actually talk to each other under Medicare Advantage, and they try to figure out the best course of action so that the patients will stay healthier longer.

This is not the case in traditional Medicare. A beneficiary in traditional Medicare may see as many as five or six physicians for various health problems—a nephrologist for kidney failure, an orthopedic surgeon for a broken ankle, an endocrinologist for an underactive thyroid, and an internist for general health issues. In addition, medicines are prescribed by each of these physicians without consultation, which sometimes may have disastrous results, all maybe not even understanding the others in the picture. Would these physicians talk to each other when the beneficiary is covered by traditional Medicare? Chances are very high that they would not. That is why Medicare Advantage Plans are so good for beneficiaries. These plans encourage providers to approach health care collaboratively—something that I believe is in the beneficiary's best interest.

Health plans have been covering Medicare beneficiaries for many years through programs authorized by Congress. However, these Medicare health plans were typically limited to beneficiaries living in urban areas. The Balanced Budget Act of 1997 prompted Congress to take action to provide more coverage choices for beneficiaries living in rural areas.

Mr. President, in Pennsylvania, in your State, there are a lot of rural areas. In fact, I remember my good friend, Senator CHUCK GRASSLEY, the ranking Republican of the Senate Finance Committee, pushing for equitable payments in rural areas so that plans could be offered to beneficiaries living in areas such as Pennsylvania, Utah, and Iowa. At that time, payment rates to plans offered in urban areas were higher—in some cases, a lot higher—than payments in rural areas. Unfortunately, we didn't quite get it right in the BBA 1997, the Balanced Budget Act of 1997. We should have listened to Senator GRASSLEY because he was right. In fact, my home State of Utah could not keep Medicare Plus Choice plans in the State primarily because the payment rates were too low, and that is true of every rural State. Ironically, many Utahns wanted to participate in these plans because they were the only ones offering the supplemental benefits such as vision care, preventive benefits, and prescription drugs to Medicare beneficiaries at that time.

Now, let me go to chart one here. We finally were able to achieve the appropriate payment rates for both rural and urban parts of the country through the Medicare Modernization Act of 2003. In fact, this chart shows how many Medicare Advantage Plans are available throughout the country since its passage. While this chart illustrates the different payment levels of Medicare Advantage Plans across the country, it also shows that many Medicare Advantage Plans are available in every county in every State in this country. Think about that. In other words, all Medicare beneficiaries have access to at least one Medicare Advantage Plan, but every part of the United States of America is covered by Medicare Advantage. It has been a terrific thing for our people who have suffered in these areas and who now are covered under Medicare Advantage.

Now, these people may choose between traditional Medicare or a Medicare Advantage plan. They can make the choice of whatever plan they want. The primary goal of the Medicare Modernization Act was to give beneficiaries a choice of coverage.

Now, again, when we first established ceilings for Medicare Plus Choice plans, we discovered that our floor payments for rural areas were too low. Medicare Plus Choice plans simply could not exist in rural areas.

Congress learned an important message from that experience, and that is why we adjusted the payment ceilings and floors for Medicare Advantage Plans in the Medicare Modernization Act, to ensure access to Medicare Advantage Plans in both rural and urban parts of the country. They are in all parts of the country today because of the changes we made in that bill. This chart proves that we accomplished that goal.

Now, let me go to chart two. This next chart will give my colleagues and everybody in America who is watching an idea of what could happen if Congress eliminates the rural and urban floor payments for Medicare Advantage Plans. The white parts of this map highlight the regions of the country where Medicare Advantage Plans may no longer be offered. It is the vast majority of America, if we do what some are saying we should do. It is very disconcerting to me that my very home State of Utah is almost completely white—right over there. There is only one little yellow spot and one dark-blue spot. In other words, we would decimate one of the programs that has worked so doggone well.

In essence, if we eliminate these payments from Medicare Advantage Plans, we will have a repeat of what happened with Medicare Plus Choice. Plans will pull out of the rural parts of the country, and beneficiaries will be left without any choice at all. It will be deja vu all over again. I, for one, do not want to see that happen again.

Now, let me go to chart three. This is important because another interesting point about the Medicare Advantage Plans is that beneficiaries are less likely to have problems accessing care compared to beneficiaries enrolled in traditional Medicare.

This chart shows that Medicare Advantage beneficiaries, as represented by the light blue on the left—there is light blue, green, then dark blue—Medicare Advantage beneficiaries have an easier time accessing care compared to those in traditional Medicare with and without supplemental health care. The light blue are Medicare Advantage enrollees, the green are all fee-for-service enrollees, and the dark blue are all fee-for-service who get supplemental coverage. When we were creating the Medicare Advantage Program, we strongly believed that beneficiaries should be able to have access to health care similar to the health care plans of Members of Congress.

Now, let's take a couple of minutes to go through this chart. It is an important chart. Only 2.8 percent of Medicare Advantage beneficiaries have no usual source of care, compared to 11.8 percent of those beneficiaries in traditional Medicare who do not have supplemental health coverage. Only 7.7 percent of Medicare Advantage beneficiaries do not have a usual doctor, compared to 24.6 percent of beneficiaries in traditional Medicare without supplemental coverage. Only 4.5

percent of Medicare Advantage beneficiaries had trouble getting care, compared to 8.4 percent of those beneficiaries in traditional Medicare without supplemental health coverage. Only 6.5 percent of Medicare Advantage beneficiaries delayed getting their care due to costs, compared to 18.6 percent of those beneficiaries in traditional Medicare without supplemental coverage. Only 7.5 percent of Medicare Advantage beneficiaries needed to see a doctor but didn't, compared to 14.3 percent of those beneficiaries in traditional Medicare who do not have supplemental coverage.

Look at it, starting on the left. No usual source of care—the light blue shows that they do have care compared to the other two. No usual doctor—the light blue again shows that they have their doctors. The third one over in from the left had trouble getting care, and you can see the light blue had less trouble than the other two. Then you go to delayed care because of cost. The light blue again was not delayed, compared to the green and the dark blue. Needed to see a doctor but didn't—the light blue, compared to green, compared to the dark blue didn't see the doctor and saved money over that time.

These statistics, based on the 2006 Medicare Current Beneficiary Survey, make one point very clear: Beneficiaries in Medicare Advantage Plans have been getting better care.

So let me conclude by urging my colleagues to keep in mind the following:

Today, beneficiaries across the country, whether they live in a rural State, such as Pennsylvania, Iowa, Utah, or in almost every State in the Union, or urban areas such as Boston, they have better coverage choices.

Today, beneficiaries are offered more choices in Medicare Advantage, more benefits, and lower out-of-pocket costs. Today, most beneficiaries are satisfied. Over 90 percent of beneficiaries are satisfied with their Medicare Advantage plans. That is historically an astounding success story. We all need to remember that these policy decisions, in creating the Medicare Modernization Act, were created on a bipartisan basis. I was there.

These bipartisan decisions helped achieve these impressive results, and these results should be protected. This is really important, and unfortunately we have people who want to get money out of Medicare Advantage and take away these benefits that have helped so many people in our country today, especially in the rural areas. We just cannot let that happen. I urge my colleagues to support my amendment to protect these Medicare Advantage plans and to quit playing with something that is working so wonderfully well.

I hope my colleagues on the other side will listen to these remarks I have been making. I know some of them know this is true, and the others, who have not studied it, ought to study it. They should not carve money out of a program that is as effective as is this one. It has exceeded the expectations we had when we were negotiating the Medicare Modernization Act by far. It is one of the most successful Federal programs. Frankly, it has done an awful lot of good to bring health care to those throughout our country and all of those States where plans have proliferated because they work.

I hope everybody will vote for this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

AMENDMENT NO. 4268

Mr. THUNE. Mr. President, I rise to speak to amendment No. 4268. This amendment would provide for a total of $200 million over the next 5 fiscal years for tribal justice and law enforcement. Specifically, this amendment would do two things in a fiscally responsible way. First, it would increase the BIA's public safety and justice account, which funds tribal law enforcement, tribal court systems, and tribal detention centers by $25 million a year for the next 5 years. Second, it would increase funding for U.S. attorneys to prosecute crimes in Indian Country by $15 million a year for the next 5 years. The need for this amendment on our Nation's reservations cannot be overstated, as the absence of basic levels of public safety is reaching a crisis point.

The statistics are startling. Nationally, studies show that one of every three Native American women will be raped in their lifetime. Crime rates on remote reservations are an average of 10 times higher than the rest of the Nation. The Department of Justice has found that American Indian women are 2½ times more likely to be raped or sexually assaulted than women throughout the rest of the country.

In my home State of South Dakota, homicide rates within reservations are almost 10 times higher than those found in the rest of South Dakota. According to the BIA, Standing Rock Sioux Tribe has the second highest rate of crime of all the reservations in the Nation.

In order to start to help improve public safety on our Nation's reservations, there needs to be a two-part solution. First, we have to ensure there are adequate law enforcement personnel on the reservations to respond to, to investigate, and to deter crime—something that is not currently happening. For example, again, my home State of South Dakota, the Standing Rock Sioux Tribe, which sits on the border of North and South Dakota and occupies over 2 million acres of land, currently has only 16 commissioned police officers. That works out to no more than three officers a shift for over 2 million acres of land.

To put that in perspective, the Standing Rock Sioux Tribe land is more than two times larger than the State of Rhode Island, which has 200 sworn State troopers plus additional county, city, and Federal officers. That means Rhode Island has 12 times as many State troopers as the Standing Rock Sioux Tribe has law enforcement officers, to police half the land.

Rhode Island also has 10 State trooper police dogs, meaning that at any given time, Rhode Island has more canine officers patrolling than Standing Rock Indian Reservation has human law enforcement officers. While there are population discrepancies between the Standing Rock Sioux Tribe and Rhode Island, the differences between the two are still startling. My amendment addresses this need to increase the number of law enforcement officers on reservations by increasing funding for the BIA's public safety and justice account.

Second, there has to be some assurance that those who have been arrested, especially those arrested for violent crimes, are prosecuted to the fullest extent of the law. Over the past two decades, only 30 percent of tribal land crimes referred to U.S. attorneys were prosecuted, according to Justice Department data compiled by Syracuse University. This compares with 56 percent of all other cases.

My amendment addresses this need with an increase in the BIA's Public Safety and Justice Account, which also funds tribal courts, and an increase for U.S. attorneys to prosecute crimes in Indian country.

The bottom line is that violent crime has become a serious problem on our reservations, particularly on our reservations in South Dakota, and I am determined to help reduce it. This $20 million increase in spending in fiscal year 2009 is small, less than 4/1000 of 1 percent of the total discretionary spending in fiscal year 2009 in this budget resolution, but it will have a big impact on the reservations that are truly in need.

I hope my colleagues will support this amendment so we can start restoring basic public safety to our Nation's Indian reservations.

METH HOT SPOTS BUDGET AMENDMENT

Mr. President, I would also like to speak about an amendment that I filed earlier this afternoon, amendment No. 4269.

This amendment, which would provide for a total of $99 million in COPS meth hot spots funding for fiscal year 2009.

The underlying budget resolution assumes $70 million for this program, and my amendment simply provides the additional funds needed for a total of $99 million, as authorized by the Combat Meth Act. This important program trains State and local law enforcement to investigate and lock up meth offenders.

In 2006, we passed the Combat Meth Act, which authorizes an additional $99 million per year for 5 years under the COPS Meth Hot Spots Program. During the budget debate last year, I offered a similar amendment that was accepted by unanimous consent.

Like last year, my amendment this year would simply provide, in a fiscally responsible way, the authorized $99 million for fiscal year 2009.

Meth abuse has become one of the most dangerous problems impacting small-town rural America and our Indian reservations.

As the Department of Justice's 2007 National Drug Assessment notes, Mexican criminal groups have expanded direct distribution of methamphetamine, targeting smaller communities across the Midwest as new markets.

Young people, ages 12–14, who live in small towns, like those across South Dakota, are 104 percent more likely to use meth than those living in large cities.

Sadly, hundreds of young children are brought up in households every year by parents who are hooked on meth. Studies show that children were present in more than 20 percent of the meth labs seized.

In addition to the costs associated with investigating, locking up, and prosecuting meth offenders, there are significant environmental clean-up costs involved.

The chemicals used to make meth are toxic, and meth producers and users often dump waste into our streams, rivers, fields, and sewage systems. Cleaning up these sites requires specialized training and costs an average of $2,000–$4,000 per site. My amendment would not only provide much-needed funding for law enforcement expenses associated with meth, but also for environmental clean-up to protect our lands and water systems from the harmful effects of this toxic drug.

I strongly urge the adoption of this amendment, so we can continue to crack down on the growing meth abuse problem in rural States like South Dakota and other states across the country.

Mr. President, I would like to speak, if I might, as well, to the broader issue of the budget resolution. There has been a lot of debate about it. We are in the 50 hours leading up to tomorrow when we have the so-called vote-arama when many of the amendments that have been filed will ultimately be voted on, but I want to make some observations about this budget because I think it is important.

I think the American people derive from this an idea about where the political parties in Washington want to take the country, what their priorities are in this budgeting process. Of course this is now a $3 trillion budget that we deal with every single year. The budget resolution is a statement of priorities. In many respects, because it is nonbinding, it doesn't have the force of law. Sometimes it seems this whole exercise would appear at times, perhaps, to the watching public, to be somewhat more symbolic than anything else. But I do think it is important in that it does set the direction, the tone, the agendas in Washington, DC. It is a statement of priorities, and it is a blueprint for how the two respective political parties in the Senate would govern the country.

If you look at where we are in terms of the economy today, and you look at where we have come from in the last 7 years, we did enact over the past several years some historic tax reductions for all Americans. Despite a recession, terrorist attacks, corporate scandals, the collapse of the Internet bubble, these tax cuts have resulted in 52 consecutive months of job growth, the second longest period of job growth on record. Thanks to the progrowth tax policies that were put in place by previous Congresses, unemployment remains relatively low and productivity is higher than the previous three decades. Additionally, significant job growth followed the 2001 and 2003 tax cuts. Since 2003, nonfarm employment has increased by 8.3 million jobs, including 1.7 million new jobs last year alone.

There is a simple fact of fiscal policy: reducing taxes, reducing marginal income tax rates and capital tax gains rates puts more money back into the economy, encourages investment, and creates jobs.

On the other hand, tax increases drag the economy down and discourage job creation.

Unfortunately, on account of high energy prices and falling home values, our economy faces several short- and long-term challenges. In the fourth quarter of 2007 gross domestic product only increased by .6 percent. Payroll employment declined in January and February. Oil traded for almost $110 per barrel this week. Subprime mortgage foreclosures are at an all-time high, and the dollar is at an all-time low.

In response to these economic challenges, the budget resolution put forth by the majority in the Senate calls for a dangerous combination of larger Government bureaucracies and higher taxes. In total, the Democratic budget includes a $1.2 trillion tax increase on over 116 million families and 27 million small businesses.

Under the Democratic budget, the reduced individual tax rates are set to expire within 20 months. As millions of families prepare their taxes ahead of the April 15 deadline, I think it is important to point out that this deadline will be even more painful in future years under the Democrat budget resolution, if it is ultimately here adopted.

On January 1 of 2011, the 10-percent tax bracket would expire; the 25-percent tax bracket would increase to 28 percent; the 28-percent tax bracket would go up to 31 percent; the 33-percent tax bracket would go up to 36 percent; and the 35-percent tax bracket would increase to 39.9 percent.

On top of the increased tax rates, the increased child tax credit will expire. In other words, in the tax cuts of 2001 and 2003, the per-child tax credit was increased to $1,000 per child. Under this budget, if the tax cuts are allowed to expire, that would fall back down to $500. Families with children would see their tax burden increase substantially when that $1,000 tax credit is reduced to $500 after the year 2010.

Additionally, the marriage penalty is reinstated and the 31 million filers who report dividend income, and the 26 million filers who report capital gains income, would see taxes on their investments go up as well. That impacts, significantly, senior citizens. We have a lot of senior citizens around the country who have investments that they live on—dividend income, capitol gains income. So these particular tax increases are going to strike disproportionately harshly on those senior citizens across the country who depend on investment income.

Finally, the death tax is reinstated at pre-2001 levels. If you took a look at the 2001 levels, it allows a $1 million exemption and a maximum statutory level of taxation of 55 percent, which is one of the highest death tax rates in the world.

Ironically, under the current law, in the year 2010, the death tax would completely disappear, which has prompted a lot of people who do estate planning to suggest that, if somebody wants to be able to pass on their earnings and their lifetime of assets tax free to the next generation, it would behoove them to decease or to pass away in the year 2010. But the bad news is in 2011, if you are still around, the death tax kicks back in and it kicks in at enormously high levels: 55 percent maximum tax rate and a $1 million exemption. In a State such as mine, South Dakota, where you have a lot of farm and ranch families who are asset rich but cash poor, in many cases it causes them to liquidate their assets; in other words, to sell the farm in order to pay the IRS.

That is something that makes absolutely no sense. I hope we can avoid that happening. There is going to be an amendment offered by some of my colleagues that would reform the death tax and reform it in a way so that in 2011 we don't go back to the old law, which is incredibly restrictive in terms of the way it takes the money away from those who have accumulated it and worked hard, including a lot of hard-working farmers and ranchers in South Dakota, over the course of their lifetime putting away some of their investments and acquiring land and farm equipment and that sort of thing.

They want to pass it on to the next generation. The next generation wants to stay on the farm. But, unfortunately, in many cases, as I said, they have to sell their assets in order to pay the IRS. In total, the average family is going to see their taxes increase by approximately $2,300 per year, which is enough to buy 8 months of groceries for the average family or a year's worth of health care.

Over the past few years, there have been a lot of misconceptions about the tax cuts that were enacted in 2001 and

2003. The first misconception is that the tax cuts are too expensive and cost the Federal Government too much in terms of lost revenue. If you look at what has happened in terms of Federal receipts, Federal receipts have dramatically increased since we enacted the 2001 and 2003 tax cuts. In fact, in 2000, the Federal Government raised $1.99 trillion in revenue. In 2007, after those historic tax cuts had spurred increased economic growth, the Federal Government collected an all-time record of $2.57 trillion. So, from the year 2000, where it was just a little under $2 trillion, to the year 2007, where $2.57 trillion was collected, over a half trillion dollars additional revenue is now coming into the Treasury on an annual basis as a result of the tax cuts that were enacted in 2001 and 2003.

So for somehow to believe for a moment that the Federal Government has been deprived of revenue as a result of tax rates being reduced does not at all jibe with the facts.

The first misconception, I would argue, is the one that is held around here and often used in debates around here, and is very misguided because tax rates, when they were cut, actually led not to less Government revenue but to more Government revenue, and not only that but dramatically more Government revenue.

The second misconception is tax cuts created an overly regressive tax structure that only benefits the wealthy. But if you look at recent data from the Congressional Budget Office, the effective Federal tax rate for middle-income households is the lowest it has been in the past 25 years, thanks to the 2001 and 2003 tax cuts.

For the bottom 20 percent of U.S. households, the total effective Federal tax rate fell by nearly a third from the year 2000 to the year 2005.

According to the Tax Foundation, approximately 30 million tax returns had no income tax liability in 2000. After enactment of the historic tax cuts, an additional 13 million returns had no income tax liability. So now there are 43 million tax returns in this country where there is no income tax liability, as I said, an increase of 13 million returns from the year 2000.

Add that to the 15 million households and individuals who do not file tax returns at all, and you have 41 percent of the U.S. population completely outside the Federal tax system as a result of the tax cuts that were enacted in 2001 and 2003.

Now, under the Democratic budget plan, millions of low-income Americans are going to be put back on those tax rolls. My colleagues on the other side of the aisle will claim they are extending middle-class tax cuts by voting for the Baucus amendment.

I wish to make a couple of points about the Baucus amendment. First, we heard this very same claim last year. This is the same song that we heard last year, that the Senate is going to pass an amendment that addresses some of these, or puts back or restores some of these tax cuts.

We passed an amendment on the budget resolution last year, a similar Baucus amendment, as part of the fiscal year 2008 budget resolution. But we were falsely promised action to extend selected tax cuts as part of that budget process.

Here we are a year later, the same promises are being made, and the same wall of tax increases is 1 year closer. Now, second, the Baucus amendment excludes a whole lot of tax cuts that are absolutely critical to the well-being of the middle class. Even after the $320 billion Baucus amendment, if it is adopted on the budget resolution tomorrow, Americans are still faced with one of the largest tax increases in American history.

Now, those taxpayers who are following this year's budget process are probably asking themselves: If the Democrats in Congress are going to raise taxes by $1.2 trillion, certainly they are going to bring stability and solvency to entitlement programs and reduce the Federal debt.

Unfortunately, the answer to both those questions is no. The Democratic budget does nothing to rein in out-of-control entitlement spending. Rather than enact meaningful reform, the Democratic budget resolution leaves our children and grandchildren with $66 trillion worth of unfunded Government liabilities.

The baby boom generation has already started to retire this year. And the over-65 population will nearly double by the year 2035 to 75 million people. These demographics, coupled with increasing health care costs, create a $34 trillion unfunded Medicare liability and a $4.7 trillion Social Security liability over the next 75 years.

The spiraling cost of entitlement spending is the single greatest threat to the long-term health of our economy, and under the Democratic budget, entitlement spending grows by $488 billion over 5 years. If left unchecked, entitlement spending will account for 70 percent of our Federal budget by the year 2017.

Under the Democratic budget resolution, the gross Federal debt climbs by $2 trillion by 2013. Every American child will owe an additional $27,000 to pay down the national debt on account of this budget. This debt will create an economic drag on our Nation for generations to come.

The bottom line, the budget resolution that will be voted on tomorrow, offered by the majority in the Senate, raises taxes. The largest tax increase in American history we had was back in the 1990s, when taxes went up about $250 billion under the Clinton administration.

At that time, Senator Patrick Moynihan described it as the largest tax increase in American history. This will be four times that level of tax increase. It increases spending, discretionary spending, increases mandatory spending dramatically and does nothing to curb entitlement spending to reform entitlements or reduce our Federal debt.

In the coming days, Senators are going to have several opportunities to correct the shortfalls in this budget. There are going to be a number of amendments offered tomorrow. I encourage my colleagues to take a good look at these amendments and take advantage of the opportunity they have to do what is right for the Federal budget and for hard-working taxpayers across this country and to hopefully adopt some amendments that will make this budget better.

But, in the end, I am afraid that in light of the fact that it is going to increase taxes by $1.2 trillion and increase spending and do nothing to reduce the Federal debt, this is a budget I do not think many right-thinking people in the Senate are going to be able to vote for.

I would close by noting that as you listen to the Presidential campaign this year, it has been a great experience in democracy. You have seen candidates running out there holding townhall meetings, listening to constituents. It is a wonderful example I think of our Democracy at work and in action.

But as typically happens during the course of Presidential campaigns, there are lots of promises that get made on the campaign trial. And in many cases, the other side of the story does not get told; that is, how are those programs going to be funded? How are they going to be paid for?

That is the side of the story I hope that at some point in the campaign we are going to hear, because if you add up all the new programs that were gathered together into one Cabinet-level department, these programs, posed by our colleague, the Senator from Illinois, you could call it the Department of Unfunded Campaign Promises. There are 188 new Federal programs that add up to $300 billion a year in new Federal spending—$300 billion a year. And that is only 111 programs added up. The other programs they have not been able to score yet.

But of those they have been able to attach a cost to, $300 billion a year in new spending. That would constitute the third largest Federal department in our entire Federal Government, behind only the Department of Defense and the Department of Health and Human Services.

That new department, consisting of 111 new programs, would have a larger budget than the Department of Housing and Urban Development, the Department of Commerce, the Department of the Interior, the Department of State, the Department of Homeland Security, the Department of Labor, the Department of Energy, and the Department of Justice combined.

To look at it another way, this new Department of Unfunded Campaign

Promises would cost more than 42 States' budgets combined. Not only do we have a budget in front of us today that leads to higher taxes, more spending, more debt, we have a lot of obligations that are being promised out there on the campaign trail.

It seems to me at least that we ought to start tomorrow by defeating this budget that takes us down the wrong path of more Government, higher taxes, and does not do the right thing for the taxpayers of this country.

I yield the floor.

The PRESIDING OFFICER (Mr. SALAZAR). The Senator from Pennsylvania.

AMENDMENT NO. 4171

Mr. CASEY. Mr. President, I am going to speak to two amendments that I have at the desk that I will be able to talk more about tomorrow. But I wished to describe them tonight.

First of all, amendment No. 4171 is an amendment that focuses on a problem we see all around us. It seems we cannot go too long in a week when we do not pick up a newspaper that talks about the safety of the food we eat. It has been an issue of concern for Americans and certainly from people in my home State of Pennsylvania.

Over the past year, there have been a steady stream of news reports on countless incidents of recalled or otherwise contaminated food products.

To mention a few: Spinach contaminated with E. coli; peanut butter contaminated with salmonella; imported fish containing high levels of antibiotics; and, finally, culminating last month with the largest meat recall in the history of the United States, 143 million pounds of ground beef.

The safety of our food supply is an issue we can no longer afford to ignore. My amendment would expand the deficit-neutral reserve fund to allow for legislation that enhances the protection and safety of the Nation's food supply.

The funds of this legislation would allow for congressional action. It would do the following: First of all, expand Federal food inspection field forces; second, develop risk-based approaches to inspecting the food supply; third, develop the infrastructure to ensure a coordinated Federal food safety approach; No. 4, we would enhance the Food and Drug Administration's recall authority; and, finally, expand foodborne illness awareness and education programs.

This is a critically important issue, and I know the current cosponsors include Senator GRASSLEY, who is on the floor with us tonight; Senators DURBIN, BROWN, SCHUMER, LAUTENBERG. So that is the food safety amendment No. 4171. I would urge my colleagues to support that amendment.

AMENDMENT NO. 4172

The second amendment is No. 4172, the Wounded Warriors Bonus Equity Act. I am proud to introduce this bipartisan amendment to the budget resolution calling for payment of bonuses to troops who have retired or separated for combat-related injuries.

I wish to thank Senator CLINTON and Senator SESSIONS for agreeing to be original cosponsors on this amendment. The three of us introduced legislation in December of last year in response to reports that wounded troops were asked by the Department of Defense to return their enlistment bonus. I will say that again. These were troops asked by the Department of Defense to return their enlistment bonuses after they retired or separated from the Armed Services due to combat-related injuries.

These troops and tens of thousands of others across the country that were injured in Iraq are struggling to support themselves and their families. We owe them what we promised, and we must not drop our commitment to our troops at the shoreline of the United States.

The Senate passed our bill, S. 2400, the Wounded Warriors Bonus Equity Act, last year by unanimous consent. But we have not reconciled our version with that of the House of Representatives which does not require retroactive payment of the bonus that has already been withheld or returned.

I wished to commend Congressman JASON ALTMIRE from my home State of Pennsylvania, in the Fourth District, who helped bring this problem to light when one of our constituents faced the loss of his enlistment bonus.

I am hopeful that expanding the deficit-neutral reserve fund for veterans and wounded servicemembers will include legislation that will require the Department of Defense to return promised bonus payments and conduct an audit to identify any servicemembers who are owed payments.

This will pave the way for signing this legislation into law. We have often heard the words of Abraham Lincoln when he talked about those who perished in war, those who gave the last full measure of devotion.

He also spoke, in his Presidency, of those who have been injured in war. He talked about those who have borne the battle and what we owe them. Abraham Lincoln was right. We owe them much. The least we can say is we owe them, to fulfill the promise we made to them for those who have indeed borne the battle.

I would urge all my colleagues to support this amendment as well, amendment No. 4172, the Wounded Warriors Bonus Equity Act.

Mr. KENNEDY. Mr. President, as we all know, the Federal budget is a statement of the Nation's priorities. I want to commend my good friend from North Dakota who chairs the Budget Committee for setting the right priorities for America in this budget resolution.

Our Nation is enduring profound changes as we adapt to the global economy. It seems like every day there is more bad economic news. Savings are falling and debt is rising. Americans now collectively owe more than $900 billion in credit card debt.

Foreclosures are skyrocketing: 200,000 families each month are at risk of losing their homes. Bankruptcies soared by 40 percent last year, and are expected to rise even more this year. Entire industries are disappearing, leaving workers and communities devastated in their wake. And unemployment is up and going higher.

And there is more bad news for America's working families. Now, for the first time in 5 years, we have seen job losses for 2 months in a row, a sure sign that the economy is headed for a recession. Employers cut 63,000 jobs in February, the worst job losses since March 2003. And it is only likely to get worse.

Economists foresee a significant unemployment problem for at least the next 2 years. Goldman Sachs has predicted that the national unemployment rate will rise to 6.5 percent by the end of 2009. Many States around the country are already struggling with high unemployment. Michigan's unemployment rate is 7.6 percent. South Carolina's is 6.6 percent. Ohio just hit the 6 percent mark as well.

And workers who lose their jobs are having more and more trouble finding work. Today, roughly 18 percent of unemployed workers have been looking for a job for more than 26 weeks, compared to only 11 percent before the last recession. That is a dramatically higher level of long-term unemployment, and it is a deeply troubling sign.

These aren't just statistical trends or indicators. Every bad number reflects a real hardship in people's lives. For these workers and their families, a recession isn't just part of the business cycle; it is a life-altering event from which they may never recover.

With this kind of uncertain economic future, we need a budget that puts a priority on stimulating the economy and giving hardworking Americans the support they need to weather the storm. If we want an economic recovery that works—if we want real opportunity and sustainable growth—that effort must start and end with working families.

This budget sets the right priorities to address these challenges. I commend Senator CONRAD for including room in the budget for a second stimulus package. This will allow us to take what Democrats know is the right path during a recession, putting working people's needs first. That means extending unemployment insurance benefits for the long-term unemployed, increasing food stamp benefits, and providing State fiscal relief.

This budget further aids those caught up in the economic downturn by setting aside funds that can be used for unemployment insurance modernization, a much needed reform to our social safety net. Many workers who lose their jobs today are finding our unemployment insurance system leaves them out because federal laws haven't changed since the 1960s, even though the American workforce has changed

dramatically since then. In 2006, only one third of unemployed Americans received unemployment benefits.

These workers have paid into the system for years and it is wrong to leave them out when they need help the most. This budget will help us to give States the resources and flexibility they need to serve working families more effectively.

These are all important measures, but strengthening the safety net during a crisis is not enough. We need to redouble our efforts to restore economic opportunity for working families. This budget looks beyond the short term. It makes a priority of investing in the preparation workers need to compete in the 21st century global economy. Comprehensive education and job training programs are the keys to that preparation.

At times like this, we have turned to education to help strengthen the Nation. We did so when developing and expanding the Nation in the early 1800s, when transitioning World War II veterans back into society, when launching the war on poverty.

We have seen time and again that education is one of the best investments we can make in the Nation's economic strength. For every dollar invested in the GI bill, the Nation reaped $7 in return. Research from the OECD shows that when we increase the average number of years of education by just 1 year, we can increase our GDP by 3 to 6 percent. For every $1 invested in high quality early preschool programs, our society benefits from a $13 return.

The Nation's prosperity depends on our ability to prepare our citizens to face a changing economy. But as other nations modernize their education system, America must also break free of the shackles of a school system designed for the industrial age, not the information age.

We know the school model of centuries past doesn't cut it in today's economy:

A single, isolated teacher lecturing to a class of 30 students reflects the production-line model of the Industrial Age. Today, our knowledge economy demands smaller classes with individualized instruction and a focus on more advanced skills.

Fifty years ago, only one-third of mothers worked outside the home. Today, twice as many do, which means nearly 7 million children are left without adequate supervision after school.

High schools were designed in the last century with the goal of graduating only 20 percent of students. A 16-year-old could drop out of school, get a job, and support a family. Today, over 60 percent of jobs require not only a diploma, but postsecondary skills—either a college education or advanced career and technical education. We need high schools graduating all students with college- and work-ready skills.

We wouldn't think of sending our astronauts to Mars in the same spaceship in which President Kennedy sent them to the Moon.

We wouldn't think of defending our troops with the armor they used in World War I.

Why do we teach our students using outdated schools?

This budget provides investments critical to ensuring that we have an education system compatible with the 21st century knowledge economy.

The resolution increases funds for education programs by $6 billion.

It provides $3.5 billion for our public schools, the largest increase in funding for K–12 education since 2002.

This increase can put us on track to double title I funding in 5 years.

With those funds, our schools can:

Hire 35,000 new teachers to reduce class sizes and provide students with individualized attention; provide high quality professional development for 100,000 teachers to assist them in teaching 21st century skills; and enroll 1 million more children in high quality afterschool programs.

This is a real investment of new resources to help struggling schools. The funding for K–12 education will enable schools to implement needed reforms to turn around. It will allow states, districts, and schools to improve middle and high schools, so that students will stay in school and graduate.

The budget resolution also provides $424 million for Head Start, which will provide more children with the services they need to ensure they start school ready to learn.

It increases funding for the Individuals with Disabilities Education Act by $340 million, so that students with disabilities have the support and opportunities they deserve.

It also provides needed increases in funds for higher education. Last year, we passed a historic student aid bill and, with the Budget Committee's efforts and leadership, we were able to chart a course to increase the maximum Pell grant to $5,400 in 5 years. This budget resolution helps fulfill that promise by providing funds for a $4,800 maximum Pell grant in fiscal year 2009.

This budget also includes $414 million more for job training programs, which is greatly needed after years of cuts in job training programs under this administration. This funding will allow 165,000 more workers to retool their skills for 21st century jobs.

We know job training helps workers learn new skills, become better equipped for jobs in demand, and earn higher wages. As families across America struggle to make ends meet, and watch as foreclosures increase, jobs go oversees, and benefits vanish, job training can help provide real security for workers.

The Senate budget resolution makes key investments in strengthening our economy and provides the building blocks for a prosperous future. It supports good schools for our children, good jobs for workers, and a fair shot at the American dream. It puts the Nation on a path to reinventing our public schools and strengthening our education system so that we are competitive in today's knowledge economy.

Unlike the budget before us, the President's budget ignores the demands of today's economy and the needs of our students, our teachers, and our schools.

In his message to Congress, the President said his budget was based on ''clear priorities that will help us meet our Nation's most pressing needs while addressing the long-term challenges ahead.''

But those priorities are not reflected in the numbers I see in the President's budget proposal for the Department of Education.

For too many years under a Republican Congress and administration, we have seen a great contradiction between the administration's rhetoric on education and their budgets.

They say that education is the cornerstone of our competitiveness in the global economy, but then they underfund the No Child Left Behind Act by $14.7 billion this year alone—leaving 3 million children without needed services.

They say that education levels the playing field for disadvantaged students, but then they deny a million poor students the ability to come to school ready to learn by flat funding Head Start.

They say that education is the key to America's future, but then they allow children to attend crumbling schools by blocking funding for school construction.

They say that a good teacher can erase the harmful effects of poverty, but then they cut funding for teacher preparation and support.

They say that education is the gateway to the American dream, but then, with 7,000 students dropping out of school each day, they cut a $1.3 billion program to provide career and technical education for at-risk high school students.

They say that the good jobs of the future require a college education, but then they cut campus-based grant and loan programs and eliminate programs that ensure that low income, first generation students are prepared for and successful in college.

We must do better than this. The Nation, and the Nation's children, deserve better than this.

It is time to stop making empty promises. It is time to act.

It is time for a new, bold commitment to investing in education, to give teachers the support they need and the opportunity to go further in their careers, to support schools that need to turnaround, to help every student reach graduation day, to open the gates to college for all students, regardless of family income.

When a student walks through the doors of a public school, they should be opening the doors to opportunity, to

higher education, to a good job, to a better life.

The Senate budget resolution puts an end to the empty promises. By making education a priority, it takes bold action to address the mounting economic concerns and it is about time.

Likewise, this budget takes action to address the growing health concerns that threaten the not only the health of our families, but also our economic well-being. It rejects the irresponsible budget cuts for NIH included within the administration's proposals, which would result in NIH being funded at $1 billion less than is needed just to keep pace with inflation. The budget resolution is a good basis for further strengthening of the NIH budget, and I look forward to working to see that NIH has the support it deserves.

Investment in NIH is essential not just for medical progress, but for our economic security too. The United States has a long tradition of being a global innovative leader but we can't take our leadership for granted. Today, it's at risk. Thirty years ago, U.S. researchers published 90 percent of all scientific literature on information technology. Today, it's less than half. Unless we invest in the life sciences, the story will soon be the same for biotechnology.

The budget also includes an important reserve fund for the millions of Americans suffering from mental illness whose insurance does not cover their treatment. Lack of equitable insurance coverage for mental illness is not only a civil rights issue, but it's also an economic issue with serious consequences. Recently, the National Institute of Mental Health revealed that mental and addictive disorders cost our country more than $300 billion annually. This includes productivity losses of $150 billion and $70 billion in healthcare costs. The reserve fund provided in this budget is a major step forward in end insurance discrimination and making our country more productive.

The budget before us today also makes a commitment to our elderly and disabled citizens who are capable of living in their community, but are denied the supports they need. With the proper support, these Americans are able to live and flourish in the community. But too often they have to give up the dignity of a job, a home, and a family so they can qualify for Medicaid, the only program that will support them. That is why we introduced the CLASS Act last summer, so citizens get the services they need so they can remain in their community and lead a full life. This budget includes a reserve fund to support the infrastructure necessary to save Medicaid over the next decade and help all our citizens have a chance realize the American dream. It also will allow the parents and children of these citizens who have had to quit their jobs to care for a loved one to reenter the workforce.

I commend my colleagues on the Budget Committee, and all their staff, for their hard work in recent months. The Senate budget resolution represents a strong commitment to American families across this country in this time of economic uncertainty, and I strongly urge my colleagues to support it.

Mr. COCHRAN. Mr. President, I am opposed to the amendment offered by the Senator from South Carolina that would create a point of order against consideration of any legislation that contains an earmark.

Since the earliest days of our country's existence there has been tension between the executive and the legislative branches. Each has attempted continually to gain power at the expense of the other. The balance of power has tended to ebb and flow over time. The instances where one branch gets absolute advantage over the other are rare. That is the fundamental genius of the system created by our Nation's Founding Fathers. It is a system that is unique because of the balance of power that exists between the Congress and the Chief Executive. We should honor this unique relationship that has made our country the envy of the world for stability, and fairness for our citizens.

The President has said that he believes earmarking has gotten out of control, notwithstanding the many pieces of legislation containing earmarks that he has signed into law over the last 7 years. The President has further stated that he will now veto any fiscal year 2009 appropriations bill if the number and cost of earmarks isn't cut in half.

It is the President's right to veto bills. I don't deny that the practice of earmarking should be the subject of review and debate and I don't deny the right of the President to express his views on the subject and to use his veto pen if he feels that it is justified.

What I cannot understand is why the legislative branch would unilaterally relinquish a fundamental power granted to it in article I of the Constitution; the power of the purse.

This debate is not about the level of Federal spending, the size of the deficit, or the national debt. Nothing in this amendment would change the level of discretionary spending called for in the budget resolution. Nothing in this amendment issues reconciliation instructions to committees that might begin to address the entitlement crisis that faces our Nation. This debate instead is about who decides how Federal dollars are spent, and where?

Proponents of this amendment apparently are content for Congress to provide large sums of money to Federal agencies for general purposes, either to be distributed by a formula or by some sort of executive branch allocation process. Congress's only input would be after the fact. I fundamentally disagree. Congress is well within its rights to target spending for purposes that the legislative branch concludes are in the public interest.

Senators and Members of Congress represent the several States and the American people. While some funding formulas or agency-run processes may have their rightful place in the allocation of Federal dollars, there should be an opportunity for Congress to identify its own priorities, as the Constitution contemplates.

There have been cases where the power of the purse has been abused for personal or political gain, just as other aspects of the legislative process have been abused. That is an unfortunate truth. But it is also true that nearly all earmarked projects are put forth by Members with honorable intentions. Nearly all earmarked projects match the general purposes of the programs within which they are funded. The question is, who decides how the people's money is spent. I think it is the people's representation in Congress.

I am aware that my own party's nominee for President, the Senator from Arizona, supports this amendment. I am also aware that Senator MCCAIN has stated that, if elected President, he would veto any bill that includes an earmark. Even though I disagree with him on this issue, I understand he thinks the executive branch of government should decide how taxpayers' money is spent.

It doesn't surprise me that the other Presidential candidates in this body support this amendment. Any President would want the ability to allocate Federal funding as he or she sees fit.

Why would the Senate assume it would be preferable for the executive branch to allocate funds based on the whims of an assistant secretary, or on the political pressures that can influence the White House or the Office of Management and Budget? Do we have faith that executive branch agencies will not embarrass themselves with inappropriate grants for art exhibits, overpriced hammers for the Pentagon, or million dollar outhouses in our national parks? History tells us otherwise.

I think Congress should continue to hold the purse strings as the Founders of our great country contemplated. We should not shirk our duty to make spending decisions. If the President disapproves, he can veto the bill.

This amendment doesn't fix anything. It doesn't save any money. It doesn't propose any reforms. And in spite of its supposed 1-year duration, the amendment will do nothing to mollify those who wish to put Congress permanently on the sidelines of the process of allocating Federal dollars.

This amendment will most assuredly do nothing to help Congress and the next President of the United States address the budgetary challenges facing our country in Medicare, Social Security, and tax policy. We shouldn't be seduced into thinking that a 'timeout' on Congressionally directed spending will somehow help us deal with those issues. What we should do instead is stay in the game, consider spending

bills on a timely basis, and carefully scrutinize the spending in those bills. Then we need to engage the President on those proposals through established, constitutional processes and determine the collective will of the people as determined by all of their elected officials.

I urge my colleagues to oppose the amendment offered by the Senator from South Carolina.

AMENDMENT NO. 4233

Mr. ALLARD. Mr. President, I come to the floor today to discuss my amendment to codify the unborn child rule in the pending budget resolution, by modifying the SCHIP reserve fund.

This needs to be done, and it needs to be done during this budget year.

I am not here to argue SCHIP. There is a SCHIP reserve fund already in the budget. I am merely seeking to ensure that since it looks like we are going to pass this reserve fund, we make sure to address the unborn child as a patient.

We attempted to codify the unborn child rule during the SCHIP debate, but unfortunately we were not successful. I am hopeful that we will be successful on this attempt.

The unborn child rule is a regulation that, since 2002, has allowed States to provide prenatal care to unborn children and their mothers. It recognizes the basic fact that the child in the womb is a child.

When a pregnancy is involved there are at least two patients—mother and baby.

It only makes sense to cover the unborn child under a children's health program.

We have previously modified the SCHIP statute to allow States to cover ''pregnant women'' of any age.

My amendment would codify the principle of the rule, by amending the SCHIP reserve fund to codify the current unborn child rule to clarify that a covered child includes ''the period from conception to birth.''

Many States' definition of coverage for a pregnant woman leads to the strange legal fiction that the adult pregnant woman is a ''child.''

Surely it was not the intent of anyone who developed the State Children's Health Insurance Program to allow a loophole for States to define a woman as a child.

Surely we can agree that the child who receives health care in the womb is a child receiving care along with his or her mother.

There are many conditions that can affect a mother's health during pregnancy that are not related to her pregnancy.

Under current statute pregnant mother could not get coverage for any condition that isn't related to her pregnancy. Without a codification of the unborn child rule, we cannot guarantee that these services continue.

Many medical advances, such as surgeries, have allowed for the unborn child to be treated as a patient separate from the pregnant mother. They should therefore be able receive coverage as a patient.

We should be allowing mothers to stay healthy, so that they will have healthy babies.

This also leads to reduced costs associated with premature or low-birth weight babies.

Eleven states are already using this option to provide such care through the State Children's Health Insurance Program.

If the intent of the Senate is to provide coverage for the pregnant woman and her unborn child, then there should be no problem in supporting my amendment.

We should ensure that pregnant women and their unborn child are both treated as patients.

This is a matter of common sense.

Every obstetrician knows that in treating a pregnant woman he is treating two patients, the mother and her unborn child.

Keeping this coverage in the name of the adult pregnant woman alone is bad for the integrity of a children's health program, bad for the child, and even bad for some of the neediest of pregnant women.

I urge my colleagues to support my amendment.

AMENDMENTS NOS. 4234 AND 4235

Mr. President, unfortunately, the resolution before us continues the erosion of fiscally responsible budget processes. I have offered four amendments to this budget that will, I believe, increase economic discipline.

I joined the Budget Committee because I believed the best way to enforce fiscal responsibility and guarantee appropriate Federal spending was to have a rigid and meaningful budget. Fiscal discipline begins in the planning—the budgeting—stage. This is where the choices are made, and the decisions are reached, that will ensure that the income matches the spending and that taxpayers dollars are used wisely. But the budget has been moving away from this. Our discipline has been eroding.

We have seen increases in ''reserve fund'' shenanigans, we have seen the use of reconciliation—a process originated to cut government spending for spending increases, and we have seen a mockery of the pay go rules; there was $143 billion in pay-go violations last year.

I believe this Budget Committee should be committed to rigid budget discipline, not politically expedient gamesmanship.

One of my amendments is to fully budget for the expected costs of the war. I know there will be those who say that they are just following the President in allocating $70 billion in fiscal year 2009. But the budget is a congressional document. Say what you want about the genesis of the ideas in this document, but let me repeat—it was written and prepared on the sixth floor of Dirksen, not in the White House.

We know the war is expected to cost $170 billion this year. Everyone knows this. We had testimony in committee supporting this number. And so we have an obligation to budget for that amount.

If we are going to pay for this war, fiscal discipline and legitimate budgeting requirements demand that we include those costs. There is no legitimate reason to fail to include the known estimates of the war into our budget. Failure to do so is gimmickry, and devalues the budget exercise we are engaged in. Hiding the war costs from view, when every Member knows we will be spending, is ridiculous.

On another matter, this budget resolution has an increase in ''reserve funds.'' There are 37 this year, up from 24 last year. They contain up to $300 billion in spending that hangs over our treasury and taxpayers as a threat. I have heard them referred to as harmless, but any device that serves to weaken the authority and legitimateness of our budget is not harmless.

Many feel that these reserve funds have become an over complicated type of sense of the Senate, but I feel they weave weakness into what should be a rigid and honest document. I have offered an amendment that will prohibit time shifting tax receipts or spending levels to exploit the reserve fund language. If these reserve funds and their spending assumptions are going to be included, we need to see that they are fully walled off and under strong restrictions that will prohibit them from being realized without proper spending reductions.

I have also offered an amendment to prohibit time shifts on a larger scale, not just in reserve funds but in the budget itself. Time-shifting incomes and spending to change where they impact the budget cycle produces no real economic effect, except allowing more spending by evading limits. This practice needs to end.

The last amendment I have offered will ensure the ability of the Secretary of HHS to combat waste, fraud and abuse in Medicaid and SCHIP.

My amendment is very simple. It will make sure that the Secretary of Health and Human Services has continued authority to prevent fraud and protect the integrity of the Medicaid Program and SCHIP and to reduce inappropriate spending under these programs.

This should be a very bipartisan amendment. Waste, fraud and abuse should not consume even $1 of taxpayer's money.

The Secretary should have the ability to see that tax dollars are being spent appropriately.

As long as providers are acting appropriately my amendment would have no affect on them. Good actors in the Medicaid Program and SCHIP will feel no impact by my amendment.

My amendment would guarantee the Secretary's ability to enforce any anti-fraud provisions of law in effect as of the date of enactment of the budget with respect to the Medicaid Program or the State Children's Health Insurance Program, and would allow the

Secretary to develop new proposals during such period to eliminate fraud in such programs.

My amendment would not harm beneficiaries' access to health care under such programs, and only states that the Secretary has the ability to seek out bad actors.

Combating waste, fraud, and abuse in any program should be a bipartisan issue. Combating waste, fraud, and abuse to ensure the integrity of the Medicaid Program and SCHIP is a necessary objective to so that taxpayer dollars are being spent appropriately to provide patients with access to care.

I urge my colleagues to support my amendments, and help move the budget back towards fiscal discipline, improving our financial standards and accountability for taxpayer's dollars.

AMENDMENT NO. 4232

Mr. President, my amendment will pay down the Federal debt and eliminate government waste by reducing spending 5 percent on programs rated ineffective by the OMB Program Assessment Rating Tool.

Some of my colleagues may be unaware that the PART reviews were mandated under the Government Performance and Results Act, Public Law No: 103–62. This law was written by Senator Roth of Delaware and sponsored by 20 of his then-colleagues, 10 of whom are still here.

I mention this only to make sure that my colleagues are aware of the fact that the PART Program was not invented whole cloth by the current administration. OMB is under mandate from Congress to review and make budget recommendations on all Federal programs. Let me read from the purposes of that act:

(1) improve the confidence of the American people in the capability of the Federal Government, by systematically holding Federal agencies accountable for achieving program results;

(2) initiate program performance reform with a series of pilot projects in setting program goals, measuring program performance against those goals, and reporting publicly on their progress;

(3) improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality, and customer satisfaction;

(4) help Federal managers improve service delivery, by requiring that they plan for meeting program objectives and by providing them with information about program results and service quality;

(5) improve congressional decision-making by providing more objective information on achieving statutory objectives, and on the relative effectiveness and efficiency of Federal programs and spending; and

(6) improve internal management of the Federal Government.

So, again, 15 years ago Congress demanded that the Office of Management and Budget review Federal spending programs with a nonpartisan analysis to determine if taxpayers are receiving value for their tax dollars. The Clinton administration worked on this, and the current administration developed their plan as well.

The current implementation of this is the Program Assessment Rating Tool, or PART. You can go on line and see these reviews at www.expectmore.gov.

I use this Web site with every meeting I have with Federal agencies, with every appropriations hearing, every Federal appointee. I ask constituents, when they come in to share their support for a certain program, to look at that program's PART review and hold the programs accountable for it.

A small percentage of programs receive an ''ineffective'' rating. Programs receiving this rating are not using your tax dollars effectively. As they elaborate on the Web site, ''ineffective programs have been unable to achieve results due to a lack of clarity regarding the program's purpose or goals, poor management, or some other significant weakness.''

I hold no ill will towards any specific program, I just believe in accountability for Federal spending. Everyone agrees we have to start somewhere, and the nonpartisan, agenda-free and mutually-conducted PART Program seems to me to be the best place.

My amendment cuts 5 percent of the funding under this bill for programs labeled ''ineffective'' under the OMB PART Program and uses that funding to cut the deficit. This is about the amount that these programs will see in increases under this budget. They won't face cuts, but given the failure to pass a mutually conducted performance review with OMB I don't think they should see an increase.

We are not ending any programs or zeroing out any agencies. All we are doing is taking 1 dollar in 20 under this budget from programs that cannot justify their effectiveness and using it to begin to address our over $9 trillion national debt.

I understand many people have fond thoughts for some of these programs, but fond thoughts and good intentions do not equal good government. This is the barest babystep forward for good government and fiscal responsibility.

So I urge my colleagues to join me in voting for this amendment. I believe it is a commonsense amendment to a problem we need to address. We wish to make sure our taxpayer dollars are being used in a way that can be described as effective. That is the ideal situation.

Certainly for those programs that are classified as ''ineffective'' we can at least question their budget. Even though they may have a mission statement drawn up that may be somewhat appealing, when OMB gets right down into the workings of the agency and finds nothing much is happening to accomplish the goals and objectives the Congress had in mind at the time it passed the legislation, how can we consider increasing their budget?

I think this is a commonsense amendment that brings some fiscal sanity to the process. I urge my colleagues to join me in voting for the amendment.

AMENDMENT NO. 4247

Mr. President, I rise today to talk about the importance of making permanent a progrowth tax cut passed and signed into law earlier this decade.

I was proud to join my colleagues in passing and implementing landmark tax legislation. Unfortunately, if Congress does not act soon to make this critical tax cut permanent, I believe that we will see the upcoming economic downtime be worse than it should be.

Small business expensing is a key component of the progrowth tax legislation. It played a vital role in promoting economic growth and raising revenues.

As a former small business owner, I know and understand the hardships of running a small business. That is why I strongly supported and continue to support the small business expensing provisions of the Jobs and Growth Act of 2003. The small business expensing provisions in this bill increased the amount small businesses can expense from $25,000 to $100,000.

I have had occasion to discuss this small business expensing with former Fed Chairman Alan Greenspan.

Small business expensing lowers the cost of capital for small businesses and helps them expand, which in turn helps the Nation's economic growth. Encouraging new business purchasing has helped kick-start certain sectors of the economy, created new jobs, and helped to increase productivity.

Congress has increased the amount a small business can expense in the Jobs and Growth Act of 2003, and just recently in the economic stimulus package last month, but these increased expensing levels are set to expire. Unless Congress acts to make these provisions permanent, expensing levels will revert back to $25,000, with a phase-out cap of $200,000, in 2011.

Allowing small business owners to keep more of their hard-earned profits will enable them to hire new employees and buy the technology and equipment needed to expand their business. By relieving the tax burden placed on small business owners, all Americans will benefit.

I call on my colleagues today to work together on implementing legislation that would make permanent this progrowth tax cut.

AMENDMENT NO. 4194

Ms. SNOWE. Mr. President, I rise today in strong support of an amendment that my friend and colleague from Arkansas, Senator LINCOLN, and I have offered to the budget resolution, which would provide an additional $50 million to the Veterans Benefits Administration, VBA, allowing our Nation to continue investing in the programs and resources necessary so that

our courageous veterans may receive the benefits that they have earned in a timely and efficient manner.

Every year, hundreds of thousands of America's finest look to the VBA to process their claims for disability compensation, pensions, and other entitlements due them as a result of their unselfish and steadfast service to our Nation. However, according to a VBA Workload Report from February 16, 2008, the total number of pending compensation and pension claims once again increased to 663,319, up from 626,429 this time last year and 517,574 from 2006.Additionally, the VA is currently projecting claims receipts to increase to approximately 872,000 in fiscal year 2009 and cautions that ongoing hostilities in both Iraq and Afghanistan may further burden the workload.

Furthermore, although the VA attempted to reduce the average number of days that claims were pending from a high of 182 days at the end of fiscal year 2001 to 111 days at the end of fiscal year 2003, the average age of pending claims has crept back up to 132 days by the end of fiscal year 2007.

Despite this unfortunate trend, we must not discount the initial steps that Congress has taken in order to alleviate many of the challenges facing our Nation's veterans within the VBA system. The first crucial step over the past year was to improve the management of the VBA, by providing welcome resources to boost the number of claims-processing staff, essential to curbing the backlog and improving the timeliness of the claims process. In fact, at this time last year, Senator LINCOLN and I introduced an amendment to the fiscal year 2008 Budget resolution to address staff and resource shortages at the VBA by providing $64.5 million in order to hire an additional 600 disability claims processors and $4.1 million to hire an additional 32 processors at the Board of Veterans Appeals, BVA, to expedite the adjudication process to acceptable levels.

Overall, the President's fiscal year 2009 budget request funds nearly 11,000 full-time equivalent employees working on compensation and pension claims, and represents an additional 2,600 positions, or 32 percent above fiscal year 2007.

Notwithstanding the recent actions that I have outlined and the VA's expectation that productivity will expand in the long term, veterans continue to endure lengthy delays in order to receive their benefits from the VA—and this is simply unacceptable. Therefore, I believe it is vital for the VBA to maintain the resources necessary to seek and implement fundamental reforms that will help bolster recent gains in manpower in order to enhance both productivity and efficiency throughout the disability claims process. That is why Senator LINCOLN and I have introduced an amendment that will provide the VBA with an additional $50 million in funding to initiate innovative pilot programs that will decrease this unprecedented backlog of disability claims.

Given how integral disability payments are for veterans and their families, especially in a lagging economy, the VA has an undeniable responsibility to sustain an effective delivery system and look for solutions that honor our veterans' service. The funding provided within the Snowe-Lincoln amendment would allow the VBA to build upon recent efforts to streamline the claims process through such initiatives as amplifying staff training, improving data collection, or streamlining data transmission.

As we continue to debate this year's budget resolution, I applaud the Senate Committee on the Budget and its strong commitment to veterans, by providing $48.2 billion in discretionary funding within the budget resolution for fiscal year 2009, which is equal to $3.2 billion above the President's request and $5.2 billion more from fiscal year 2008 budget levels. Certainly, this increase in veterans' health care funding is timely as Congress strives to address an ever-growing contingency of new veterans, who will transition from active duty into the VA system during the upcoming year, while an aging general veteran population continues its increased demand for acute medical and long-term-care services.

It is profoundly imperative that we in Congress fulfill our obligation to America's best and bravest, whose selfless sacrifices on behalf of us and the freedoms we cherish are immeasurable. I urge my colleagues to support the Snowe-Lincoln amendment, which will help the VBA take the additional steps towards realizing our nation's pledge to give our veterans the compensation and benefits they have rightfully earned.

Mr. KOHL. Mr. President, this amendment to S. Con. Res. 70 requests the Senate to take action to stop the abuse, neglect, and exploitation of vulnerable individuals who reside in the Nation's 17,000 nursing homes and receive services in thousands of other long-term care facilities.

It proposes that the Senate reserve $160 million over 3 years in a deficit-neutral reserve fund to pay for a nationwide expansion of a successful background check pilot program enacted as part of the Medicare Modernization Act, MMA, of 2003. This seven-State pilot program has already prevented more than 7,200 people with records of substantiated abuse or a violent criminal record from working with and preying upon frail elders and individuals with disabilities.

The amendment's reserve fund would be triggered only if the Finance Committee reported out legislation or submitted a conference report providing for a nationwide expansion of the MMA pilot program. If this occurred, the reserve fund amount would be offset by the Finance Committee.

Today, abuse, neglect, and exploitation of vulnerable individuals within long-term care facilities result in costly consequences or elderly or disabled victims, their families, and society as a whole. Numerous reports issued by GAO, the HHS Office of Inspector General, and State governments have recommended that comprehensive background checks should be a routine part of preemployment screening for all workers serving vulnerable populations, including frail elders and individuals with disabilities.

A nationwide system of background checks for long-term care workers would offer greater protection to seniors across the country in a wide variety of settings s—including the home. The policy would decrease not only physical abuse but also financial exploitation of vulnerable home-dwelling seniors, and would produce significant crime prevention savings.

The policy has broad-based support from outside groups, including the National Association of State Attorneys General, the National Association of Medicaid Fraud Control Units, the Elder Justice Coalition, the nursing home industry, and eldercare advocates in States and communities across the country.

Mr. LIEBERMAN. Mr. President, I rise to commend the Budget Committee for its efforts to fund a strong homeland defense, and to introduce an amendment with my friend Senator COLLINS on one issue where we think additional work is needed—funding to continue building the new Federal Emergency Management Agency.

First, I want to praise the Budget Committee for working within our difficult budget environment to find adequate funding for critical homeland security needs, especially support to our State and local partners in homeland security.

The President's fiscal year 2009 budget request for the Department of Homeland Security, DHS, includes some useful increases for targeted programs, but comes up short overall. It is basically a steady State budget with the glaring exception of homeland security grants, where the administration has once again proposed aggressive and unwise cuts to core Federal grant programs that States, tribes, cities, and towns rely on to keep their citizens safe.

If the President's budget were enacted, it would mean a 48-percent drop in overall grant funding—seriously limiting the ability of State and local officials to prevent, prepare for, and respond to acts of terrorism and natural disasters and to protect their communities the way they should be protected. The threats we face have not diminished over the years and neither should the funding to combat those threats.

Most dramatically, the fiscal year 2009 budget request cuts the State homeland security grant program, SHSGP, from $950 million to $200 million—a whopping 79-percent reduction from fiscal year 2008. SHSGP grants

are basic preparedness grants to States, and the failure to fund them would significantly undermine national preparedness efforts.

I am pleased that the budget resolution before us rejects those proposed cuts and funds SHSGP at its current level of $950 million, which also happens to be the level we authorized in the Implementing the 9/11 Commission Recommendations Act of 2007, which for the first time set forth statutory requirements for the grants' allocation and use.

The budget resolution also rejects proposed cuts to other vital grant programs including grants to firefighters, for emergency management, and for port and transit security. All of these important programs are restored to fiscal year 2008 levels, adjusted for inflation, in the pending budget resolution, and I thank the Budget Committee for that.

On the critical matter of interoperable communications, the Budget Committee has done better still—increasing funding for the interoperable emergency communications grant program, IECGP, from $50 million this year to $200 million in fiscal year 2009. State homeland security directors recently identified the development of interoperable communications as their top priority, and it is a complex problem that will be resolved only through strong—Federal leadership, coordination at all levels of government, and a substantial commitment of dedicated funding. This grant program, which was authorized in the recent 9/11 Act, will help achieve this critical goal.

I also want to thank the Budget Committee for providing funds to begin building a new DHS headquarters at the St. Elizabeths West Campus. We cannot expect DHS to succeed at its many challenging missions without the fundamental management tools that are taken for granted by much smaller organizations. Today, DHS is spread throughout 70 buildings across the national capital region making communication, coordination, and cooperation between DHS components a significant challenge. A unified headquarters, which would bring together many of the Department's components into a single facility and allow employees to work more efficiently and interactively. I believe it is a critical cornerstone of the efforts to improve management at the Department of Homeland Security.

I am concerned, however, that the budget resolution does not provide enough to continue reforms underway to strengthen and rebuild FEMA, which is why Senator COLLINS and I are offering this amendment today, to increase FEMA's operations, management and administration account by $141 million.

Following Hurricane Katrina, the Homeland Security and Governmental Affairs Committee conducted an extensive bipartisan investigation into the failed response at all levels of government, especially and including FEMA's response. We found that FEMA was woefully unprepared—and in fact had never been prepared—to deal with a catastrophe on the magnitude of Hurricane Katrina, lacking essential capabilities and resources. Our committee subsequently made significant recommendations to strengthen FEMA's capabilities and resources. Congress implemented many of those recommendations in the Post-Katrina Emergency Management Reform Act, which was intended to recreate FEMA into a stronger, more robust agency that would, for the first time, be equipped to prepare for and respond to a true catastrophe. The legislation also reunited the agency's preparedness and response functions; strengthened FEMA's regional offices and emergency response teams; and fortified its emergency planning and preparedness responsibilities.

Last year, FEMA received a much needed funding increase, enabling it to take the essential first step in the long process of rebuilding. While the budget resolution would sustain FEMA operations at current levels, it does not include the increases needed for it to continue strengthening its core capabilities. Our amendment proposes an additional $141 million to fully fund the Administration's requested increase to pay for modernizing the agency's IT systems; strengthening and expanding key teams and other personnel that handle disaster operations, logistics and other vital capabilities; and converting certain temporary disaster support employees to permanent staff, which should help provide a more stable and professional workforce for this program. The cost of the amendment would be offset by reductions in a government-wide, general account.

The President's request does not provide enough to strengthen these core FEMA capabilities, and I would readily support a larger increase. But at a minimum, we should all be able to agree on the administration's proposed figure to correct the significant deficiencies we witnessed during the response to Hurricane Katrina. Therefore, Senator COLLINS and I are offering this amendment to ensure that FEMA continues its transformation into the agency envisioned by the Post-Katrina Emergency Management Reform Act, which is an agency prepared to respond to the many potential catastrophes—from natural disasters to manmade terrorists acts—that we face today. Without additional funds, significant deficiencies exposed by Hurricane Katrina will persist and FEMA simply will not be able to protect the American people the way we want it to.

I ask my Senate colleagues to join me in supporting this amendment to improve our homeland security.

MORNING BUSINESS

BIRTHDAY TRIBUTE TO GENE SEGERBLOM

Mr. REID. Mr. President, it is my great pleasure to extend the best wishes of the United States Senate to Genevieve ''Gene'' Segerblom on the occasion of her 90th birthday.

Born, raised and educated in Nevada, Gene is one of our State's most treasured citizens. She served the public as a nurturing teacher, a Boulder City councilwoman, and a State assemblywoman. Throughout her career, she has been a tireless leader in the fields of historic preservation, sustainable development, cultural affairs, and ethical government practices.

Those familiar only with Gene's family tree might assume that a political career was her destiny. After all, she followed in the footsteps of her mother, Hazel Bell Wines, and her grandfather, William J. Bell, both of whom served in the State legislature. But anyone who knows Gene sees her not as a politician, but as a mother, wife and teacher who took her passion and wisdom into the realm of public service.

A few of the things I treasure are paintings I own, painted by Gene's husband Cliff. He was one of Nevada's all-time great painters. Cliff was also a judge of quality, serving the people of Boulder City and other places where he was called upon to render justice.

Gene's son Tick Segerblom is now serving with distinction as a Nevada State assemblyman.

Gene Segerblom has enriched countless lives, including mine. Landra and I are proud to call her a friend, and I wish her health, happiness, and joy as she celebrates this milestone birthday.

THE MATTHEW SHEPARD ACT

Mr. SMITH. Mr. President, I wish to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would strengthen and add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On the morning of February 23, 2008, Melbourne Brunner and his partner were eating at the Floridian restaurant in Fort Lauderdale, FL, when they were verbally and physically assaulted. According to Brunner, a man at the restaurant began calling the couple antigay slurs, threatening to break their necks and kill them. After a few moments of suffering the man's insults, Brunner and his partner decided to leave. When Brunner attempted to enter his car, the man came from behind him, blocked his path, and struck Brunner in the face, causing him to hit his head on the pavement. The assailant then reportedly walked back to his