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Senate

The Senate met at 10 a.m. and was called to order by the Honorable ROBERT P. CASEY, Jr., a Senator from the Commonwealth of Pennsylvania.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

Eternal God, Lord in all seasons and for all reasons, help us to live lives that give You glory. Give us strength to do our duty, to stand for right and to give thanks at the remembrance of Your holiness. Help us to seek to serve rather than to be served and to treat others as we desire them to treat us.

Give wisdom and discernment to our Senators. Help them to find ways to lift people from vicious cycles of poverty, discovering the correct balance between personal responsibility and governmental intervention. And Lord, we pray today for our troops in harm's way and we pray this prayer in Your strong Name.

Amen.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT P. CASEY, Jr., led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate.

The bill clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 29, 2008.

To the Senate:

Under the provisions of rule 1, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ROBERT P. CASEY, Jr., a Senator from the Commonwealth of Pennsylvania, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. CASEY of Pennsylvania thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, following my remarks and those of Senator MCCONNELL, if he decides to make some remarks today, we will proceed to a period of morning business, with Senators allowed to speak for up to 10 minutes each.

ORDER OF PROCEDURE

I ask unanimous consent the morning business hour be extended to 12:30 today, with the time to be equally divided.

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

Mr. REID. Mr. President, if I could say to the Chair through my distinguished friend, I asked consent that we be in morning business until 12:30 to complete our conversations with our caucuses because of the bill that is coming up.

Mr. President, I ask you approve that consent request.

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

Mr. REID. Following morning business, the Senate will resume consideration of the motion to proceed to H.R. 2881, the Federal Aviation Administration Reauthorization.

As a reminder, at 11 a.m. tomorrow, there will be a joint meeting of the Congress in the Hall of the House of Representatives with the Prime Minister of Ireland, Bertie Ahern.

FAA REAUTHORIZATION

Mr. REID. Mr. President, the bill we hope to start legislating on after the caucuses today is an important piece of legislation, FAA reauthorization.

Last Thursday, I met in my office with representatives of various unions that deal with the airline industry—flight attendants, mechanics, and air traffic controllers. They had some opinions as to what was going on. An hour or two later, I met with the chief executive officers of the major airlines in our country today. They were terribly concerned about what goes on. The fuel costs for these airlines is now approaching 50 percent of their overall cost. I may be a few cents wrong in my illustration, but they said: We can't compete. We pay $1.20 for a gallon of aviation fuel. In Europe they pay 70 cents. You cannot compete because the dollar has become so low in value around the world.

This is an extremely important bill. If there were ever a time we had to work in a bipartisan basis in order to approve legislation necessary to give the airline industry a chance to survive, then we must do it on this piece of legislation.

I will work with my Republican counterpart to see if we can see a way of each side offering amendments. I do not want to have to fill the so-called legislative tree. We have to be very careful. This is a tax bill. So I will have a conversation with my colleague this morning before our caucus to see if we can come up with a way to proceed on this legislation. It is very important legislation.

We have so many other things to do. We have the farm bill that is completed, basically, I understand. We are going to have to go to that soon because it expires the end of this week. We have the Consumer Products Safety Conference. That should be completed hopefully by the end of next week. We have the budget, our budget that we have to complete. Fortunately, on

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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that, we have a statutory time to work toward its conclusion.

Whether we want it, there is going to have to be a discussion about fuel prices, what is going on. That is the No. 1 issue facing America today. It is more important now than the housing market, which is so in a state of distress.

So we have much to do in the next few weeks, not the least of which—the House is going to pass, next week, the supplemental appropriations bill dealing with the funding of the wars in Iraq and Afghanistan. It is no easy venture to complete that because, as you know, there are certain things the President wants to have on that bill that he has told us, in addition to the funding for the wars.

We have had a lot of opportunity in recent months to point fingers at each other. Hopefully, the next 4 weeks, until the Memorial Day recess, we can start pointing fingers to a way to complete some of this legislation because it is extremely important we do that. For example, we had to file cloture on this bill. I told my leadership team I met with this morning, we cannot blame that one on the Republicans because the fact is the substitute coming from the Finance Committee and the Commerce Committee had not been completed until 10 o'clock last night. So realistically we couldn't expect Republicans to start legislating on that before they had the piece of legislation themselves. But they have had it now since last night. I hope, after we have had our caucuses, we can proceed toward completing this legislation in some reasonable manner.

MEASURE PLACED ON THE CALENDAR—H.R. 5715

Mr. REID. Finally, it is my understanding that H.R. 5715 is at the desk and is due for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will read the bill by title for the second time.

The bill clerk read as follows:

A bill (H.R. 5715) to ensure continued availability of access to the Federal student loan program for students and families.

Mr. REID. Mr. President, I object to any further proceedings at this time.

The ACTING PRESIDENT pro tempore. Objection is heard. The bill will be placed on the calendar.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

GAS PRICES

Mr. MCCONNELL. Mr. President, as we all know, the Senate voted unanimously last night to proceed to the FAA bill, despite the fact, as the majority leader indicated, at the time we voted, we had not yet received the Senate substitute. We did have a chance to receive it overnight and will now review it before proceeding. We can talk again after the respective policy lunches, at midday today, about that. It is my expectation when we do get on the bill that we, indeed, allow amendments. The majority leader has indicated that is his intention. Many on our side would like to offer amendments and there will be debate on this bill.

I would also like to point out that while the FAA is an important agency, the No. 1 issue for Americans right now, and their greater concern, is the price of gas at the pump. The price of gasoline has jumped by more than $1.25 a gallon since the beginning of the current Congress. The cost of oil has nearly tripled to $120 a barrel now. According to the AAA, the average price of a gallon of gas in Kentucky is $3.58, the highest ever. I was happy to read the majority has tasked their chairman to come up with ideas to work on this issue, but I fear the answer that comes back will be the same two-word prescription that has been offered in the past—higher taxes.

But higher taxes will only raise the price at the pump, not lower it. So while we move forward on the FAA bill, the Senate should not forget what Americans are most concerned about, the dramatic increase in pain at the pump over the last year. We should be able to stipulate at the outset that raising taxes as a way of addressing the problem is not even worth serious consideration.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to a period of morning business for up to 1 hour, with Senators permitted to speak for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

The assistant majority leader is recognized.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak in morning business.

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

GAS PRICES

Mr. DURBIN. Mr. President, it is interesting, the issues that touch the lives of people to the point where they bring them up to a Senator or Congressman. There is an issue now which, whether you live in Pennsylvania or Illinois, you are going to hear about—whether you are going to shop in a grocery store in Springfield, as I did over the weekend, or back home in church—and it is gas prices. It is understandable because this is an economic issue which hits you right between the eyes every time you drive down the street and hits you right in the pocketbook when you go to pay for gasoline. You know what is happening with the price of that commodity. You also know when something is obviously very wrong.

In my State, the average consumer is paying a record $3.71 a gallon for gasoline. There are many States paying more. Diesel fuels are even worse. The Illinois average now is $4.30 a gallon, but in some parts of America, diesel fuel costs as much as $5 a gallon.

Think about the trucker. Many of them have to live on a very slight margin, filling up the tank of that truck they are taking down the highway and putting out over $900, sometimes $1,000, to do it. For many of them, it means work extra hours, extra days, an extra week, to try to make enough to get by.

Fuel costs are approximately 2½ times what they were when President Bush took office in 2001. What a legacy this President will leave, when you take a look at energy in America today. We elect Presidents to look to the future to plan and guide America. In this situation, this administration, which was born in the oil patch, with both President Bush and Vice President CHENEY having their early roots in the business of oil companies—this administration has stood by on the sidelines and watched the cost of energy rise to record levels in America, creating hardship not just for families and individuals but small businesses as well as trucking firms—not to mention airlines, which I will mention in more detail in a moment.

When you take a look at the opportunity for economic growth in America, it is tied tightly to the cost of energy. This President has failed, in 7 years, to have an energy policy that had any vision. It was predictable that demand would increase for petroleum and crude oil in countries such as China and India; that limited resources around the world would be taxed as these economies grew, as their demand for oil grew, and as we had to compete for that oil with those other countries such as China and India. The law of supply and demand suggests that competition is going to raise the price of crude, and it has risen dramatically.

Many people say: Well, I suppose, because it has now reached $120 a barrel—as it did last week—that explains the gasoline prices I am paying, the diesel prices, and jet fuel prices. In fact, it does not. It is an oversimplification to say that is the reason. Because between the crude oil and the product you buy is a refinery, an oil company that takes the crude and converts it into the product we purchase. The difference in cost between the original

barrel of crude oil and the ultimate product is called the crack spread—the cracking process at the refinery—and that has changed dramatically.

Not that long ago, the difference in cost was $1 or $2 a gallon, in terms of the refining process. Now it is up over $40 a gallon. So the refining process—between the crude oil and what you bought at the gas station—has risen dramatically in cost. Crude oil, of course, costs more. But that has risen dramatically.

That explains something else, a phenomenon which cannot be ignored. This is the week when America learns who is making money off the high gasoline costs we find at the pump. I think the answer is obvious: ConocoPhillips reported 2008 profits for its first quarter were up 17 percent, $4 billion in profits for ConocoPhillips in the first 3 months of the year.

This morning, British Petroleum, BP, announced they made $7.6 billion in profits in the first quarter of 2008. Royal Dutch Shell announced $9.08 billion in the first quarter. We are still waiting for ExxonMobil.

Understand, these are not the biggest profits in the history of the oil industry, these are the largest profits in the history of American business, some say in the history of all business throughout mankind; the largest profit taking ever. At whose expense? At the expense of consumers and families, small businesses, truckers, airlines, and our economy.

That is the reality. Would you not expect the President of the United States to call in the major leaders of these oil companies and say to them: You are destroying the economy we are counting on for America by your profit taking; you are making it impossible for this economy to grow. We are facing a recession over the housing crisis and now you are compounding this misery with your greediness and selfishness and profit taking from this economy.

That is fact. The oil companies say: Well, the problem is we do not have enough refineries. If we had more, then we would have more product and we might have a smaller spread and we would not be. Let me tell you what: Today, the refineries in America are operating at 85 percent of capacity. Do not buy this argument that it is about refineries. They have more capacity. They are holding back so they can keep their product dear and limited and short, and so the consumers will ultimately pay more.

The oil companies have been making money hand over fist as those oil prices have gone up. In 2007, the private oil industry pocketed $155 billion in profits, out of revenues of $1.9 trillion. And the largest integrated oil company, ExxonMobil, reported a profit in 2007 of $40.6 billion, record-breaking numbers.

Profits for the five largest integrated oil companies have more than quadrupled in 5 years. This deluge of profits has been so great that companies hardly know what to do with the flood of money filling their headquarters.

Do you think these profits are being reinvested in infrastructure and increasing production to ease rising prices? Are the profits being used to make it easier for us to use alternative fuel in cars and trucks? The answer is no. A good portion of their profits is being accumulated as uninvested cash. Cash holdings for the five supermajor oil companies in 2007 exceeded $52 billion; money right off your credit card into the oil company coffers that sits there earning interest. That is 279 percent greater than it was in the year 2002. Capital expenditures by the same industry for infrastructure and capacity increased by only 81 percent.

Now, some people have suggested a gas tax holiday; stop collecting the Federal gas tax. I will tell you in the first instance if American consumers are bought off with that alone, they ought to take a second look. If there is a 3-month gas tax holiday, as has been proposed, it will mean savings to consumers on average of about $25 to $30; $25 to $30 for the entire summer. Think about what you are paying for a tank of gas. If you take off the Federal gas tax, then the money is not going into the Federal trust fund to build the highways, to reduce the congestion so you do not sit in traffic burning gasoline and get to your destination. That is not a very good tradeoff. So the obvious question is, if the national gas tax is to come off and give me any savings, what am I ultimately going to pay? Who is going to pay for the money that is lost in the investment in the Federal highway trust fund? That, I think, is critical.

Last week I called on the Chairman of the Federal Trade Commission to launch an investigation into this matter. I should not have had to write that letter. The fact that a Member of Congress has to knock on the door and get a little stir inside the Federal Trade Commission and say: Anybody home? Have you noticed what is going on at gas stations across America? Why would a Member of Congress have to ask the Federal Trade Commission to do their job? But they should do their job. They should be taking a close look at the increase in gasoline prices and diesel prices and jet fuel prices.

This last week, the two biggest airlines in America, American Airlines and United Airlines, reported record losses for the first quarter because of the cost of jet fuel. In the instance of American Airlines, it was around $300 million; United Airlines, around $500 million. These are serious problems. United is going to lay off 1,000 people. That is going to hit my home State of Illinois and the City of Chicago. It is going to hurt us in terms of employment. Other airlines are facing the same squeeze because of jet fuel costs. It is the same issue as diesel fuel, the same issue as gasoline.

If America's economy is going to pull out of this recession and move forward, we need real leadership. We need the Federal Trade Commission investigating those oil companies and their profit taking. We need Congress to stand up on its hind legs and finally say ''enough.'' And would it not be a joy to have a President who would wake up in the morning and look outside the window of the White House and see something other than Baghdad? If he looked outside the window and instead saw Chicago or Boston, or Miami, or Philadelphia, he would understand this American economy needs his attention.

As the President comes and asks us for $108 billion more for this war in Iraq with no end in sight, he is proud that he is going to leave office never changing this failed policy he instituted in Iraq, and he ignores the American economy.

A strong America begins at home. And most Americans will tell you, it begins at the gas pump. Give them affordable gasoline so this economy can grow and they can afford to meet the costs of living which continue to increase dramatically under this administration.

Unfortunately, this President has ignored it. Born in the oil patch, he has been raised to ignore the obvious. When the oil companies are taking obscene profits out of the wallets of American consumers, it not only hurts our economy, it hurts our security in this world.

I am glad 51 Senators have joined in asking President Bush to stop putting oil in the Strategic Petroleum Reserve for the remainder of this year. I wish he would listen, but he has not.

I hope we are going to move toward more research and development so we have cars and trucks that are more fuel efficient. This administration is devoid of ideas and devoid of leadership when it comes to this energy crisis. If this President would get out of the White House and visit any town in America and ask the average person what is on their mind, they would tell him: Mr. President, roll up your sleeves, focus on this country, bring down the cost of gasoline. Get energy prices under control so this economy can prosper.

AUTHORIZING LEGAL COUNSEL REPRESENTATION

Mr. DURBIN. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of S. Res. 539 submitted earlier today by Senators REID and MCCONNELL.

The ACTING PRESIDENT pro tempore. The clerk will report the resolution by title.

The bill clerk read as follows:

A resolution (S. Res. 539) to authorize testimony and legal representation in State of Maine v. Douglas Rawlings, Jonathan Kreps, James Freeman, Henry Braun, Robert Shetterly, and Dudley Hendrick.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, this resolution concerns a request for testimony

and representation in criminal trespass actions in Penobscot County Court in Bangor, ME. In these actions, protesters have been charged with trespassing for refusing requests by the police on March 7, 2007, to leave the Margaret Chase Smith Federal Building, which houses a number of Federal offices, including Senator SUSAN COLLINS' Bangor, ME office. Trials on charges of trespass are scheduled to commence on April 29, 2008. On April 28, 2008, a defendant subpoenaed a member of the Senator's staff who had conversations with the defendant protesters during the charged events. Senator COLLINS would like to cooperate by providing testimony from that staff member. This resolution would authorize that employee to testify in connection with these actions, with representation by the Senate legal counsel of that employee and any other employee of the Senator from whom evidence may be sought.

Mr. DURBIN. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements be printed in the RECORD.

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

The resolution (S. Res. 539) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 539

Whereas, in the cases of State of Maine v. Douglas Rawlings (CR–2007–441), Jonathan Kreps (CR–2007–442), James Freeman (CR–2007–443), Henry Braun (CR–2007–444), Robert Shetterly (CR–2007–445), and Dudley Hendrick (CR–2007–467), pending in Penobscot County Court in Bangor, Maine, a defendant has subpoenaed testimony from Carol Woodcock, an employee in the office of Senator Susan Collins;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena. order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved that Carol Woodcock is authorized to testify in the cases of State of Maine v. Douglas Rawlings, Jonathan Kreps, James Freeman, Henry Braun, Robert Shetterly, and Dudley Hendrick, except concerning matters for which a privilege should he asserted.

Sec. 2. The Senate Legal Counsel is authorized to represent Carol Woodcock, and any other employee of the Senator from whom evidence may be sought, in the actions referenced in section one of this resolution.

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

SMALL BUSINESS EMPOWERMENT ACT

Mr. BROWN. Mr. President, this week is the sixth annual Cover the Uninsured Week. Community organizations and foundations around the country will be hosting events to highlight the need for health reform. Across the Nation, we all know this: 47 million people lack health insurance. In my State of Ohio, 1.2 million people, 11 percent of the population, are uninsured.

It is no different in the Presiding Officer's State of Pennsylvania. But that even one American lacks health coverage is a national embarrassment. We are the wealthiest Nation in the world. We spend $2.38 trillion a year, $2.3 trillion a year in health care, but we cannot make sure that every American has health care coverage? Of course we can.

Every other industrialized nation on this Earth ensures access to coverage. We in this body have chosen not to. Last year Congress tried to provide health coverage to millions more low-income children. The House and Senate both passed bills twice to provide $35 billion over 5 years in additional funding for the State Children's Health Insurance Plan. It was the biggest bipartisan initiative to expand health care coverage in years. Twice—not once but twice—the President vetoed that legislation. We spend more than $3 billion every week in the war in Iraq. The President vetoed legislation spending $7 billion a year to insure 4 million children; $3 billion a week every week in Iraq; the President vetoed $7 billion a year to insure 4 million children. These are the sons and daughters of working parents; sons and daughters of parents in Toledo, in Mansfield, in Zanesville, who are working hard and playing by the rules.

Think about this: Since I have begun to speak a few moments ago, we have, in Iraq, spent $650,000. Yesterday in Iraq we spent $400 million. Last week in Iraq we spent $3 billion. Again, the President vetoed legislation $7 billion a year for 4 million children. It was disappointing to us as advocates for children's health insurance. But mostly it was disappointing to the parents of children around my State, in Cincinnati, from Ashtabula, from Marietta to Springfield, to Lima, parents around Ohio and around the country who need health insurance for their children.

Not only do many low-income children live without health insurance, but families whose breadwinners are self-employed or who work for small businesses struggle to get health insurance too, families such as the Coltmans of Conneaut, OH, a community in the northeast corner right across the line from Pennsylvania. The Coltmans are a large family with five children and two hard-working parents. Last year their 7-year-old son Caleb was diagnosed with leukemia. The doctors are optimistic, but treatment is wildly expensive. Last year, Kenna Coltman, Caleb's mother, left her job to work for her family business, a neighborhood grocery store. Unfortunately, this meant she had to search for new health insurance. After a long search for private insurance, the Coltmans found an affordable plan, but it was not scheduled to go into effect until August. By that time, Caleb had been diagnosed with leukemia, which was a deal breaker for the private insurer. Uninsured, facing a catastrophic illness, a parent's worst nightmare, the Coltmans had run out of options.

Kenna, the mother, a college-educated daughter herself of two Conneaut natives, recounted the experience this way.

She said: If there was absolutely any other way to get our son the care and medication he needs without totally impoverishing our family, we would do it.

In a country like ours, families should not have to worry about being thrown into abject poverty to pay for health insurance. Families want to do the right thing. They want to insure their children. They work hard, they play by the rules. But insurance is too often out of reach.

That is why today I am introducing a bill to make health insurance more viable for workers employed by small businesses. The Small Business Empowerment Act would create an insurance program for small businesses and self-employed Americans. This program is modeled after the excellent coverage that is provided to Federal workers and to Members of the House and Senate.

To keep premiums affordable, the Department of Health and Human Services would create a reinsurance mechanism to help cover high-cost enrollees. The legislation would establish a Federal commission to tackle the toughest health policy issues: how to rein in health care spending without compromising health care quality and access; how to craft an insurance package that treats all enrollees equally, regardless of what type of health care they need, which is essential; how to combat price gouging by the drug industry, the medical device industry, and the insurance industry. In other words, how to ensure our health care system is sustainable and equitable, efficient and effective. The bill was introduced to help families such as the Coltmans.

Thankfully, Caleb's current prognosis is good, and the family business seems to be turning the corner. His treatment was covered by Ohio's Medicaid I Program, another program that is crucial to providing coverage to families who are struggling; another program that is under attack by this administration as it tries to change the rules and as it cuts billions of dollars from the program.

This week and every week we need to work to keep Medicaid strong, to realize the expansion of CHIP for which we fought so hard, and to pass legislation for the self-employed and workers in small businesses. The small employer health insurance bill provides more options so that the rest of the Coltman family, including Caleb's parents, can access health insurance too. I don't want Caleb's parents in Conneaut, OH, to live in fear when their children fall down or get in an accident or catch the flu or have an allergic reaction to something they ate. They have enough on their plate already.

I look forward to working with my colleagues to protect Medicaid and the Children's Health Insurance Program and to pass this bill.

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

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

The bill clerk proceeded to call the roll.

Mr. NELSON of Florida. I ask unanimous consent that the order for the quorum call be rescinded.

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

NASA FUNDING

Mr. NELSON of Florida. Mr. President, the National Aeronautics and Space Administration is an incredible little Federal agency that has pulled off extraordinary feats and continues to do so—defying the laws of gravity, utilizing the principles of physics to do wondrous things—as we begin to continue our exploration of the heavens. But NASA is going through a very difficult time. First, NASA has been starved of funds. The National Aeronautics and Space Administration, in its human space program, has not been allocated enough money by this administration and a series of Congresses over the last several years in order to do everything they want to do. This was particularly acute earlier in this decade when we lost the second space shuttle, the Shuttle Columbia, in its breakup in the atmosphere upon reentry over Texas.

NASA spent $2.8 billion just in the recovery of that disaster and in the recovery of flight. Unlike the loss 20 years earlier of Challenger and the cost of recovery from Challenger, which was provided outside of the NASA budget, this time NASA had to eat the cost of recovery out of its operational budget, therefore leaving almost $3 billion less for NASA to operate on to do all it wants to do.

What are the things it wants to do? What do we want it to do? To fulfill the vision as enunciated several years ago by the President, that we would build a new vehicle after the space shuttle, the capsule called the Orion, the rocket called Aries, a program called Constellation that would have a new vehicle, like a capsule, like the old Apollo capsule that only carried three astronauts, that would carry six. It would be a new human vehicle to get to and from the space station, much safer than the space shuttle, more economical, but then that the program would then expand on for us to go back to the Moon by 2020 and establish a habitation on the Moon to learn from dealing in that environment, as ultimately humankind is going to go to Mars. That is the program called Constellation.

But NASA was never provided with enough money. Over the past couple of years, this Congress, this Senate has tried to provide NASA with the money. Indeed, last year we were successful in the NASA appropriations bill in getting an additional billion dollars just to partially pay back NASA for the money it had eaten out of its operating budget on the cost of recovery of the space shuttle disaster, the Space Shuttle Columbia. But when we got to the House, in the negotiations, the White House—specifically the White House budget director—would not support the additional billion dollars. The chairman of the House Appropriations Committee then insisted that it be taken out of the budget.

NASA is right back in the place where it found itself, with not enough money to do everything it is trying to do. It is like saying you want to take 10 pounds of potatoes and stuff them into a 5-pound potato sack. It doesn't fit.

Hopefully, the new President will understand this. Does America want a successful space program and does America want a successful human space program complementary to those robotic spacecraft that do so many successful things? I think the answer is clearly yes. We have always had the high ground. This country's technological achievements have always kept us at the cutting edge as the leader in the world.

Remember when the Soviets surprised us by putting up the first satellite sputnik, and we were scrambling to catch up. Remember when they surprised us and put the first human, Yuri Gagarin, into orbit and that surprised us. And we hadn't even gotten Alan Shepard up in suborbit, and it was 10 months later before we could get the first American in orbit, former Senator John Glenn, one of the great heroes of this country.

After that, then our resolve, the Nation's focus, a Presidential declaration by a young President who said: We are going to the Moon and return. With all of that combined, along with a space race with the Soviet Union, we clearly became the leader. The spinoffs from that program into everyday life, the technological achievements—Velcro, microminiaturization, new products, a lot of the modern miracles of medicine—are direct spinoffs from the research and development of the space program. When going to the Moon, we had to have highly reliable systems that were small in volume and light in weight. That led to a microminiaturization revolution of which we are all beneficiaries today.

The question is, Are we going to retain that leadership in space? Yet if we keep bleeding NASA of resources, we are not going to be able to. We are already facing a situation where we will not have human access to space for 5 or 6 years, when the space shuttle is shut down in 2010, and the Administrator of NASA tells us that we are not going to be able to fly the new vehicle Orion with humans until the year 2015, if that. What does that mean to us? It means we have a $100 billion investment in orbit right now called the International Space Station that is supposed to be used for scientific research, and we are not even going to have an American vehicle to get there for 5 or 6 years. That is unacceptable.

How are we going to get there? We are going to pay the Russians to get a ride for our American astronauts on their Soyuz vehicle which had a problem last week on reentry with a too steep reentry, a ballistic reentry, 8 Gs experienced by the cosmonaut and astronaut on board. So we are going to have to negotiate with Vladimir Putin during this 5-year period, which we are going to have to buy. We are going to be laying off American space workers at the Kennedy Space Center, and we are going to be funding jobs in Moscow at who knows what price Vladimir Putin will charge us because he knows it is the only way we have to get to the International Space Station. And, by the way, if that is not enough to cause heartburn, we can't pay Russia for space flights, of which we have to go about and contract right now if they are going to build a spacecraft for 2011, when we would need it. We can't pay them for it because we are prohibited by a law that says, since they are helping Iran, a nation that we are concerned about proliferating nuclear weapons, we have to get a waiver of that law.

All of this is to say that we have a mess. If this Nation wants to be a leader in space, which I believe every American believes we should, we have to start helping NASA. We have to get the next President attuned to this issue.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Alaska.

ENERGY

Ms. MURKOWSKI. Mr. President, I rise this morning to talk about what everyone is talking about, which is the price of energy today. I was home in Alaska over the weekend. Everywhere I went, the price of gasoline was the main topic. Everyone wanted to talk about it. Here in the lower 48, as we are looking at high crude prices hitting the $120-per-barrel mark yesterday, or nearing that mark, recognizing that we are seeing a nationwide average of gas prices at $3.60 for a gallon of regular—

this is up just 4 cents over the weekend—we all agree that prices are high, far too high. But in a State such as mine, we consider the prices to be in the stratosphere. In Bethel over the weekend, the price of gasoline was at $4.98 a gallon. I just met with a constituent coming over here. We were talking about prices in Fairbanks, about the national average. But up in Allakaket, which is a pretty remote little village, the prices they are looking at for their gasoline are over $7 a gallon for regular gasoline.

In Valdez, which is the site of the Trans-Alaska oil pipeline, the terminus of our gas line, they are finding regular selling there for more than $4 a gallon. I think we would all agree these prices are not just high, but for many they are absolutely unbearable.

We can talk about why the prices are high. It is important to understand that. But Americans are tired of hearing, when we talk about the world demand, the world using 85 million barrels a day, that there is very little surplus oil production capacity left.

They are tired of hearing of the weakness of the dollar that is driving investors into buying oil as a safe haven against inflation. The truckers who were gathered around The Mall yesterday in protest of the high prices—I have to wonder if they care that we, in Congress, in 2005 and again in 2007, passed legislation to promote energy conservation that requires an increase in the vehicle fuel efficiency standards. That is going to begin to improve their mileage in about 7 years. They do not necessarily care we have funded the research and the demonstration of alternative energy technologies, whether it is for geothermal or for ocean energy. They do not care about the loan guarantees we intend to make for nuclear and solar and wind and biomass as we try to make our biofuels go even further.

What people care about—what they want to know—is: What are you doing, Congress? What are you going to do to make the price I pay at the pump go down?

I suppose we can halt filling up the Strategic Petroleum Reserve—something we certainly are looking at. I think at this time of very high prices it makes some sense. But we need to recognize that is only going to add 70,000 barrels a day to the nearly 21 million we are using.

We could also reduce the Federal gas tax, which is currently 18.4 cents, and dedicate the nearly $5 billion we gained in OCS lease sales this winter from sales up in the Chukchi Sea in Alaska and from the Gulf of Mexico to help offset the losses to the highway trust fund. But, again, that would only offset the revenue losses to transportation projects for probably a few weeks.

So the question the consumer is asking is: What can you do that could make a difference in this country? I believe one of those things we need to do in America is to produce more of our domestic oil and gas supplies to help increase global oil supplies and, thus, drive down the prices. We would do this at the same time we are working toward renewable fuels. We would do this at the same time we are focusing on a level of conservation. It has to be this kind of three-legged stool approach. But we cannot stick our head in the sand and say increased domestic production should not be part of that comprehensive strategy.

Now, some have suggested we do not have enough oil in this country to make a difference. But look at what we in the Federal Government have done through regulation and through moratoria. We have prevented exploration in many of the places where oil and gas are most likely to be found in this country.

If you take the areas that are covered by the OCS moratoria—the Atlantic coast, parts of the Gulf of Mexico closest to Florida and the Pacific coast and you throw in the Arctic Coastal Plain and parts of the National Petroleum Reserve in Alaska—you have nearly 40 billion of the Nation's 112 billion barrels of remaining undiscovered oil which has been put off the table for consideration. That is nearly enough to power over 20 million cars for 60 years and heat nearly 10 million homes for the same period.

Last year, I came to this floor—actually, I come to this floor quite often—to urge my colleagues to consider greater oil development in my home State of Alaska. Earlier this year, I came and I urged that we simply allow—just allow—us winter-only exploration in northern Alaska to confirm that the oil we believe is there is truly there. Last year, when I spoke, the price of oil was at the $60 mark. At the same time, I warned that if we continued to do nothing, the prices would only continue to climb.

I have never been one of those people who relishes the ''I told you so'' approach, but I am here to say it is time for this country to snap out—snap out—of its lethargy and actually explore for and produce more of our Nation's fuel needs.

It was about a month ago, Senator STEVENS and I introduced new legislation to open a tiny part of the Coastal Plain of the Arctic National Wildlife Refuge to oil and gas development. Opening a few thousand acres—we are talking about 2,000 acres—of Alaska's Arctic coast to oil and gas production could produce up to 16 billion barrels of economic oil by current Government estimates. To some, that might not seem like much. But without opening ANWR, we are going to have to import between 780,000 and 1 million barrels of additional oil each day. That is only going to continue to help drive up the world price of oil.

Without ANWR, American domestic oil supplies fall sharply. The EIA predicts Alaska will be producing about 270,000 barrels a day, next decade, from our existing oil fields up in Prudhoe Bay. This is compared to the nearly 800,000 barrels a day the State is currently producing.

The bill we introduced will automatically open the coastal plain of ANWR in the northern part of the State if the world price of oil tops $125 a barrel for 5 days. In return, what it does is allocates all the Federal revenues that would come from that oil to both alternative energy development and to programs to help improve energy efficiencies and to those in need. What we anticipate, in terms of revenues, would be an estimated $297 billion—$297 billion—to help fund the wind technology, the solar, the biomass, the geothermal, the ocean energy, the landfill gas—everything that was covered in those Energy bills that were passed in 2005 and 2007, plus it would provide funding for LIHEAP, for weatherization, and for the WIC Program. The bill incorporates protections so that while we do the exploration and the production, we are also protecting the environment.

We mandate that the exploration occur only in the winter, when no animals are on the Coastal Plain to be disturbed. It requires the use of ice roads that disappear in the summer to protect the wildlife. It allows for special areas to be designated to protect the key habitat. There are dozens of stipulations to guard against noise and flight disturbances, spills or land use problems.

Opening ANWR does so many things. It makes us, first and foremost—and most important—less dependent on foreign sources of oil. It cuts our balance of payments deficit. It improves our economy. It keeps our jobs at home, not exporting them to foreign oil producers such as Venezuela. But, more importantly, I think it signals that we are finally serious about helping ourselves, that we will do it here first, that we can produce oil from ANWR, and we recognize this will help to drive down the psychology and the speculation that is currently acting to drive up world oil prices.

I will be the first one to admit to you that opening ANWR tomorrow will not produce more oil tomorrow. We recognize that. But we do believe it will dampen the price speculation that is helping to fuel higher prices.

We have to talk about true and meaningful solutions: not only increasing alternative energy—which is a must—not only doing more to improve our energy efficiency and our conservation—absolutely important—but we need to get on now with also increasing our domestic energy supplies. ANWR is one way to demonstrate we are serious about doing that.

I do hope we will seriously look at the current merits of opening ANWR to exploration and development.

With that, Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank Senator MURKOWSKI for her comments and agree with them very

strongly. This is not a matter that she just raised. Her distinguished father, who chaired the Senate Energy Committee, was a champion of ANWR production when he was in the Senate.

When I came here almost 12 years ago, I believed that was the right thing then. I understood then that it did have the capability of maintaining wealth in our country and helping to ease the surging price of oil and gas. I believe, as history has proven, she is correct.

That is the way it is. We steadfastly—vote after vote after vote, for the last 12 years I have been in the Senate and before that—tried to produce the tremendous reserves of oil and gas that are contained in a small part of ANWR. We have been blocked.

It is odd that those who blocked it, and seem unphased by the fact that we are importing huge amounts of oil and gas from nations around the world that are often hostile to us, such as out of that great lake in Venezuela. Nobody is worrying about the environment in Venezuela—it is all right to bring it from Venezuela or other places but not from the United States.

After many years since I have been in the Senate, we finally were able to open up more lands in the Gulf of Mexico, where huge reserves exist. It is not an academic matter only. We are talking about gasoline that has risen to the price of $3.61 a gallon as of this morning. One year ago, it was $2.84 a gallon; and 2 years ago, it was $2.74 a gallon. As a result, the American family, with two cars, is paying about $75 a month more for the same amount of gasoline they were buying previously.

This impacts our economy adversely. It is a transfer of wealth. T. Boone Pickens—himself an oil producer and one of America's most successful entrepreneurs—recently talked about the fact we are buying over 60 percent of our oil from foreign countries at the cost, he estimates, of $600 billion a year. We are sending $600 billion a year to foreign countries to import the oil we utilize. T. Boone Pickens referred to that, in an American Spectator article recently, as: the greatest wealth transfer in the history of the world.

Do we have the ability to do something about it? Are we just totally hopeless? Do we have an ability to do something about that? Absolutely, we can do some things. I supported ethanol, although we clearly are pushing the limits on that. But if we could do more cellulosic ethanol, we could do better. I supported the increase in the gas mileage, which we did pass, which will have a significant reduction in our demands.

But as the population of our country is growing, even if we reduce our own individual use, we are going to have high demand in our country for years to come. It is a question of: Where are we going to get it? I support hybrid automobiles. I support diesel automobiles. In fact, diesel is as clean or cleaner, in terms of CO_2, and gets 30 percent better gas mileage than gasoline automobiles. Europeans utilize diesel automobiles. Fifty percent of their cars are now diesel. They actually get the same gas mileage and emit the same or less CO_2 than hybrids. Did you know that?

So somehow we have fiddled around here and ended up not promoting diesel in an effective way and have seen the price of diesel fuel, which should be cheaper, be 60 cents more per gallon at the pump. I would like to know more about why that is happening. I think it has to be a combination of things, but I think Congress needs to look into that. I hope, in the Energy Committee, we will have some hearings on that particular question.

But let me talk about some of the reserves we have in our country.

In 2005, this Congress directed the Department of the Interior to study our reserves on the Outer Continental Shelf. I am from Alabama. We are a gulf coast area. They found that 8.5 billion barrels of oil are currently known to exist off the Nation's shores. In addition, the study estimated that approximately 86 billion barrels of oil also exist in those areas that have not been charted yet. The U.S. Geological Survey and private industry also estimate that approximately 25 billion barrels of oil exist onshore in the lower 48 States and in Alaska.

This amounts to approximately 119 billion barrels of oil available to the United States in our country or off our shores alone, for which we do not have to pay any foreign nation. Any production we get, as Senator MURKOWSKI of Alaska stated, can create profits that come to the United States and not to foreign countries, and we can use it to accelerate nuclear power, plug in hybrids, ethanol, cellulosic ethanol, wind and solar, and those other kinds of energy forms. But apparently we have those who just steadfastly block this and prefer to send our money to Hugo Chavez in Venezuela.

Now, there are some additional sources of oil in our country of immense proportions, and at these world prices, it has proven to be already economically feasible to develop them. One is oil shale. The Congressional Research Service, our own independent research service, estimates this country's oil shale reserve to be equivalent to approximately 1.8 trillion barrels of oil, or 1,800 billion barrels of oil in oil shale. The largest oil producer in the world, Saudi Arabia, is estimated to have only 267 billion barrels. We are talking about 1.8 trillion in the United States, and it can be produced for less than $100 a barrel—some say $60 a barrel—and the people who produce it would be Americans paid salaries by the American Government, who would pay taxes to the U.S. Treasury, keeping our wealth at home and not transferring $600 billion to a foreign country.

In 2005, Congress recognized the potential—I want my colleagues to understand this—we recognized the potential of oil shale in the Energy Policy Act we passed, which was a good bill. It made a number of good steps forward. We identified it as strategically important and called for its further development. Yet the new Congress, under the new leadership, has acted to block the development of this abundant resource despite the record price of oil. They undermined the 2005 Energy Policy Act. In the recently passed Energy Independence and Security Act, the majority inserted language into the bill prohibiting any Federal agency from contracting to procure any alternative or synthetic fuel that produces greater life-cycle greenhouse gas emissions than those produced from the ground, those produced from Saudi Arabia. This language prohibits the Federal Government from contracting to produce oil shale. They knew exactly what they were doing, and that was exactly the purpose of that language. It really should be repealed. It is misguided. It is wrong.

The Energy Act of 2005 directed the Bureau of Land Management to lease Federal lands for oil shale research and development projects. Yet the Congress, in this same bill, acted to block the development of this provision. So we passed it in 2005, and they came along and blocked it. Language was inserted, actually, this time in the Consolidated Appropriations Act—that is, the Omnibus appropriations bill at the end of last session—that prohibited funds from being used to implement the leasing program which Congress directed BLM to implement in 2005. It should be repealed. That is not the right thing for us to do.

So there is much more we can say. We need technology. We need advancement in our ability to conserve energy, and at the same time, while we are making that progress, we do not need to be devastating our economy by transferring $600 billion a year to foreign countries when we can produce so much more here at home.

I thank the Chair, and I yield the floor.

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

Mr. CORNYN. Mr. President, may I inquire how much more time of morning business is allotted to this side?

The ACTING PRESIDENT pro tempore. Eight minutes.

Mr. CORNYN. I ask unanimous consent to speak for up to 10 minutes in morning business.

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

Mr. CORNYN. I thank the Chair.

I don't blame the American people for being upset at the price of gasoline they have to pay at the pump. Frankly, the biggest cause of those high prices is the Congress.

It has been 2 years since Speaker PELOSI said that her party, the Democratic Party, had a commonsense plan

to bring down prices at the pump. I am left to wonder how long we will have to wait to hear what that commonsense plan is. So far, all we have heard is an escalation of the blame game, which, of course, here in Washington, DC, inside the beltway, is a world-class sport. The problem with the blame game is it doesn't actually solve any problems. I think what the American people are frustrated about, among other things, is Congress's intransigence, its unresponsiveness, and its unwillingness to listen to their concerns—legitimate concerns—about how they are going to balance their family budget, particularly when it comes to the rising cost of gasoline and the rising cost of health care.

As my colleagues can see, in the 2 years that have gone by—in almost 2 years—we have gone from $2.33 for an average price for a gallon of gas to $3.61. That translates for an average family to about a $1,400 increase in expenses a year associated with their gasoline costs—$1,400 a year. So the Federal Government has essentially imposed an additional tax by its inaction on the average working family in this country. Frankly, we have the tools available to us to remove that tax and remove that burden if we will simply exercise our ability to use those tools in order to begin to bring down that price at the pump.

History has shown that raising taxes on oil companies is no solution because ultimately we know who ends up paying for tax increases. Ultimately, they are passed on down to the consumer. So it may be fashionable to beat up on big oil and say: Let's tax the oil companies because they are making too much money, but do you know what. If we raise taxes on the oil companies, we all end up paying an increased price for gasoline at the pump. It also has the effect as we saw from 1980 to 1988; the so-called windfall profits tax actually caused a decline in American oil production, reducing domestic production by as much as 8 percent. So for those who are worried, as I am, about our dependence on imported oil, a windfall profits tax is simply no answer at all. In fact, it is counterproductive.

Of course, the problem then was the same as the problem is today, and that is a shortage of oil around the world. I have said it before and I will say it again: Congress can pass a lot of laws, we can repeal some laws, but we cannot repeal the law of supply and demand. Other countries around the world have or want more of what we have in this country, which is unheralded prosperity, primarily because of our use of a disproportionate amount of energy. India and China and growing countries such as those with a billion people each are using more energy, and we are not seeing the supply go up, particularly here at home. So we know that Congress has been one of the biggest obstructions to increasing oil supply and lowering prices at the pump.

My staff helped me research these figures to make sure we had justification for them. As we see oil now approaching—maybe it has gone over—$120 a barrel today, if we were to develop the known resources we have available in Alaska that the Senator from Alaska just talked about, it would be the equivalent of $55-a-barrel oil—$120-a-barrel foreign oil versus $55-a-barrel American oil. If we were to develop more of the Outer Continental Shelf in places such as the Gulf of Mexico, even beyond the horizon where you can't even see it from shore, we could produce that oil from American reserves at the price of roughly $63 a barrel—$63-a-barrel American oil versus $120-a-barrel foreign oil.

It seems to me we are missing a great opportunity, not only to help bring down the major price driver of gasoline costs—70 percent of the cost of gasoline is the cost of oil—but also to make ourselves more secure and less dependent on foreign sources of oil, enhancing our national security and helping to bolster our economy at the same time. But, as we have heard, Congress has consistently thrown up a roadblock at accessing these sources of American oil.

Now, some of my colleagues on the other side of the aisle have proposed another so-called solution to low supplies. They said: You know what. We are going to take OPEC to court. Let's sue somebody. Unfortunately, that is an all-too-common proposed solution where we are going to litigate, regulate, and increase taxes. But, frankly, it is a little bit—well, more than a little bit—impractical, and it would make us even more hopelessly tied to foreign nations and their production whims. So if your solution is, let's sue OPEC and force them to sell us more oil, does that make us less dependent on foreign sources or more dependent? I would suggest that even if it were practical, which it is not, it would make us more dependent on foreign oil and is not a solution.

We need to remember just how much of an impact high energy prices have on the everyday lives of working Americans. High prices drive up the cost of all methods of travel. We are here this week talking about our airlines, and we know what economic pressure has been put on the airline industry and on the prices of tickets that continue to go up because, frankly, the price of oil is coming close to bankrupting the airline industry and driving those costs. But, of course, whether it is the cost of driving the kids to school or driving to work, these high gasoline prices impact everyday Americans all across our great country.

As the Senator from Alabama noted, sometimes Congress's best intentions backfire in things such as ethanol subsidies, using corn, using food for fuel, and leading to skyrocketing—helping to lead to skyrocketing food costs, not to mention livestock feed and other unintended consequences. We need to recognize that while developing renewable fuels certainly has its place as a part of the answer, no single solution is a panacea. All of these have to add to our energy diversity and our energy mix in order to provide the relief the American people want and need.

Increasing the supply, which will help bring down the cost of oil and the cost of gasoline, as I said earlier, must begin here at home using America's natural resources. Why Congress would mandate, in effect, that we can't buy American, we have to buy foreign when it comes to oil, is beyond me, and it just doesn't make any sense. We can develop environmentally responsible oil production right here at home if Congress would simply act.

The only real commonsense near-term solution to bringing down prices at the pump is to take advantage of the enormous natural resources we have right here at home. It is estimated that if Congress stopped penalizing and handcuffing American energy production right here at home, we could produce an additional 2.7 million to 3 million barrels of oil a day. That would be 3 million fewer barrels of oil a day that we would have to buy from Canada, from Venezuela, and from nations in the Middle East.

Allowing American production would send a strong message to the American people and to the financial markets that we are working as quickly as possible to drive down gas prices for American families. It would reduce speculation on the commodities markets that is helping to drive up the price of oil because when the financial markets see the Congress doing nothing and see the supply of oil remain static and see the demand increase, it is going to continue to drive prices higher and higher.

Unfortunately, we have seen too many Members of Congress block sound energy policies that would give American companies access to our valuable natural resources, such as we have heard about oil deposits in Alaska, offshore deposits, and shale oil sites that the Senator from Alabama mentioned a moment ago.

I think most Americans take an instinctive pride in the ''Made in America'' label, and wouldn't it be nice when it came to the gas pump if we saw a ''Made in America'' label on that gas pump.

I appreciate the opportunity to talk about what I think is probably the No. 1 issue on the minds of most of my constituents in Texas and most people in America today. It is the reason we had a bunch of truckers here yesterday complaining about the inaction by Congress when it comes to the price of fuel they need to earn a living and move America's goods and services around this country and to our homes.

I hope the majority leader and Members of Congress will work together on a bipartisan basis to try to bring some of these policies to the floor as soon as possible and without a moment of unnecessary delay.

I yield the floor.

The PRESIDING OFFICER (Mr. CARPER). The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, it is my understanding that we were going to go to the FAA bill at 11 o'clock. I was not aware morning business had been extended until 12:30 p.m.

The PRESIDING OFFICER. The Chair understands the Senator from West Virginia seeks recognition for 30 minutes.

Mr. ROCKEFELLER. The Presiding Officer is an extraordinary person.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

FAA REAUTHORIZATION

Mr. ROCKEFELLER. Mr. President, imagine this: gridlock in the skies; passengers delayed for hours and hours on a runway; an aging, antiquated air traffic control system just struggling to keep up with the growth of air traffic; a fight over how to pay for the billions of dollars needed to address airport infrastructure, infrastructure in all of its manifestations. I could be talking about the present, but I am not. I am talking about the years 2000 and 2001, prior to 9/11.

Then 9/11 did happen. It changed our country forever, and it changed it in countless ways. It forced us to understand how important aviation is to our Nation, our economy, and, in fact, very much our way of life. It also showed how fragile our system is and, I will argue, how fragile our system remains as it further deteriorates.

This Congress has worked diligently to address the security weaknesses. That was the TSA that took place a long time ago. That is working. It is not perfect, but it is working. I think people feel safe with it, but we have not adequately addressed any of the other weaknesses.

We have completely inadequately funded the Federal Aviation Administration. We have a chronically unprofitable commercial aviation industry, which is the backbone of our Nation's commerce. We have an inadequate investment in aerospace research. Because of this, we face the same problems we did in 2000 except they are worse. I want to spend a couple of minutes discussing why we have made so little progress in addressing this significant aviation system, and this is really my introduction to the bill. It is just not done in sequence.

Perversely, the attacks of September 11, which brought the commercial airlines system to its knees, flat to its knees, properly to its knees, solved the crisis of gridlock in the skies, to say the very least. The enormous dropoff of air travel in 2002 and 2003 reduced the stress on our Nation's 1950s air traffic control system. We are the only ones in the industrial world—and I have another comparison to make which is even more stunning later on. So delays and congestion were not issues for travelers. We felt pretty good about it. Passengers were not daring to fly yet. They didn't want to fly that much yet, so there was not a lot of congestion. Not so good for the airlines but good for people who wanted to get to places on time.

As is often the case, the urgency surrounding the need to modernize the air traffic control system and turn it from basically an x-ray and ground radio system into a digitalized, highly modern system, as every other industrial country has, the interest in that system becoming current, safer, more efficient, able to handle more passengers on time and more delivery of cargo, waned because the air traffic control system is not easily understood. It is assumed. It is taken for granted. People assume it is the most modern because it is America; therefore, it has to be. In fact, it is the least modern of all systems in industrial countries.

So interest waned, and in the 2003 FAA reauthorization, which I helped author with then-Senator Lott, we laid a foundation to build a modern, digital satellite-based air traffic control system. We authorized a significant increase in the FAA's capital budget to meet the ATC modernization needs, an increase based upon the administration's own request, in fact. But instead of investing in the system in 2004 and 2005; that is, speed of landing, parallel landing, all of those items, even taking into account wind shear, which every other country has except us, instead of that, in 2006, the Bush administration proposed dramatic cuts in the FAA's facility and equipment account, which is precisely the account which funds the modernization of our air traffic control system.

I have to say, Congress complied. I am not proud of that fact. I am not quite sure the reason for that, but facts must be stated.

Over this period, Congress therefore appropriated $600 million less than the 2003 FAA bill authorized for the FAA's capital accounts. It is a sad story on the part of the administration, and it is a sad story on the part of us. Neither of us were living up to our obligations. Obviously, people didn't see the future.

Under the leadership, however, of Senator MURRAY, the Senate has begun fully funding the FAA's modernization needs, but the damage of underfunding the FAA is not easily repaired. It is a large battleship. We just cannot turn it around in a couple of years.

The budget surpluses that we once had are gone, but by the FAA's own estimates the development of the next generation of air traffic control system, NextGen—when I say that, I mean the digitalized GPS system—is going to cost between $20 billion to $40 billion through the year 2025.

I might add, we are going to have to not only maintain our analog system because that is what we are using, inefficient as it might be, but build a new system at the same time.

Despite the popular misconception that we are building a new system that the FAA will turn on one day in 2025, NextGen is a program that will then employ multiple technologies over time. I will discuss NextGen in detail later. I will discuss a lot of items in a lot of speeches later. But we cannot just shut off the ground-based radar system. That is all we have, crummy as it is, pathetic as it is. The FAA will need to operate that system for years to come, probably 10 to 12 years to come.

By late 2006, it was clear that air travel was returning to pre-9/11 levels. That took some time, but in 2006 there we were. The ATC's system ability was again overtaxed to meet the demands being placed upon it. Gridlock in the skies returned, and it is only going to get worse.

I said yesterday the FAA is forecasting that 1 billion passengers will pass through our Nation's aviation system by the year 2025. That is a 300 million person increase from this year. We cannot ignore this issue anymore and, hence, this bill.

The United States is losing its position as the global leader in aviation. As the Economist magazine noted—this is so horrible I cannot even say it, but I am going to because it is true—the United States is behind Mongolia in the adoption of new air traffic control technologies. That is a national disgrace, and there is also a reason for it. Mongolia did not have an air traffic control system of any sort. So when they decided to do it, they did it digitally, GPS. So they are ahead of us.

I think it is a national embarrassment that a major carrier has to inconvenience 200,000 passengers—that is what we have been reading about for the last several weeks—because the FAA was not properly overseeing the airlines' maintenance.

Our Nation's aviation system is, to be quite blunt, on the brink—it is on the brink. It is at the cliff. We must move boldly into the future or we risk losing a lot of safety and a lot of lives.

I cannot emphasize the importance of a vibrant and strong aviation system. I want people to hear this point. They take it for granted. You get on an airplane, and you go do something. No, you get on an airplane, you go do something, but it is also the bellwether of the Nation's economic underpinning. It is not the U.S. highway system. People don't drive to States to look at industrial sites or to make decisions; they fly. What you cannot do over the Internet, the next closest step is aviation, and it bears our attention. It has never gotten it in the 24 years I have been in this body.

It is fundamental to our Nation's long-term growth. It is also vital to the economic future of countless small and local communities, something the distinguished Presiding Officer from his very roots understands very well.

For example, in West Virginia, people who work in the automotive industry need easy access to Asia to facilitate their business. Yes, that is West Virginia, but that is very important to me. West Virginia is like every other State. There is no State in this country that does not have rural areas. All

of our future is tied to a modern aviation system, if we would only have the will to build it. In this bill, we begin to.

We have all witnessed the fragility of our Nation's aviation system firsthand. It has been all over the news. People are furious. The waiting lines, the stories about planes bumping into each other or almost bumping into each other on the runways as they move around—it is just too much, too many people. Go into any airport. As I said yesterday, I came back into Washington National Airport from some city in the North, and you couldn't move. You could barely move. The whole airport was just packed with people—not just around the counters, not just around the gateways, but the whole place was packed. I was saying to myself: This is Washington National, the Nation's Capital, highly prosperous, definitely growing. What is it going to be like 10 years from now?

If we do everything we want, we will not have this system in place by 10 years. It was scary.

Our constituents are very frustrated about flying and they have every right to blame us, the administration and the Congress. It is easy to blame the airlines. That is always everybody's choice of blame—blame the airlines. There is no question that the airlines have a lot to do to improve their customer service, and the bill addresses that issue. All kinds of things have to happen in the airline industry. But I am going to give a speech this afternoon which talks about the airline industry and how absolutely desperately close it is to collapsing. I exaggerate not.

We must address the core problem facing the system and the lack of capacity to allow more aircraft to use the skies. When the weather is clear and our Nation's aviation infrastructure operates perfectly, most travelers get to their destinations on time. It just seems the weather is not clear very often these days, and people are frequently shuttled to other places to get to where they are going, the original place, or they have to sit on the tarmac for a long time and they get in a very bad place—and indeed they should.

It is a conundrum. I heard this morning a couple of airlines are thinking about raising their prices. They have the price of oil and their fuel. The prices of oil and their fuel are, in fact, two very different numbers. What are they going to do? How are they going to get out of this? If the equipment fails to work properly because the weather is bad, or even for a few minutes, the system often grinds to a halt, and delays in key airports such as JFK and O'Hare Airport are felt through our entire system.

You can take eight runways—Senator DURBIN and I tried to do this a number of years ago. You can fix the eight runways at O'Hare Airport, which was built back in 1962 with very few people traveling and the runways were not built in the modern sense, with modern flow in mind. It would take about $10 billion to $12 billion to do that. But if you did it, air congestion in the United States would probably clear up by about 25 to 30 percent instantly. So it is not a large, complicated thing. Sometimes it is an air traffic control system you need, sometimes it is a reconfiguration of runways, sometimes it is how do you handle the New York-New Jersey area. But these are not problems beyond our reach. Aviation gridlock is not just an inconvenience, it is becoming a threat to our economic well-being.

Aviation experts predict that these delays are going to go from bad to worse—soon. By the year 2015, delays will become so bad—I hope my colleagues will listen to this part—that none of the 1 billion people who will be traveling on airlines that year will get to their destinations on time—not one. That is what is being predicted. That is not very far from now. That is what is being predicted. More planes will be needed and they will lead to greater congestion in the skies. The meltdown of the air traffic control system will put passenger safety at unnecessary risk. S. 1300, our bill, authorizes approximately $65 billion for all FAA operations and programs. Most important, our bill lays the necessary foundation for developing NextGen air traffic—that is the new air traffic control system—by providing it $12 billion over the life of this bill for FAA's capital investment accounts.

Importantly, Senator BAUCUS and Senator MURRAY and I have agreed on the creation of a new subaccount—this is not manipulation, it is a perfectly proper thing to do—a new subaccount with the aviation trust fund that will provide $400 million for the next length of this bill, and then for bills after that because we will have to do it again, so we can get our air traffic control system rebuilt.

I appreciate the hard work of our colleague. Senator MURRAY is unbelievable on these things, as she is on virtually everything. A new satellite-based radar system will allow airplanes to move more efficiently, improve safety, improve the flow of commerce, reduce the consumption of fuel which in turn creates environmental benefits.

The bill provides approximately $16 billion for airport infrastructure—it is a boring word with large consequences. Since 2000, I am pleased we have been able to double the amount of funding annually for airport infrastructure grants—that means lengthening runways, that means improving conditions, that means upgrading what is needed to handle air traffic in a rapidly growing traveling world. Our investment in runway capacity has made dramatic improvements in safety.

I believe everyone in aviation recognizes the need to modernize our national air transportation system in order to meet the growing surge of passengers and to accommodate the enormous increase in general aviation. I am going to have a speech to make about general aviation, but I will not do it today—particularly high-end general aviation. That is called jets. I am not talking about crop dusters. General aviation is made up of lots of things—we only include 10 percent of that 100 as our target, where we can rightfully and legitimately go. Those people are getting a free ride. I will have a speech about that, I guarantee you.

It is a very unhappy situation when people hear about it. It is probably best explained on Jay Leno or David Letterman. That would probably drive it home to people. Until then, it is sort of an abstract quality. Until then, look at those big, fancy jets. We don't like those big, fancy jets. What they are not doing is helping pay for all this. They are paying for 3 percent of our air traffic control system even though they are the majority of airplanes in the skies at any given moment over the United States of America.

All this has been a long and very bitter dialog. In early 2007, Senator Lott and I asked the stakeholders to come to an agreement on FAA funding issues. It was a fascinating experiment, which we see very often. No one wanted to compromise. So we said we will give you a choice. You sit down in a room. We will provide the sandwiches and the Coke or whatever. Then you come out with an agreement or we will write a bill for you. They chose not to yield a single point, not a single point. They all had to have exactly what they had. They didn't want to pay anything more. Air traffic control—push that aside, you are not going to tax me. It is the other guy.

So Senator Lott and I imposed a compromise on everyone. The compromise sparked an absolutely fascinating but not pleasant multiyear, multimillion dollar campaign against our lovely bill, S. 1300. Later on I will discuss, as I indicated, much more about that.

We have compromised. I have compromised—not happily but necessarily—in order to reach a bipartisan bill that could actually be signed into law and begin the work of modernization in earnest, along with making such needed safety improvements.

Air traffic control modernization is but one of the many challenges the FAA faces. Over the last several weeks, the FAA's ability to oversee the airlines it regulates has undermined the public confidence in the safety of our Nation's air traffic system, and nobody can dispute that. People are in shock at what they have seen over the last several weeks. Statistically, the United States has the safest aviation system in the world. That is what they always throw at us. But statistics do not always tell the whole story, nor do they say anything about the future.

I am particularly concerned about the number of runway incursions. That is when airplanes are on the tarmac

and they are moving around, positioning themselves under the guidance of the air traffic control system. They are constantly almost running into each other—or in the air—or just missing. It is unacceptable. It is horrible. It is heading in a much worse direction. It is not something we talk about much, but once in a while stories of near misses at our Nation's airports in fact do make the news.

Let's be honest. If it had not been for the quick thinking and action of a few air traffic control people and our pilots, our Nation would have had one if not several major accidents claiming the lives of hundreds of people over the last several years.

This legislation and the managers' amendment I have offered contain provisions to improve the safety of the Nation's aviation system and the FAA's oversight of that system. The AMAC, as we call it, includes a number of provisions to improve safety, providing the FAA with the resources to conduct thorough oversight of air carriers and foreign repair stations—this is a very controversial subject so expect to hear more about that—and upgrade the existing safety infrastructure at our airports.

Later in our debate—not today, not this morning—I will outline the important facts of the safety provision in the bill.

The bill addresses the other core challenge which will be facing our aviation system, and that is keeping America's small communities connected. The Presiding Officer and I understand that. So does every Senator in this body; if they choose to focus on it, they should be able to understand it. The continuing economic crisis facing the U.S. airline industry absolutely imperils, in stark and terminal terms, the future of hundreds of small rural communities across our country as area carriers drastically reduce service to small rural communities—which is exactly what is going on. That acceleration is going to pick up.

Then you have to say years ago we did this e-rate thing to make the Internet available to everybody in every classroom; no different rural and urban, everybody had it. We went from 15 percent connection to 97 percent.

Not so on aviation. We are going in the other direction. While small and rural communities have long had to cope with limited and unreliable service, we are grateful to have limited and even unreliable service. We are grateful to be able to get into a little prop—because that is what we have—and get from here to there because we can connect in the hub-and-spoke system.

All of these problems have been exacerbated by the weakened financial condition of most U.S. airlines. I am going to talk about that this afternoon. The reduction or elimination of air service has a devastating effect on the economy of small communities. Having adequate air service is not just a matter of convenience or pride, it is a matter of survival: economically, psychologically—self-esteem. Without access to reliable air service, no business is willing to locate its operations in these areas of the country, no matter how attractive the quality of life, no matter how much less the housing costs, no matter how much land may be available. They will not go there. Airports are economic engines that attract critical new development opportunities and jobs.

West Virginia has been able to attract firms from around the world. Why? Because corporate executives know they can visit their operations with ease—for no other reason. As I will explain in my next speech about the state of the airlines, which is a very depressing speech and therefore important, that is in jeopardy. Rural and smalltown America must continue to be adequately linked to the Nation's air transportation network. That is all we can do. We can't get from here to an important place directly, but we can link into the hub-and-spoke system, which has been what we have always done.

I wind up. Small and rural communities are the first to bear the brunt of bad economic times and the last to see the benefit of good economic times. That is not fair. Americans are Americans. The general economic downturn and the dire straits of the aviation community have placed exceptional burdens on air service to our most isolated communities. The Federal Government must provide additional resources, and our bill does that.

The bill also reaffirms our commitment to rural America by increasing the essential air service—the Presiding Officer well knows what that is—and also to the Small Community Air Service Development Program, for 4 more years, and we also have a passenger bill of rights which will be discussed later.

The industry would be required to provide a number of things: Telling people about what planes are on time, what are not, what the pattern is; sort of to get a sense of all that, but there is a lot more. So all of us recognize there are no quick and easy solutions to this timely and timeless problem that plague our aviation industry.

Aviation incorporates so many things that are so critical to all of us. It connects people to distant family members, links businesses to businesses, allows people to interact easily on a global scale. We are a global world, but it is still amazing to me to be able to get on a plane in the morning in West Virginia and be in Asia that same day.

So what railroads were to the 19th and 20th centuries, air transportation is to the 21st century; with all due respect to our interstate highway system. So given the challenges our Nation's aviation system faces, I think we must pass S. 1300, which is called the Aviation Investment and Modernization Act.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I would like to inquire as to how much time I have.

The PRESIDING OFFICER. There is 37 minutes remaining for the use of the minority at this time.

Mr. INHOFE. First of all, let me say to my friend from West Virginia, we have done a good job in the areas you are talking about because it was not too long ago that all the AIP concentration was going to big regionals. Due to our efforts, we now have given greater power to the State aeronautic boards, who have a better idea as to what the needs are in the State of West Virginia, my State of Oklahoma.

I think we have come a long way. I would certainly echo what you say. I am a little privileged to be the last active commercial pilot in the Senate, so I take a personal interest in these things.

But there is nothing that can help a community be more viable than a good general aviation airport, an airport that can serve the commercial community. In fact, you can look through our State and see where the communities are not doing well and tie that to the capacity they have—air traffic capacity.

So I think we are going to be doing a good thing by addressing that this afternoon. That is not why I am here though.

BIOFUEL MANDATES

Mr. INHOFE. Mr. President, we are in the midst of global food difficulties. You have been seeing it on television, and it is the result of decades of misguided environment and energy policies. As worldwide food availability decreases and prices continue to skyrocket, decades of ill-conceived planning by politicians and bureaucrats right here in Washington, afraid of expanding our energy supplies, are now bearing ugly fruit.

American families and the international community continue to suffer from these misguided policies, and Washington has to take the first step to begin to address these problems. I think we know what the problem is right now. We have mandated certain things to take place in terms of our fuels, it has had a result of increasing prices of food, but it has another unintended consequence; that is, it is diverting the use of corn to go to fuel as opposed to food.

Now, I am here today to demand two dramatic and necessary actions to help mitigate our current biofuel policy blunder. I have always supported all forms of energy, including biofuels, for a diverse and stable energy mix, but currently policy has skewed common sense and violated the principles of sound energy policy.

These effects are being felt in my home State of Oklahoma, where I am hearing concerns regarding ethanol.

Scott Dewald, with the Oklahoma Cattlemen's Association, described one aspect of biofuel's unintended consequences on April 28. He said:

Cow-calf producers all the way to the feeding sector are feeling the pinch of high corn prices. Today's biofuels policies have completely ignored the costs to the livestock sector.

Now, first, Congress has to revisit the recently enacted biofuel mandate, which can only be described as the most expansive biofuel mandate in our Nation's history. The mandates were part of last year's—it was December it was taken up—Energy Independence and Security Act of 2007. Congress has to have the courage to address this issue and to address it now, to recognize we made a mistake in December.

Second, the EPA—this is something people are not aware of, even though this is mandated. EPA has the Congressionally-given authority to waive all or a portion of these food-to-fuel mandates as part of its rulemaking process. The EPA has to thoroughly review all the options to alleviate the food and fuel disruption of the 2007 Energy bill.

A lot of people do not realize and did not think—at the time they thought, well, this is very helpful to the corn States. We all want to help the corn States. My State of Oklahoma also grows corn. But they did not think about the unintended consequences of the cost of all fuel and everything you see on the shelves in the grocery store.

Last summer, when I offered an amendment to the Energy bill that would have put in place a stocks-to-use mechanism to provide the EPA Administrator more flexibility in waiver authority in the instance of crop shortages, I was told by the majority whip my amendment was not necessary.

Incidentally, The Hill newspaper reported yesterday the same majority whip who said my amendment was not necessary now acknowledges that:

U.S. ethanol policies may be partly to blame for a global food crisis threatening to leave millions hungry.

I am glad to have his support in this concern I am expressing today. During the 2007 floor debate, he said:

There is already a waiver provision in the bill that offers protection to consumers if corn prices or availability become unsustainable.

Last June when I offered this amendment, corn was trading at $3.70 a bushel. Less than a year later, corn is now trading at $6 a bushel. Corn prices and availability are now unsustainable. I ask my colleagues who opposed my amendment to now join me in calling for the EPA to exercise its waiver authority provided in the underlying bill.

I am working with my colleague from Texas, Senator KAY BAILEY HUTCHISON, to urge the EPA to take action. Senator HUTCHISON also announced she is introducing legislation that will freeze the biofuel mandate at current levels, instead of steadily increasing it through 2022.

Senator HUTCHISON correctly noted this is a commonsense measure that will reduce pressure on global food prices and restore balance to America's energy policy. The whole world is now reacting to the consequences of overzealous biofuel mandates.

While I supported realistic mandates in the past, I continue to support the development of cellulosic ethanol. I was one of eight Senators who voted against the 2007 Energy bill, with its restrictive biofuel mandates, last December.

On Tuesday, December 4, I joined with several Senators, including JACK REED, a Democrat from Rhode Island, BEN CARDIN, BERNIE SANDERS, and SUSAN COLLINS, in writing a letter to the President to:

. . . urge the administration to carefully evaluate and respond to unintended public health and safety risks that could result from the increased use of ethanol as a general purpose transportation fuel.

The letter noted the administration had called for a national effort to reduce consumers' demand for gasoline by 20 percent in 10 years, in part through increased use of renewable transportation fuels such as ethanol. Sadly, these onerous biofuel mandates, which would significantly increase renewable fuel use, particularly the use of ethanol over the next two decades, became law.

Since December, the world has been confronted with irrefutable evidence that our current biofuels mandates are having massive and potentially life-threatening consequences. Once again, we are reminded how restrictive Government mandates and ill-advised bureaucratic meddling produce unintended consequences. Trying to centrally manage and plan a global food distribution network and economy through clumsy, unrealistically high mandates has been a proven failure.

An April 28 article on our current biofuel mandates in the National Review, by Phil Kepren and James Valvo, detailed the mindset of bureaucratic planners.

Each new generation of central planners believes the previous generation wasn't smart enough. Yet central economic planning is forever doomed to failure since the approach itself limits human freedom, ingenuity, entrepreneurship, and innovation.

To put it in other terms, as Ronald Reagan said: ''The more the plans fail, the more the planners plan.''

A large auto manufacturer has erected a billboard for their lineup of so-called eco-friendly cars that run on ethanol that is currently being prominently displayed not far from the Capitol. This advertisement—I saw it yesterday—asks a simple question: ''Why drill for fuel when you can grow it?''

That sounds like a politically correct question, to which the auto company's marketing team must have thought was an obvious answer. Let me allow world leaders and mainstream media outlets, the UN, and former believers in mandated Government standards to further answer the billboard's marketing campaign in no uncertain terms; that is, what the question is: Why drill for fuel when you can grow it?

The answer is found in India's Finance Minister's statement he made earlier this month. He said:

When millions of people are going hungry, it's a crime against humanity that food should be diverted to biofuels.

Italian Prime Minister Romano Prodi said:

Food prices were raising the specter of famine in certain countries. A conflict is emerging between foodstuffs and fuel . . . with disastrous social conflicts and dubious environmental results.

The United Kingdom Prime Minister, Gordon Brown, has called for a reevaluation of biofuels. He said:

Now that we know that biofuels, intended to promote energy independence and combat climate change, are frequently energy inefficient we need to look closely at the impact on food prices and the environment of different production methods and to ensure we are more selective in our support.

The Scotsman Brown also noted hunger is:

the number one threat to public health across the world, responsible for a third of child deaths. Tackling hunger is a moral challenge for each of us.

The President of the European Commission, Jose Manuel Barroso, has now called for:

an investigation into whether the push for biofuels is to blame for rising food prices.

According to an article in the United Kingdom Register, the EU may:

cancel its target of requiring 10 percent of petro and diesel to be biofuel by 2020.

That is what they are doing in the United Kingdom. Now they recognize they made a mistake. The article explained:

Recent weeks have seen riots over food prices in Egypt, Haiti, Indonesia and Mauritania. Rice prices have hit record levels this year and several countries have banned exports. India has renewed a ban on all exports of nonbasmati rice.

U.N. Secretary-General Ban Ki-Moon warned in April that high food prices could wipe out progress in reducing poverty and hurt global economic growth. The U.N. Secretary-General said:

This steeply rising price of food has developed into a real global crisis.

He called for world leaders to meet on an urgent basis. You know, it is funny that I have been quoting the United Nations. I am probably the biggest critic of the United Nations in this Chamber. But I have also been very active over the years in Africa and doing the very thing we are trying to do now, to make sure that fewer people starve to death.

The head of the U.N. world food agency summed up global food difficulties this way. He said:

A silent tsunami which knows no borders is sweeping the world.

On April 25, the U.N. food agency chief, Jacques Diouf, warned of possible civil war in some countries because of global food shortages.

I wish to pause a moment and note that some of the rhetoric by the United Nations and others may be a bit over the top and prone to hyped alarmism. I have taken to this Chamber many times to debunk so-called environmental crises and media manipulation of environmental issues.

I do not want to now be accused of overhyping our current global food situation. But please do not let over-the-top rhetoric obscure the fact that the world is currently facing a serious biofuel mandates problem and needs remedying.

Ironically, the anti-energy environmental left has spent decades worrying over various crises that never seem to materialize. You have to give the environmentalists credit, they may finally get their bona fide crisis, but alas, it will be one created by the very policies they advocated.

It is kind of interesting because we can recall the environmentalist community advocating the use of ethanol and the mandates and then not recognizing this creates a greater pollution problem as well as a starvation problem.

The most interesting is the mainstream news outlets have now turned on biofuels and, in particular, corn ethanol. Publications that normally uncritically parrot the leftwing environmental agenda are now among the biggest denouncers of our current biofuel policies.

The New York Times, for example, has stated:

> Soaring food prices, driven in part by demand for ethanol made from corn, have helped slash the amount of food aid the government buys to its lowest level in a decade, possibly resulting in more hungry people around the world this year.

Time magazine was blunt in an April 7, 2008, article titled ''The Clean Energy Scam,'' by reporter Michael Grunwald, who wrote that our current policies on corn ethanol are ''environmentally disastrous.'' ''The biofuels boom, in short, is one that could haunt the planet for generations—and it's only getting started,'' Grunwald wrote.

Time magazine also featured Tim Searchinger, a Princeton scholar and former Environmental Defense attorney who said:

> People don't want to believe renewable fuels could be bad. But when you realize we're tearing down rain forests that store loads of carbon to grow crops that store much less carbon, it becomes obvious.

Time magazine also said the rising prices were ''spurring a dramatic expansion of Brazilian agriculture, which is invading the Amazon [rain forest] at an increasingly alarming rate.''

Former CBS newsman Dan Rather has also weighed in. Rather wrote on April 27:

> When more acreage is devoted to corn for ethanol, less is available for food production.

In this case I agree with Dan Rather. He said:

> Here in the United States, food is less often a matter of life and death, but it is putting an additional dangerous strain on families who are already struggling to get by in a faltering economy.

Rather added:

> Already there are reports of charitable food pantries unable to meet the needs of those they serve.

The New York Sun put it bluntly about the impact of our policies: ''Food Rationing Confronts Breadbasket of the World.'' That was an article on April 21.

A 2007 study by the Organization for Economic Cooperation and Development concluded that biofuels ''offer a cure [for oil dependency] that is worse than the disease.'' Other organizations have weighed in. The National Academy of Sciences conducted a study finding corn-based ethanol may strain water supplies. The American Lung Association has raised air pollution concerns from the burning of ethanol in gasoline. Cornell ecology professor David Pimental called our current ethanol policy a ''boondoggle.''

Pimental said:

> It does require 30 [percent] more energy oil equivalents to produce a gallon of ethanol than you actually get out, and it causes a lot of severe environmental problems. This is very significant. It takes 1,700 gallons of water to produce 1 gallon of ethanol.

No one ever talked about that last December.

Friends of the Earth has urged the UK to abandon its current biofuel targets, which I believe they are now doing. Food campaigner Vicky Hird from Friends of the Earth said:

> [UK Prime Minister] Gordon Brown is right to be concerned about the impact of biofuels on food prices and the environment. Evidence is growing that they cause more harm than good. Food production must be revolutionized to prevent a global catastrophe.

Jane Goodall, the internationally famous primate conservationist, warned about biofuels and the impact on the rain forests in Asia, Africa, and South America:

> We're cutting down forests now to grow sugar cane and palm oil for biofuels.

She said this in September of last year.

The group, Clean Air Task Force, recently reported that nearly 12 million hectares of peat land in Indonesia has been converted to accommodate a palm oil plantation. The land was reportedly drained, cleared, and burned for conversion to a plantation.

Even Miles O'Brien of CNN, a man of whom I have been harshly critical, and yet a man I consider to be a good friend in spite of our honest differences of opinion, and I are together on this issue. He reported on CNN on February 21:

> If every last ear of corn in America were used for ethanol, it would reduce our oil consumption by only 7 percent.

He is right. O'Brien also reported:

> Corn ethanol is not as clean, efficient, or practical as politicians claim.

I agree with this. I am glad to find something on which my good pilot friend and I can agree.

Lester Brown, who has been dubbed ''the guru of the environmental movement,'' has added his voice in opposition to our current biofuels policies. Brown cowrote, on April 22:

> It is in this spirit that today, Earth Day, we call upon Congress to revisit recently enacted Federal mandates requiring the diversion of foodstuffs for production of biofuels.

Brown wrote that our current biofuel mandate was ''causing environmental harm and contributing to a growing global food crisis.''

Brown continued:

> Turning one-fourth of our corn into fuel is affecting global food prices. U.S. food prices are rising in twice the rate of inflation, hitting the pocketbook of lower income Americans and people living on fixed incomes.
>
> America must stop contributing to food price inflation through mandates that force us to use food to feed our cars instead of to feed people.

Brown concluded:

> It is impossible to avoid the conclusion that food-to-fuel mandates have failed. Congress took a big chance on biofuels that, unfortunately, has not worked out. Now, in the spirit of progress, let us learn the appropriate lessons from this setback, and let us act quickly to mitigate the damage and set upon a new course that holds greater promise for meeting the challenges ahead.

I agree. Not very often do we agree, but I do agree with that because there is something we can do about this. When you have Lester Brown, Miles O'Brien, Dan Rather, Time magazine, the New York Times, the United Nations, and Jim Inhofe all in agreement on changing an environmental policy, you can rest assured the policy is horribly misguided. All of these publications and individuals now realize the pure folly of the Federal Government's biofuel mandate.

You might ask, how did we get here? I would say, when the Republicans were the majority party, I was the chairman of the Senate Environment and Public Works Committee. I worked successfully with my colleagues to create a comprehensive yet measured approach. The result of this work, the Reliable Fuels Act, was ultimately incorporated into the 2005 Energy bill. This original renewable fuels standard—that is, the RFS—took a commonsense approach in that it prescribed just 4 billion gallons of renewable fuels in 2006, growing to a feasible 5.5 billion gallons in 2012. This low rampup allowed time and flexibility for the many foreseen and unforeseen challenges likely to surface with the implementation of such a program. Under my leadership, the committee held at least 13 hearings on the RFS program, examining issues from the future of transportation fuels to the most recent and, unfortunately, last oversight hearing in September 2006 which highlighted the implementation of the RFS program.

However, despite the enormous amount of attention and the eventual legislative enactment of that now greatly expanded RFS program, the EPW Committee has failed to hold even one hearing on RFS this Congress.

This morning I challenged the chairman of that committee. I am still ranking member, but I challenged Chairman BOXER to hold such a hearing. Despite the EPW Committee's failure to conduct any oversight, by 2007 it had become increasingly clear that to double the RFS mandate into a shorter timeframe would prove reckless and premature. Yet many in Congress refuse to acknowledge the many warning signs.

The 2007 Energy bill mandated 36 million gallons of biofuels by 2022. Of this, 15 billion gallons are now required from corn-based ethanol by just 2015. Washington was abuzz last year with talk of energy independence, cutting our reliance on foreign sources of energy, increasing supplies of fuels, investing in biofuels, lowering the price of energy, especially prices at the pump—all fine goals. Yet this Congress's actions didn't meet its rhetoric. I believe a secure energy supply has to be grounded in three principles: stability, diversity, and affordability. Our policies have to promote domestic energy production, including oil, gas, nuclear, corn, as well as renewable fuels.

I have said this over and over. We need all of the above to meet the energy crisis in America. What the Democrats and the green movement failed to understand is environmental regulations are not free. They have a very real price. We should be producing more fuel at home. It is good for our security, good for jobs, good for consumers.

Working with Congressman FRANK LUCAS, I sponsored and secured Senate passage of the first national transitional assistance program to help farmers grow dedicated energy crops for cellulosic biofuels. This measure is vital to the development of cellulosic biofuels in the United States because it would encourage U.S. agricultural producers within a 50-mile radius of a cellulosic biorefinery to produce nonfood energy crops for clean burning fuel.

In addition, I am proud of the research taking place in my State of Oklahoma. It is being done by the Noble Foundation and its partners. By focusing on cellulosic ethanol, we can stimulate a biofuels industry that doesn't compete with other domestic agriculture. Since you can grow it all over the country—and that is not to be said about corn—you avoid the transportation problems of Midwest-focused ethanol. Cellulosic ethanol can increase both energy and economic security.

Washington has a long way to go to get energy policy right. The future of energy is going to require a wide variety of fuels and approaches. We all need to work together to achieve our common goals. The only way they can defeat us is to divide and conquer. We have seen examples of that recently. But we all need to work together. I call on all of my colleagues today to set aside our differences and work together for an abundant, secure, and environmentally sound energy policy.

It is worth repeating that when you have Lester Brown, Miles O'Brien, Dan Rather, Time magazine, New York Times, the United Nations, and JIM INHOFE all in agreement on changing an environmental policy, you can rest assured that the policy is horribly misguided. All of these publications and individuals now realize the pure folly of the Federal Government's current biofuel mandates. Once again, I call on Congress to revisit the enactment of this mandate.

Secondly, what we have to do—and I still am the ranking member of the Environment and Public Works Committee which has jurisdiction over the EPA—is to call upon EPA to put a stop to the mandate now. It can be done while they are trying to determine what effect this has on our food supplies. The only way to do it is to stop the mandate while the review is taking place. People are starving to death because of this transfer from food to fuel.

As the ranking member of the EPW Committee, which has jurisdiction, I am going to ask for an immediate waiver to stop this mandate.

I yield the floor to my good friend from Kansas who agrees with everything I just said.

The PRESIDING OFFICER (Mr. TESTER). The Senator from Kansas.

FAA REAUTHORIZATION

Mr. ROBERTS. I thank my friend and colleague from Oklahoma.

Mr. President, I rise today in support of the bipartisan agreement reached by the Senate Finance and Commerce Committees on the reauthorization of the Federal Aviation Administration Airport and Airway Trust Fund. In my view this agreement represents the true meaning of the word ''compromise'' and shows what is possible when we really roll up our sleeves and go to work. I have been working on this bill for 2 years. Reauthorizing the FAA and the Airport and Airway Trust Fund is not only a top national priority, but it is a top priority for my State of Kansas as well. Kansas and aviation have a long history together. Aircraft pioneers such as Lloyd Stearman, who happened to sell his company to Walter Boeing, Walter Beech, Clyde Cessna, E.M. Laird, Amelia Earhart, William Lear, and many others, all have close ties to Kansas. It was a team of Kansans that really created the first commercially produced airplane in the United States. It was called the Laird Swallow. This plane took flight in April of 1920, just 88 years and a few weeks ago. My, how far we have come.

Today, about 40,000 employees in Wichita and the surrounding counties make their living building planes, manufacturing parts, and servicing aviation. The aviation industry directly and indirectly supports over 140,000 jobs in Kansas—140,000 jobs—and will soon contribute roughly $9 billion annually to our State's economy. That is not only significant, that is amazing.

Kansas is home to nearly 3,200 aviation and manufacturing businesses, including Cessna, Hawker-Beechcraft, Bombardier-Learjet, Boeing, Spirit AeroSystems, Garmin, and Honeywell, just to name a few. However, aviation is not simply an economic engine in Kansas, it is part of our history, our way of life, and, most importantly, part of our future. It is an example of our entrepreneurial spirit.

In late October of 2006, at my invitation, newly appointed Department of Transportation Secretary Mary Peters traveled to Kansas to see firsthand what the aviation industry means to our State. Congressman TODD TIAHRT and I joined the Secretary on a tour of Cessna's headquarters and manufacturing facility in Wichita to show the importance of general aviation—general aviation—to the Kansas economy.

Cessna actually traces its roots back to Clyde Cessna who built his first plane in Rago, KS, in 1911.

The Secretary and I then traveled to Olathe, KS, to visit the Kansas City air traffic control center. There we spoke with the controllers and the trainees about their work, listened in as they actually directed traffic through the Kansas City airspace, making it possible for people to fly in safety.

During our visit, the Secretary heard firsthand from industry leaders about the importance of updating our air traffic control system, and that the current tax mechanisms provide the most appropriate avenue to raise the necessary funds to upgrade into what they call NextGen technology—next generation technology.

This key message was delivered to me and the Secretary personally, and I have been delivering that same message to my colleagues since this debate began some time ago. It is no secret that I care passionately about this issue and how general aviation is treated, and to make sure they are treated fairly. With my State's close connection to the history of this industry, obviously, you can see why.

Kansas manufactures—this may be unbelievable to some—Kansas manufactures roughly 70 percent of the world's general aviation aircraft—70 percent.

Throughout this debate, general aviation has been called to increase its contribution to the Airport and Airway Trust Fund to help pay for the modernization of our air traffic control system.

All along the way, general aviation has stepped to the plate and agreed to help pay for the necessary increases to move our aviation infrastructure into next generation technology.

I cannot recall a time when an industry has come to me and said: We want to help. We are willing to support an increase in our taxes to actually do so. But that is exactly what the general aviation community did. Their only request has been that they be able to pay through the current efficient and effective tax structure of the fuel tax. That was their only request.

The agreement finally reached between the Finance and Commerce Committees respects this request and allows general aviation to be part of the modernization solution without creating a new bureaucracy or additional redtape. The agreement would allow AvGas to remain at its current rate, but would increase the Jet A fuel tax from 21.8 cents to 36 cents per gallon on general aviation flights.

Now, this raises an additional $250 million dedicated to updating the air traffic control technology that will increase safety and decrease congestion—something that is in the headlines every day. At the same time, our commercial airlines and passengers are held harmless from tax increases, given the challenges they face today.

I am pleased this agreement recognizes the value of both the commercial aviation and general aviation to our Nation's transportation system. I realize there have been strong feelings on both sides of this debate.

My goals, as we drafted this bill, were very clear: One, ensure that our air traffic control system is updated and remains safe for all passengers and aircraft; and, two, protect the general aviation community and Kansas jobs, which would have been threatened by something called a user fee.

Today, I am pleased to say we have succeeded on both counts. This legislation represents the best of bipartisan compromise in a real effort to make our skies safer. I am proud to be part of this compromise, as are the 40,000 workers employed in Kansas in aviation manufacturing.

Kansas has a long history of being the world's leader in aviation achievements. This agreement guarantees that Kansas and our great general aviation industry will remain leaders in the sky. Kansas is—always has been—and remains the air capital of the world under this agreement. I thank my colleagues for helping us reach an agreement that will maintain our world standing.

Also included in this agreement is a fix to the projected funding deficit in the highway trust fund for 2009. This 1-year patch will keep necessary transportation construction projects on schedule and help our State transportation departments meet their financial obligations.

I am hopeful the Senate will continue to work in the spirit of bipartisanship on the bill so we can quickly move to a conference committee and eventually have a bill signed into law before the current program expires.

We must do this. American travelers and businesses and pilots deserve the predictability and stability that comes with passing this bill.

Mr. President, I yield the floor. I believe Senator CASEY wishes to address the Senate. I yield to my colleague.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I thank my colleague from Kansas.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. CASEY. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Nos. 516, 519 through 524, 526 through 536, 542 through 564, and all nominations on the Secretary's desk in the Foreign Service, Air Force, Army, Coast Guard, Marine Corps, and Navy; that the nominations be confirmed en bloc; the motions to reconsider be laid upon the table en bloc; that no further motions be in order; that the President be immediately notified of the Senate's action; and that the Senate resume legislative session; that any statements relating to any of these nominations be printed in the RECORD.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF JUSTICE

Rebecca A. Gregory, of Texas, to be United States Attorney for the Eastern District of Texas for the term of four years.

DEPARTMENT OF STATE

Patricia M. Haslach, of Oregon, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during her tenure of service as United States Senior Coordinator for the Asia-Pacific Economic Cooperation (APEC) Forum.

Joxel Garcia, of Connecticut, to be Representative of the United States on the Executive Board of the World Health Organization.

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA

Samuel W. Speck, of Ohio, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada.

DEPARTMENT OF STATE

Scot A. Marciel, of California, for the rank of Ambassador during his tenure of service as Deputy Assistant Secretary of State for East Asian and Association of Southeast Asian Nations (ASEAN) Affairs.

Yousif Boutrous Ghafari, of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Slovenia.

Kurt Douglas Volker, of Pennsylvania, a Career Foreign Service Officer of Class One, to be United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Robert J. Callahan, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Nicaragua.

Heather M. Hodges, of Ohio, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ecuador.

Barbara J. Stephenson, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Panama.

William Edward Todd, of Virginia, a Career Member of the Senior Executive Service, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei Darussalam.

Hugo Llorens, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

Nancy E. McEldowney, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Bulgaria.

Stephen George McFarland, of Texas, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

Peter E. Cianchette, of Maine, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Costa Rica.

Frank Charles Urbancic, Jr., of Indiana, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

Barbara McConnell Barrett, of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Finland.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Robert G. McSwain, of Maryland, to be Director of the Indian Health Service, Department of Health and Human Services, for the term of four years.

IN THE AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Col. Bruce A. Litchfield

The following named officers for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brigadier General C. D. Alston
Brigadier General Brooks L. Bash
Brigadier General Michael J. Basla
Brigadier General Paul F. Capasso
Brigadier General Floyd L. Carpenter
Brigadier General David J. Eichhorn
Brigadier General Gregory A. Feest
Brigadier General Burton M. Field
Brigadier General Randal D. Fullhart
Brigadier General Bradley A. Heithold
Brigadier General Ralph J. Jodice, II
Brigadier General Duane A. Jones
Brigadier General Frank J. Kisner
Brigadier General Jay H. Lindell
Brigadier General Darren W. McDew
Brigadier General Christopher D. Miller
Brigadier General Harold W. Moulton, II
Brigadier General Stephen P. Mueller
Brigadier General Ellen M. Pawlikowski
Brigadier General Paul G. Schafer
Brigadier General Stephen D. Schmidt
Brigadier General Michael A. Snodgrass
Brigadier General Mark S. Solo

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Dana T. Atkins

IN THE ARMY

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Scott G. West

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. Walter L. Sharp

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Ann E. Dunwoody

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Gen. David D. McKiernan

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Robert L. Caslen, Jr.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Mitchell H. Stevenson

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Frank G. Helmick

IN THE MARINE CORPS

The following named officers for appointment in the United States Marine Corps to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brigadier General Randolph D. Alles
Brigadier General Joseph F. Dunford, Jr.
Brigadier General Anthony L. Jackson
Brigadier General Paul E. Lefebvre
Brigadier General Richard P. Mills
Brigadier General Robert E. Milstead, Jr.
Brigadier General Martin Post
Brigadier General Michael R. Regner

The following named officer for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Darrell L. Moore

The following named officer for appointment to the grade of lieutenant general in the United States Marine Corps while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Keith J. Stalder

The following named officers for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. James M. Lariviere
Col. Kenneth J. Lee

The following named officer for appointment in the grade of lieutenant general in the United States Marine Corps while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Brig. Gen. Joseph F. Dunford, Jr.

The following named officer for appointment to the grade of lieutenant general in the United States Marine Corps while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. John M. Paxton, Jr.

The following named officer for appointment to the grade of lieutenant general in the United States Marine Corps while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Dennis J. Hejlik

The following named officer for appointment to the grade of lieutenant general in the United States Marine Corps while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Richard F. Natonski

The following named officer for appointment to the grade of lieutenant general in the United States Marine Corps while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Duane D. Thiessen

IN THE NAVY

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. John M. Bird

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (lh) Victor C. See, Jr.

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Captain Douglass T. Biesel
Captain Barry L. Bruner
Captain Jerry K. Burroughs
Captain James D. Cloyd
Captain Thomas A. Cropper
Captain Dennis E. Fitzpatrick
Captain Michael T. Franken
Captain Bradley R. Gehrke
Captain Robert P. Girrier
Captain Paul A. Grosklags
Captain Sinclair M. Harris
Captain Margaret D. Klein
Captain Patrick J. Lorge
Captain Brian L. Losey
Captain Michael E. McLaughlin
Captain William F. Moran
Captain Samuel Perez, Jr.
Captain James J. Shannon
Captain Clifford S. Sharpe
Captain Troy M. Shoemaker
Captain Dixon R. Smith
Captain Robert L. Thomas, Jr.
Captain Douglas J. Venlet

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., sections 5133 and 5138:

To be rear admiral

Rear Adm. (lh) Carol I. Turner

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE AIR FORCE

PN1382 AIR FORCE nominations (2230) beginning DAVID M. ABEL, and ending MICHAEL M. ZWALVE, which nominations were received by the Senate and appeared in the Congressional Record of February 26, 2008.

PN1466 AIR FORCE nominations (19) beginning SUSAN S. BAKER, and ending JON C. WELCH, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1467 AIR FORCE nominations (65) beginning DAVID A. BARGATZE, and ending AARON E. WOODWARD, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1469 AIR FORCE nominations (34) beginning MARK E. ALLEN, and ending CHARLES E. WIEDIE JR., which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1470 AIR FORCE nominations (18) beginning KERRY M. ABBOTT, and ending WILLIAM F. ZIEGLER III, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1471 AIR FORCE nominations (23) beginning RICHARD T. BROYER, and ending BRIAN K. WYRICK, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1472 AIR FORCE nominations (1019) beginning JOHN T. AALBORG JR., and ending MICHAEL A. ZROSTLIK, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1526 AIR FORCE nominations (118) beginning DAVID L. BABCOCK, and ending WAYNE A. ZIMMET, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1551 AIR FORCE nomination of Howard P. Blount III, which was received by the Senate and appeared in the Congressional Record of April 7, 2008.

PN1552 AIR FORCE nomination of Errill C. Avecilla, which was received by the Senate and appeared in the Congressional Record of April 7, 2008.

PN1553 AIR FORCE nomination of Mark Y. Liu, which was received by the Senate and appeared in the Congressional Record of April 7, 2008.

PN1554 AIR FORCE nominations (2) beginning BRYCE G. WHISLER, and ending TIMOTHY M. FRENCH, which nominations were received by the Senate and appeared in the Congressional Record of April 7, 2008.

PN1555 AIR FORCE nominations (3) beginning PHIET T. BUT, and ending MICHAEL J. MORRIS, which nominations were received by the Senate and appeared in the Congressional Record of April 7, 2008.

IN THE ARMY

PN1473 ARMY nominations (174) beginning MARIO AGUIRRE III, and ending SCOTT B. ZIMA, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1474 ARMY nominations (187) beginning BARRY L. ADAMS, and ending TIMOTHY M. ZEGERS, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1475 ARMY nominations (45) beginning KEVIN S. ANDERSON, and ending RUFUS WOODS III, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1476 ARMY nominations (61) beginning ROBERT B. ALLMAN III, and ending RICHARD F. WINCHESTER, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1527 ARMY nomination of Barry L. Shoop, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1528 ARMY nomination of Brian J. Chapuran, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1529 ARMY nomination of Gregory T. Reppas, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1530 ARMY nomination of Vanessa M. Meyer, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1531 ARMY nominations (2) beginning THOMAS E. DURHAM, and ending DANIEL P. MASSEY, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1532 ARMY nominations (3) beginning CHARLES L. GARBARINI, and ending JUAN GARRASTEGUI, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1533 ARMY nominations (2) beginning MILTON M. ONG, and ending MATTHEW S. MOWER, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1534 ARMY nomination of Craig A. Myatt, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1556 ARMY nomination of John C. Kolb, which was received by the Senate and appeared in the Congressional Record of April 7, 2008.

PN1568 ARMY nomination of Kenneth D. Smith, which was received by the Senate and appeared in the Congressional Record of April 15, 2008.

PN1569 ARMY nomination of John M. Hoppmann, which was received by the Senate and appeared in the Congressional Record of April 15, 2008.

PN1570 ARMY nominations (38) beginning AMY M. BAJUS, and ending ROBERT P. VASQUEZ, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 2008.

IN THE COAST GUARD

PN1561 COAST GUARD nomination of Trevor M. Hare, which was received by the Senate and appeared in the Congressional Record of April 15, 2008.

PN1562 COAST GUARD nomination of Susan M. Maitre, which was received by the Senate and appeared in the Congressional Record of April 15, 2008.

IN THE FOREIGN SERVICE

PN1452 FOREIGN SERVICE nominations (138) beginning Andrew Townsend Wiener, and ending Troy A. Lindquist, which nominations were received by the Senate and appeared in the Congressional Record of March 5, 2008.

IN THE MARINE CORPS

PN1571 MARINE CORPS nominations (3) beginning DAVID G. MCCULLOH, and ending PAUL W. VOSS, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 2008.

IN THE NAVY

PN1251 NAVY nomination of Thomas M. Cashman, which was received by the Senate and appeared in the Congressional Record of January 23, 2008.

PN1302 NAVY nomination of Kelly R. Middleton, which was received by the Senate and appeared in the Congressional Record of February 5, 2008.

PN1477 NAVY nomination of Theresa A. Fraser, which was received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1478–1 NAVY nominations (23) beginning LEE R. RAS, and ending ELIZABETH M. SOLZE, which nominations were received by the Senate and appeared in the Congressional Record of March 11, 2008.

PN1535 NAVY nomination of Aaron J. Beattie IV, which was received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1536 NAVY nominations (3) beginning KRISTIAN E. LEWIS, and ending LUTHER P. MARTIN, which nominations were received by the Senate and appeared in the Congressional Record of March 31, 2008.

PN1587 NAVY nominations (3) beginning SAMUEL G. ESPIRITU, and ending PAUL G. SCANLAN, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 2008.

PN1588 NAVY nominations (31) beginning TERRY L. BUCKMAN, and ending THOMAS M. WILLIAMS, which nominations were received by the Senate and appeared in the Congressional Record of April 15, 2008.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

EXTENDING THE PROGRAMS UNDER THE HIGHER EDUCATION ACT OF 1965

Mr. CASEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2929, introduced earlier today by Senator KENNEDY.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2929) to temporarily extend the programs under the Higher Education Act of 1965.

There being no objection, the Senate proceeded to consider the bill.

Mr. CASEY. Mr. President, I ask unanimous consent that the bill be read three times and passed; the motion to reconsider be laid upon the table, with no intervening action or debate; and any statements related to the bill be printed in the RECORD.

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

The bill (S. 2929) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2929

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF HIGHER EDUCATION PROGRAMS.

(a) EXTENSION OF PROGRAMS.—Section 2(a) of the Higher Education Extension Act of 2005 (Public Law 109–81; 20 U.S.C. 1001 note) is amended by striking ''April 30, 2008'' and inserting ''May 31, 2008''.

(b) RULE OF CONSTRUCTION.—Nothing in this section, or in the Higher Education Extension Act of 2005 as amended by this Act, shall be construed to limit or otherwise alter the authorizations of appropriations for, or the durations of, programs contained in the amendments made by the Higher Education Reconciliation Act of 2005 (Public Law 109–171) or by the College Cost Reduction and Access Act (Public Law 110–84) to the provisions of the Higher Education Act of 1965 and the Taxpayer-Teacher Protection Act of 2004.

RECESS

Mr. CASEY. Mr. President, I ask unanimous consent that the Senate now stand in recess until 2:15 p.m.

There being no objection, the Senate, at 12:24 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

FAA REAUTHORIZATION ACT OF 2007—MOTION TO PROCEED

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

The assistant legislative clerk read as follows:

A motion to proceed to the bill (H.R. 2881) to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Wyoming is recognized.

Mr. BARRASSO. Mr. President, I ask unanimous consent to speak as in morning business.

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

GASOLINE PRICES

Mr. BARRASSO. Mr. President, today I rise to speak about the price of gasoline and the price of diesel fuel, which is affecting every driver in America. My principal message is that Washington policies should not drive up the prices at the pump. At an absolute minimum, Federal practices should not be making prices any worse.

According to the American Automobile Association, the average retail price for regular unleaded gasoline is $3.60 a gallon. The average price of diesel fuel is $4.24 a gallon. This is before this summer's driving season has even started.

Consumers all across America are hurt by the inflationary pressures at the pump. My constituents in Wyoming know firsthand the huge impact that $110 or $120 per barrel of oil has on their wallets. I visit with them every weekend. The price at the pump in Casper, WY, just 3 weeks ago was $2.91. This past weekend, it was $3.31. Wyoming ranks at the top of all States in terms of vehicle miles traveled on a per capita basis. Because of my State's sparse population and great distances, that means it is not uncommon to commute 20, 50, or even 100 miles round trip to work, to school, or just to buy groceries.

Today's current oil prices are primarily due to supply and demand fundamentals. At close examination, there

are really several different underlying contributors to today's high prices: rising world demand, especially in India and China; geopolitical tensions in the Middle East, in Venezuela, in Nigeria; limited options for acquiring additional supply; the weakness of the U.S. dollar; environmental regulations; and perhaps even excessive market speculation and manipulation. Recognizing this, Federal Government practices should not—should not—drive prices even higher. That is why I am announcing legislation today, S. 2927, that provides for a temporary suspension of Federal oil purchases for the Strategic Petroleum Reserve.

This Strategic Petroleum Reserve was initially created in the mid-1970s. It was set up to protect the Nation from oil supply disruptions that followed the Arab oil embargo. I support the goal of protecting America's energy security. The Strategic Petroleum Reserve has served our Nation well. This legislation, though, says enough is enough. At today's high prices, this legislation tells the Government to stop putting any more oil into the Strategic Petroleum Reserve—to stop doing it whenever the average price of gasoline is over $2.50 a gallon. This chart clearly shows when we went above the red line, above $2.50, and when it has come below and when it is above. This has been in the last 3 years. This legislation also tells the Government to stop putting oil into the Strategic Petroleum Reserve when the price of diesel fuel exceeds $2.75 a gallon.

Currently, the United States is buying about 70,000 barrels, 70,000 barrels of oil each and every day to save and inject underground. The Government keeps buying it every day, regardless of price. When the prices of fuel go up, people try to use less. They carpool, they use public transportation. Not the U.S. Government—70,000 barrels every day regardless of need, regardless of price. The Strategic Petroleum Reserve already contains 700 million barrels of oil.

The Administrator of the Energy Information Administration recently testified to the Senate Energy and Natural Resources Committee. He said taking this much oil out of the market every day does drive up the price for American drivers. He wasn't sure of the amount. He estimated it could be $2 per barrel of oil, maybe a nickel per gallon. A private analyst has argued that continuing to fill the Strategic Petroleum Reserve could add as much as 10 percent to the price of gasoline—10 percent. While there appears to be a disagreement on the magnitude, it is clear that when the Government is competing with the American driver, it does have an impact. Every day, the Government is pulling 70,000 barrels of crude oil from the market. This is oil which could otherwise be used by airlines, by trucks, or by our neighbors.

My bill would also impose fiscal responsibility on future oil purchases. When the Federal Government buys oil at today's prices, it is an expensive proposition for all taxpayers. At current prices, it will cost over $8 million a day for the Government to purchase these 70,000 barrels of oil. Well, that equates to about $250 million a month, nearly $3 billion a year. The impact to the Treasury and to the American driver is real. Currently, the goal is to fill the Strategic Petroleum Reserve with up to 1.5 billion—billion—barrels of oil. At the current rate of putting in 70,000 barrels a day, it will take another 30 years to achieve this level—70,000 barrels a day for 30 years.

I recognize that a temporary suspension by itself is not going to bring down the price of gasoline to $2.50 or even $3 a gallon overnight. But I made a commitment to the people of Wyoming. I made a commitment to do what I can to help when it comes to Washington policies that just don't seem to make sense. As a physician, I took an oath to do no harm. As a Senator, I am committed to a philosophy of Government accountability and fiscal responsibility.

In addition to temporarily stopping the stockpiling of oil at these high prices, there is a second component to this bill: commonsense steps for fiscal responsibility. This legislation includes simple recommendations put forth by the Government Accountability Office.

This bill would require dollar cost averaging when it comes to purchasing oil in the future. We could save taxpayers money if we just purchased the same dollar amount of oil each month rather than the same volume of oil each month. This means you end up buying more oil when the prices are low and less oil when the prices are high. The practice works for individual investors. It is what millions of Americans do every month with their retirement plans.

There is an article in this week's Fortune magazine. It is entitled ''Where to Put Your Money Now.'' The article says: With the markets giving off so many mixed signals, use dollar cost averaging. The Federal Government should operate with that same prudence. If the Department of Energy had used this approach in recent years, it could have saved American taxpayers over $590 million.

The Federal Government could also save taxpayer dollars by storing heavier grades of crude oil. The Government Accountability Office has pointed out that such a strategy would be more cost-effective and provide more refiners with the kind of oil the refiners can actually use.

These are two fundamental steps to improve Government accountability and fiscal responsibility. Many of us complain about Government waste. In this legislation, we have a chance to do something about it.

I fully recognize that our energy problems are complex. This body recently adopted new corporate average fuel economy requirements to improve long-term efficiency in our cars and in our trucks. Increased energy efficiency and conservation must be an important part of any long-term energy solution. Other policies worthy of debate include expanded domestic production of energy, and we have also held hearings on excessive speculation and market manipulation. More recently, some have called for a holiday on the Federal gasoline tax. All of these efforts are worthy of debate. A temporary halt on adding more oil to the Strategic Petroleum Reserve is really the low-hanging fruit. If we can't agree on these simple steps for fiscal responsibility, how will we come to an agreement on the more complex solutions to energy security?

I urge my colleagues on both sides of the aisle to support this legislation without delay. With gasoline prices at an alltime high, the American driver—the American driver—should not have to compete with Washington policies that are driving up the price at the pump.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WEBB. Mr. President, I wish to take some time today to address a certain portion of H.R. 2881. Before I begin those remarks, I also wish to mention that there are a number of communities in Virginia that experienced some pretty devastating weather effects yesterday as a result of high winds and tornadoes. I want the people in those communities to know we have been in continuous contact from my office with the Governor's office and we have people from our office down in these communities, and we are committed to ensuring that appropriate governmental assistance be made available and remain available until the effects of this unfortunate weather occurrence are remedied.

I wish to thank the chairman for bringing this bill to the floor, and in general, I support the bill. Our Nation's air traffic control systems are in serious need of modernization. We all know that. This bill in most ways is the right step in addressing those challenges. But I would like to take a few minutes today to talk about an issue that is vitally important to a lot of communities in and around Reagan National Airport in northern Virginia.

I am deeply troubled by a provision in this bill that would add 20 additional slots at Reagan National, including several potential amendments that could further harm that airport as well as Dulles International Airport and their neighboring communities.

We should recall that in 1987, Congress created the Metropolitan Washington Airports Authority in order to run Reagan National and Washington Dulles International Airports. The creation of the Airports Authority established a professional organization to operate the airports efficiently and represented a commitment to the surrounding communities regarding aircraft noise and traffic. I think that

bears repeating. Congress made a commitment to the residents of Alexandria, Arlington, and Fairfax County on the operation of Reagan National Airport when it transferred authority on these issues over to the Airports Authority. Those commitments were codified by Congress in the so-called perimeter and slot rules. Changes to these rules threaten to seriously degrade service to the airports, and they break the promises that were made to these surrounding communities.

In an ideal world, it sounds appealing to have more flights to Reagan National Airport, but the fact is that there are basic physical constraints to that airport that simply cannot be ignored. If anyone has ever tried to fly out of Reagan National during peak hours, they know that parking can be extraordinarily difficult, that ticket counters can be incredibly congested, and that the number of gates that park the jets is limited. I am told that an increase of just four airplane slots, for example, could result in an additional 400 to 500 passengers going through this airport an hour.

Nearly 10 years ago, the Airports Authority rebuilt much of Reagan National, transforming it into one of the most efficient airports in the Nation, as the facilities constructed were matched to the number of flights established by law. Any increase in the number of flights will overburden critical airport facilities and infrastructure, causing serious disruptions. New flights, obviously, would create greater demand for parking at a time when parking is difficult, affect gate access, and all these other areas I mentioned before.

When the Airports Authority upgraded their facilities in the 1990s, it did so with these slot and perimeter restrictions in mind. These were carefully crafted rules that work in harmony to manage this airport's capacity. Adding more flights would quickly exceed the physical capacity of the airport.

Importantly, the slot rules created an airport in balance with its surrounding neighborhoods. Because Reagan National is convenient to many air passengers, it is appreciated and well used. But this convenience comes at a heavy price for many of the airport neighbors in the form of aircraft noise and related traffic situations on the roads in these areas. Adding flights beyond what was agreed to in this legislation breaks the bond that was created with the neighbors of the airports. It unfairly burdens them for the sake of the convenience of others.

I note that the city of Alexandria, Arlington County, the McLean Citizens Association, the Mount Vernon Citizens Association, the Washington Council of Governments, and Virginia Governor Tim Kaine all oppose these changes.

I am particularly concerned that there is a tipping point with these matters. We have to be concerned about quality of life in these communities as we measure them against the convenience of using the airport.

It strikes me that the desire to change the slot and perimeter rules at Reagan National is not being driven by market demand but rather by a few airlines seeking a competitive advantage over others. By allowing existing rules to be altered further for a select class of airlines, Congress would be allocating this scarce resource for the convenience of a few and, again, in contradiction to the larger community need.

The bottom line question is, How many more additional aircraft and how much more noise should local citizenry have to endure before we have crossed this important threshold?

Congress added 24 new slots in 2000 and another 22 slots in 2003. If we continue to allow more flights this year, how many more are we going to have to continue to allow the next time this bill comes up?

The communities of Northern Virginia should not have to continually suffer for the convenience of a relative few.

I close by saying that the Congress made a commitment to these Virginia communities when it ceded control to the Airports Authority. It should honor those commitments. Let's allow the Airports Authority to run Washington's airports. I urge my colleagues to reject any changes to the slot and perimeter rules at Reagan National.

Mr. President, I yield the floor, and 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. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. CRAIG. Mr. President, I ask unanimous consent that following my remarks, Senator SCHUMER from New York be allowed to speak for 10 minutes.

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

The Senator from Idaho.

Mr. CRAIG. Mr. President, before us is H.R. 2081, which is the reauthorization of the Federal Aviation Administration and, of course, that is the authority tied directly to America's airlines and the body of public policy under which they operate. It comes at a time when all of us are frustrated by what was once a great American industry, and that, of course, is the airline industry. We set the records, we established the world standards in all respects to aviation, and now our industry is in great trouble. It is in great trouble for a lot of reasons, but one of the underlying reasons today is the substantial cost in aviation fuel that all of these large carriers must acquire on a daily basis and the inability to simply pass it through to the consumer.

Of course, that is exactly what is going on in nearly every industry in America today. We are experiencing an energy shock to our pocketbook—whether it be my private pocketbook or an Idahoan's private pocketbook or a corporate private pocketbook—in a way that leaves us with no ability to assume it, to consume it in a way that does not damage our choices on staying alive as a major air carrier or our choice as a consumer where we put our money—with what few discretionary dollars we have left.

In that context, it is so easy to blame somebody else for a problem that largely this Congress has observed, talked about, and denied action on for nearly 20 years. Those of us on energy committees in the Congress who said the answer to a looming problem was going to be conservation, new technology, increased development, and production of existing energy sources over the last two decades—and we have largely denied ourselves those options—are now today wringing our hands in frustration about the phenomenal cost of energy to the American consumer.

So what do we do? We reach out to blame someone when we cannot find it easy to blame ourselves. So to whom do we turn? We say it has to be ExxonMobile's fault; look at all of their profits. Or it has to be Chevron's fault or it has to be Marathon's fault or, if you read in the paper today, British Petroleum has record profits, a 12-percent increase in return on investment. Gosh, we have to blame those big oil companies because surely they are in control of the market, surely they demand the price, and it seems it has to be their fault.

I have brought before us today a chart that might change our minds just a little bit. When we talk about ExxonMobile as it relates to their position in the world, well, my goodness, they don't control the oil supply of the world. They have a very small piece of it. Chevron, oh, my goodness, they don't control the oil supply of the world. They have a very small piece of it.

Who owns the oil of the world today from which we buy? Not U.S. companies but world countries—Saudi Arabia, Saudi Armco, the largest producer by a magnitude of three or four times. Then walk right on down to 11, 12 of the leading major producers are not companies, they are countries, and it does not happen to be the United States of America that is in that top 12 group. We should be, but we are not because we have denied ourselves the ability to develop our oil reserves in Alaska, offshore United States, offshore west coast, offshore east coast, oh, all in the name of the environment even though it is our technology today that is the world-class, environmentally proven and sound technology for deep sea oil development. So then we blame corporate America for our own fault. Now our consumers are angry. And listen to the speeches given

on the floor of this body accusing or blaming someone else for the problem we, in large part, created.

What are we experiencing today? I believe we are experiencing something that is simply called petronationalism. The Saudis have it figured out. They got the oil, we got the bucks; they sell us their oil, they get our bucks. That is pretty simple, isn't it? Sixty-four percent of the energy consumed out of the pump at the local gas stations on the corners of America today comes from somewhere else in the world, not the United States. We are spending over $1 billion a day somewhere else in the world to buy their oil. And if Americans want to be mad, they ought to be mad at their politician or politicians who, for the last 20 years, have denied the reality of the marketplace, all in the name of being supergreen or all in the name of just not liking big corporations, and so we couldn't let the Exxons, the Chevrons, or the Marathons do something about it.

Several years ago, I met with the president of American Oil before it merged. He was opining that they were never going to develop in the United States anymore because they could not afford to because of the regulations and the cost to produce a barrel of oil in the United States when they could go to the Caspian area of Central Europe or when they could go to Saudi Arabia or anywhere else in the Middle East. So today we suffer the reality of our own politics, and we ought to be able to do something about it.

Some of you who might have been listening a few moments ago heard the Senator from Wyoming making good common sense that we ought to quit buying oil out of this current market and putting it in our Strategic Petroleum Reserve. We have enough there for the time being in case something happened in the Middle East that created a crisis. It would not last very long because we would suck it out of the ground and put it in our pumps to avoid an oil shock. But the reality is quite simple. When you have a world with a growing demand for the consumption of oil and its products and you are not producing more, the price is going to go up.

Ten years ago the Chinese were not in the market. Ten years ago the Indians were not in the market. They are in the market today and they are increasing their demand out of the world's supply at a rate of 8 or 9 percent per year.

Is the world's supply increasing? No, it is not. Is the world's refining capacity increasing? Very little. So Americans are competing against the Chinese and the Indians and everybody else for their gallon of gas. That is the reality of the market today.

Oil is not a national commodity. It is a world commodity. As the dependency went up 60 percent over the last three decades, the overall consumer demand went up. Do ExxonMobil and Chevron and every other American company control it? No, they do not. Foreign nations control it and they are getting wealthy off of American's great ability to create wealth. If we do not get this under control as quickly as possible, we will simply spend ourselves broke and the rest of the world will have all of our money and then—guess what. They are now coming to the great banks of our country and saying: We see you have a financial problem. We would like to buy an interest in your bank and give you a big chunk of cash that we got by selling you oil.

They no longer own their oil because they sold it to us and we burned it. But they have our money and they are now coming back and buying our financial institutions. Isn't that an interesting cycle? The wealth we once sent overseas to Saudi Aramco and to all of these other national companies is now coming back to the United States in the form of them owning our financial institutions. Does that make good sense?

Right now we are going to look for any amount of cash we can get to bolster our financial institutions that are in trouble—possibly because of the housing industry or some other kind of large investment. So you might say that is a pretty good deal. I suggest the bad deal started 20 years ago when we began to progressively deny our country and its companies the right to produce and supply the marketplace. That is what we have done. Today we are paying the price.

I am going to be spending a good deal of time over the next several months talking about every segment of the energy portfolio of our country, not only gas and oil but electricity in all other forms and conservations and photovoltaics, wind, and cellulosic. All of that is going to be terribly important for the American consumer in the years ahead.

The bad news is what we have to say to the American consumer today is none of it is going to be ready for 4 or 5 or 6 or 8 or 10 years. In the meantime, your energy bill is going to become an ever larger part of your overall cost of living and your family budget. There is not much a politician can do about it because they have already damaged the marketplace in which you have to live.

I yield the floor.

The PRESIDING OFFICER. By unanimous consent, the Senator from New York is recognized.

Mr. SCHUMER. Before I get into the substance of my remarks on Medicaid regulation, I compliment my colleague on his speech. I do not agree with all of it; I agree with some. I note one of the reasons he pointed out on his chart is it was foreign countries that owned most of our oil supply. That is true. I would note and commend to him to look at the Saudis, who have the largest number of oil fields and are the largest producer. Actually at a time of increasing demand, as my colleague from Idaho well knows, Saudi Arabia has cut back on production. It was higher in 2005 than it was in 2006, and it was higher in 2006 than it was in 2007. I will be coming to the floor, either later today or, more likely, tomorrow, to talk about that.

The Saudis are, No. 1, the short-term answer. We can talk about increasing production here, whether it is alternative energy or fossil fuels. We can talk about increasing conservation. They are vital, necessary, and cannot be avoided. They are long-term answers. But the quickest short-term answer to the problem would be for the Saudis to increase production.

They have cut back. They talk a good game. We see pictures of President Bush arm in arm with the Saudi leader, the Saudi King, yet we get nothing in return. Yet we are considering selling them some of the most advanced weapons we have. So stay tuned tomorrow, where some of us are going to be talking about that and augmenting in a certain way what the Senator from Idaho was talking about.

MORATORIUM ON MEDICAID REGULATIONS

Mr. President, today I rise to speak about the moratorium on Medicaid regulations. Last week the House passed a bipartisan bill with overwhelming support to block the ill-advised Medicaid cuts the Bush administration has proposed. The House bill introduced by Chairman JOHN DINGELL passed by a vote of 349 to 62. By definition, that had to have a majority of both parties—128 Republicans and every Democrat voted for this bill. It was an incredible victory—at least a first step toward a victory for American patients who are served by hospitals, for hardworking physicians and other health providers as well as case managers and social workers who do so much to help those in need. It would extend all the way to those who work in hospitals at 2 a.m., sweeping the floors, mopping, to make sure the hospital is spick and span for the next morning.

Later today Majority Leader HARRY REID will ask for unanimous consent that H.R. 5613, protecting the Medicaid Safety Net Act—the same bill as passed the House—be approved. I hope my colleagues on the other side of the aisle will go along with this vitally needed piece of legislation. The bill is now on the Senate calendar, thanks to the majority leader and Chairman BAUCUS. Many of us on this side and I believe many on the other side hope we will have a chance to take it up this afternoon. These proposed Medicaid rules the administration proposed could not come at a worse time. State budgets are already worsening due to the weakening of the economy, and few States can absorb these massive and unvetted cuts. The administration did not look here or look there at specific places where they might save. Oh, no, it was a meat-ax, an almost across-the-board cut at a time when our hospitals, our economy, and most of all our people who are sick cannot take it.

If the Congress does not act, the States will face terrible choices—to cut

their Medicaid Programs or cut other programs to free up more funds for Medicaid. In a sense it will undo much of the stimulus package, putting money in the hands of people so they can spend it and then requiring the States to cut back.

We need a moratorium so the next administration can make things right. We need a moratorium so this administration will not be able to succeed in its meat-ax approach to health care and to Medicaid in particular.

Let me tell you a little more about the eight Medicaid regulations this administration has proposed. I am sure many of my colleagues on both sides of the aisle have heard from their hospitals, their Governors, and constituents, that these rules are a disaster for our health care system.

The expiration of moratoria on two regulations, GME—that stands for graduate medical education—and the IGT, intergovernmental transfers, is fast approaching. It reaches us on May 25, 2008. That is a little less than a month away.

We have two additional moratoria that are expiring on June 30: the ''rehabilitation'' and ''school-based health'' rules. Then, if that is not enough, there are at least four other rules that have no moratoria, and they go into effect shortly, piling on the people and an industry that at this point is in bad enough shape.

What would happen if we didn't pass H.R. 5613 is that our States, our hospitals, our public providers who do so much important work for American patients would be devastated. Right now they are in a terrible state of panic—and that is not an exaggeration—over these proposed changes that will cost billions more dollars.

Like so many of my colleagues, I believe the integrity of the Medicaid Program is extremely important, but I think a large majority of the Senate agrees these rules go way too far and will end up hurting patients and the very system that serves them. With close to 50 million Americans uninsured in my own State of New York, the estimate is there are over 2 million adults and kids who do not have health insurance. We are penny wise and pound foolish to allow reductions in the critical safety net funding that currently exists.

The Medicaid GME, or graduate medical education rule, is one I am particularly worried about. This proposal represents a major shift in administration policy. By proposing not just to cut but to eliminate Medicaid GME, the Government is essentially forcing the Medicaid Program to shirk its responsibility to cover its share of training physicians. The GME regulation would pull the Federal rug out from underneath the Medicaid support for training physicians at a time when across the country, in rural and urban areas alike, we are experiencing a shortage of physicians in every specialty and in primary care.

For example, a community in New York State's southern tier, the area that borders Pennsylvania, experienced a 20-percent decline in general surgeons from 2002 to 2006. In 6 rural counties in the Mohawk Valley, there was a 33-percent loss in general surgeons over that same time period.

The impact of the GME proposal is estimated to be a $3 billion loss over 5 years to New York State teaching hospitals alone. The public hospitals in New York State have told me how devastating the cuts would be if these rules are implemented.

For instance, Coney Island Hospital, a hospital that tends to the poor, tells me they would no longer be able to offer smoking cessation programs for pregnant mothers. What a terrible shame. What a wrongheaded approach. These hospitals are using these funds in a cost-effective way that will improve health, but this administration is saying no to them and no to patients.

We talked about the sacredness of life, and we know a baby in vitro should be given, if not a head start, at least an equal chance. But if that baby's mother is smoking, the health of that child is impaired.

''Smoking cessation programs work. Let's cut them out.''

No rationale, no discussion saying they do not work, just cut them. That is wrong. Prevention is important. Yet these rules make prevention efforts, such as smoking cessation programs, impossible.

They also hurt medical and dental residents. I recently heard from a dentist trainee, a dentist who was training in a New York public hospital, who said the wait for an appointment is already way too long. With these unwise regulations, that wait increases tenfold, and what was originally a minor dental treatment could end up a huge problem and end up costing the Federal Government and the State government more.

This dental trainee said these rules will increase emergency visits for situations that could have been prevented. It will increase unnecessary antibiotic prescriptions and reduce our ability to reach out and educate the community about dental care.

One of the hallmarks, and why the European systems are more cost efficient, is they focus more on education and prevention. We are cutting it out here. Instead of moving it forward and becoming more cost efficient by focusing on prevention, we are saying, Prevent it? Why would we want to do that?

We should be expanding prevention and expanding dental care in the early phase, not rolling it back.

With health care costs rising and health care reform the No. 1 issue on our constituents' minds, how can we allow these rules to go forward and make things so much worse? We need to vote on this legislation. We need to take this important step for health care.

I urge my colleague, the minority leader, to let this bill move forward. I urge all of my colleagues to do what the House did, a broad, bipartisan vote in favor.

We need to take this important step for health care. The list of supporters of the bill H.R. 5613 is a virtual who's who of health care: the American Medical Association, the American Hospital Association, the National Governors Association, the National Association of Mental Illness, the American Federation of Teachers, the National PTA, and the list goes on and on. More than 2,000 national and local groups have called for passage.

I urge all Members of the Senate to join the list of supporters when Senator REID asks for unanimous consent later this afternoon to allow us to move to H.R. 5613. I hope that will be met by unanimous accord on the other side. Our health care system demands no less.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

ENERGY INCENTIVES

Mr. CARPER. Mr. President, there has been a fair amount of discussion here on the floor today about what to do with respect to rising costs of gasoline and a discussion about what we should do in response to this runup of prices. I heard the Presiding Officer speak earlier today—I thought with passion and with wisdom—on an appropriate course of action. I wish to mention a few things that I think we ought to do.

No. 1, we should be investing tax dollars in basic research and development to make a reality the lithium ion battery that is going to provide power for a flex-fuel plug-in hybrid vehicle called the Chevrolet Volt over the next 24 months or so, a vehicle that will run for 40 miles on a charge of its battery and use auxiliary power on board the vehicle to raise fuel efficiency well beyond that, maybe as high as 70, 80 miles per gallon. That is what we ought to be doing, and we are.

Another thing we ought to be doing is using the Government's purchasing power to help commercialize the new technologies. Whether it is flex-fuel plug-in hybrids, whether it is very low emission diesels, whether it is fuel cell-powered vehicles, we should be using the Government's purchasing power to bring them to the marketplace. And we are doing that too. This year, there is a requirement that 70 percent of the cars, trucks, and vans the Federal Government purchases, both on the civilian side and on the military side, have to be advanced-technology vehicles.

That includes vehicles purchased by the Postal Service.

We also ought to be providing tax credits to encourage consumers to buy highly energy efficient hybrid vehicles, highly efficient, low-emission, diesel-powered vehicles when those are produced and when they come to the marketplace. And we are doing that. That is part of our law. We provide a tax credit for folks who buy highly energy efficient hybrids and very low emission diesels, a tax credit that is worth up to close to $3,500 per vehicle. When the Chevrolet Volt or other flex-fuel vehicles, plug-in hybrids come on the marketplace in the next couple of years, we should provide an even greater tax credit to encourage American consumers to purchase those.

Several years ago, we voted here in this Chamber to create a commission. We create a lot of commissions around here. But this was an infrastructure commission, a transportation infrastructure commission. It was part of our major 5-year, 6-year bill that we pass every so often on transportation projects, a lot of it roads, highways, and so forth, but transit is included in there too.

When we passed the last bill, several years ago we said we want to create this commission, and we want the commission to go out and look at our infrastructure needs, transportation infrastructure needs across the country, quantify those for us and tell us what you think it is going to cost to bring our roads, highways, bridges, and transit systems to a state of good repair, and tell us how you think we ought to pay for those improvements. That commission was formed, worked hard for a year or so, and then came back to report back to us earlier this year as to how bad the situation is and what it is going to cost to fix it. They came back and said: We need to spend, to bring us out of the 20th century and into the 21st century, something like $225 billion a year—$225 billion a year; I think that is what they suggested—over 50 years, over the next 50 years. They called for actually increasing the gasoline tax by I think a nickel a year for 5 years, 6 years, something like that.

We have seen suggested to us a number of ideas for providing for a holiday for the gasoline tax, to suspend collecting the gasoline tax in this country, maybe for the summer. Now we are hearing from people: Let's extend it not for 3 months over the summer but for 3 months beyond that—which, ironically, would take us through the election, just past the election.

Let's think about that. In a day and age when we know our roads, highways, bridges, and our transit systems are falling further and further out of a state of good repair, making our transportation system and our economy even less efficient, we know we are not raising enough money to begin to catch up with the backlog, much less to address the new needs. The notion of diminishing the revenues that are available to try to improve our transportation system suggests to me that we are focused more maybe on the election than we are on the needs of our country.

A friend of mine used to say: Leadership is staying out of step when everybody else is marching to the wrong tune. Leadership is staying out of step when everyone else is marching to the wrong tune.

I used to say, when I was Governor of Delaware: Things worth having, whether it is health care, whether it is education, whether it is transportation—roads, highways, bridges—if they are worth having, we ought to pay for them. If we are not willing to pay for them, we should not have as many of them.

I mentioned a few minutes ago how we are providing tax credits to encourage consumers in this country to buy more energy-efficient vehicles. Wonder of wonders, the big three are beginning to produce them. After years of building these behemoths and the gas guzzlers, Ford and Chrysler are actually displaying and engineering and selling vehicles that Americans ought to be buying. The quality is vastly improved over what it was 10 or 20 years ago. I will mention a couple of them.

GM sells hybrid vehicles, not just the big SUVs like the Tahoe and the Yukon but also midsized sedans like the Saturn Aura and the Chevrolet Malibu, both of which were actually ''Cars of the Year'' this year and last year. Ford has a number of hybrid products on the road as well, not just the Escape but another as well. Chrysler joins the parade this summer by launching the hybrid Dodge Durango and the hybrid Chrysler Aspen. I understand from a friend of mine who is driving the Chrysler Aspen that in the city it is getting about 22 miles a gallon and on the highway it is expected to get close to 30 miles a gallon. Is that where we want to be and need to be? No, but that is a huge difference over the vehicles it replaces. Chrysler is launching, this fall, in the 2009 model year, very low emission, highly energy efficient diesel-powered vehicles.

We are, through our Tax Code, encouraging Americans not just to buy Toyota Priuses and Hondas but to buy hybrids, low-emission diesels that are manufactured by Ford, Chrysler, and GM. They are making them and we ought to buy them, and in doing that we begin to reduce the demand for oil that threatens to engulf us.

I ride the train back and forth most days. I live in Delaware, and I go back and forth. As my colleague, the Presiding Officer, knows, I go back and forth almost every night to Delaware. A strange thing is going on with respect to passenger rail ridership in this country.

I used to serve on the Amtrak board when I was Governor of Delaware, and every year we would see ridership go up by a couple of percentage points. We would struggle, try to raise money out of the fare box to pay for the system and the expansion of the system. Well, the first quarter of this fiscal year, ridership at Amtrak is up 15 percent. Revenues are up by 15 percent. People are starting to realize that maybe it makes sense to get out of our cars, trucks, and vans and take the train or take transit. Transit ridership is up again this fiscal year more dramatically than it has been in some time.

Americans are beginning to literally buy homes in places that are closer to opportunities for transit—for rail, for bus, for subways, for the metro systems. As we have seen the drop in home prices across the country—in some cases, very dramatic—among the surprises, at least for me, is to see housing prices stable and in some cases actually going up in places where people can buy a home and live and get to work or wherever they need to go to shop without driving to get there.

I don't know how gullible we think the American voters are to suggest to them that we are going to have this holiday on gas taxes, Federal gas taxes, for 3 months or for 6 months, maybe to get us through the next election, and then when the elections are over we will go ahead and reinstate the gasoline tax to what it has been even though in doing that we might be depleting further the money available for transportation improvements. I don't know how foolish we think the American voters are. They are a lot smarter than that. They are a lot smarter, maybe, than we give them credit for being.

I think in this country people are crying out for leadership. They are calling out for Presidential leadership, whether it is from our side of the aisle or the Republican side. People want leaders who are willing to stay out of step when everybody else is marching to the wrong tune, and I would suggest that the wrong tune is to suspend the Federal gasoline tax and at the same time not replace the dollars that would otherwise go into the transportation trust fund to fix our dilapidated, our decaying transportation system. Voters in this country deserve better leadership from us. I am determined, I am committed to making sure we provide and pay for that.

Before I close, there are a lot of good ideas for things we ought to do. I mentioned, tongue in cheek, that we ought to provide more R&D investment for a new generation of lithium batteries for plug-in hybrid vehicles. I say, tongue in cheek, we ought to use the Government purchasing power to commercialize advanced technology vehicles. We are doing that. I said with tongue in cheek we ought to provide tax credits to encourage people to buy highly efficient hybrid vehicles and very low diesel-powered vehicles that are efficient. We are doing that.

There other things we need to do too. We need to invest in rail service. We can send from Washington, DC, to Boston, MA, a ton of freight by rail on 1

gallon of diesel fuel. I will say that again. We could send from Washington, DC, to Boston, MA, a ton of freight by rail on 1 gallon of diesel fuel. But we as a government choose not to invest in freight rail and, frankly, to invest very modestly in passenger rail. It is a highly energy-efficient way to move people and goods.

One of my colleagues spoke a little bit ago and talked about why, as has Senator DORGAN, at a time when gasoline prices and fuel prices are so high, when the cost of a barrel of oil is 120 bucks a barrel, we are buying oil and putting it in the Strategic Petroleum Reserve when we are almost up to 100 percent capacity. That is a good question. It is foolish for us to continue to buy as much oil as we are right now to further drive up prices. We should stop filling the Strategic Petroleum Reserve as long as prices are at this level. One of my colleagues raised the question of speculators. If you go back a year ago, almost a year ago from today, the cost of a barrel of oil was something akin to $60, $63 a barrel. The price today is about $53 more than that. We have seen an increase of probably 75 percent in the price of a barrel of oil from last year to this. As somebody who studied some economics when I was in school, I believe in the law of supply and demand. But the law of supply and demand is not driving up the price of a barrel of oil from roughly $65 a barrel a year ago to almost twice that today. Speculation is going on that I don't fully understand. Maybe others do, but I don't. But I know something beyond the law of supply and demand is driving these prices of oil through the roof.

The investigative committees in this Congress, along with the Government Accountability Office and the administration, need to be all over that. Find out what is causing it and how we can stop it. It is difficult for the Congress. We write a lot of laws. I don't know how we can repeal the law of supply and demand, but more than the law of supply and demand is in effect in driving up oil prices.

Some have said: Why don't we have a holiday for the gas tax for this summer or for 3 months or 6 months and replace that with some kind of windfall profit tax on the oil and gas industry. I would suggest, if we are going to take away some tax advantages enjoyed by the oil and gas industry, the smarter thing is for us to use the revenues that would be generated in that way to extend the soon-to-be-expiring tax credits for the production of electricity from wind, solar, geothermal. Those tax credits expire at the end of the year. Businesses, individuals who are thinking of putting in place systems, small and large, to provide for alternative energy need some certainty. They need to know what the Tax Code is going to be. The sooner the better. To be fiscally responsible, we can't extend the tax credits without paying for them. The extension of the tax credits reduces revenue to the Treasury and makes the deficit bigger. We need to pay for it. I would suggest, if we look carefully at some of the tax credits enjoyed by the oil and gas industry, we could probably find something there that is not fair or reasonable or productive. I suggest we use those revenues, not to offset the revenues that would be lost from suspending the Federal gasoline tax until after the election but to use those revenues to make sure we extend tax credits for renewable energy, wind, solar, geothermal, and so forth.

I will have a chance to come back later in the week and talk about this some more. Sometimes we underestimate the wisdom of the voters. I think it was Thomas Jefferson who said: If you tell the American people the truth, they won't make a mistake. I will do my dead level best to make sure, during the course of the debate on this notion of waiving the gasoline tax or having a holiday on the gasoline tax until after the election, I am going to make sure, I hope with a number of my colleagues, the American people understand the truth and the full picture and that they will make the right decision. Hopefully, we will too.

I yield the floor.

Mrs. HUTCHISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SUNUNU. Madam President, I rise this afternoon to speak for a few minutes on the bill before the Senate, the FAA modernization bill. It is an extremely important reauthorization. At the end of the day, as we pass this legislation, it will be the kind of bill that we look back on and wonder why we were not able to work out the differences a little bit faster, and get it signed into law a little bit more quickly because this is a bill that is of great importance to our transportation infrastructure, to those who rely on the aviation system every day for business travel, for family travel, and for their jobs, their livelihood.

This is an important piece of legislation because it lays the foundation for modernization of our aviation infrastructure and the technology, the air traffic control systems that we depend on every day to keep our skies safe. Technology continues to evolve, that is a good thing. It improves efficiency, improves safety, and can really have a positive impact in the skies. But at the same time, we all understand that technology costs money. To purchase new systems, to install them, to train our traffic controllers to make sure they are in the strongest possible position to use that equipment costs money.

There is no question that one of the debates that delayed this legislation was over how to fund the infrastructure improvements that are in the bill, not whether to fund, and I suppose that is good news. There was general consensus that there needed to be a strong and clear funding commitment, but there was some debate over the exact mechanism.

I certainly want to give credit to Chairman BAUCUS and Chairman INOUYE of the Finance and Commerce Committees; the Ranking Member GRASSLEY and Vice Chairman STEVENS; and, of course, Senator HUTCHISON and Senator ROCKEFELLER for the work they did on the Aviation Subcommittee.

There was a lot of disagreement as to whether we should create a new fee system, whether we should create a new bureaucracy for assessing fees on general aviation. I am pleased to see that we did not go that route. We have a system for collecting aviation taxes in place, taxes on aviation fuel and jet fuel. There was a recognition on all sides that that tax burden needed to be increased to keep pace with the needs of the aviation system. It is an efficient system. It is one that works. It is one that is well understood. I think it would have been a mistake to try to create a new bureaucracy when we have such a system in place.

So this legislation will increase the taxes on general aviation jet fuel pretty significantly from about 22 cents a gallon to 36 cents a gallon, but there is a recognition that so long as that money stays in the aviation trust fund, so long as it is used to upgrade the aviation system, it will be well spent.

This tax increase on general aviation jet fuel will provide nearly $290 million annually in additional funding for the NextGen air traffic system, and that is something to be commended. It addresses the impact of air traffic growth because it increases the system's capacity and, at the same time, improves the efficiency and, of course, our focus at all times has to be safety.

One of the points that is most impressive about our aviation system, both on the commercial aviation and general aviation side, over the last couple of decades is the improvement in safety. The improvement in performance and safety per thousand miles flown or 100,000 miles flown has been significant, and everyone benefits from that improvement. Consumers benefit from a safer system and, of course, a safer system, a safer workplace, a safer environment is less costly and less expensive.

This legislation also provides increases to the Aviation Improvement Program, AIP. That is a program that is important to airports, large and small, across the country. In New Hampshire, the Manchester Airport has undergone tremendous levels of growth during the past decade, and much of that improvement, infrastructure, and investment at Manchester has been

funded through the AIP, including the airport's noise reduction enhancements.

Today in New Hampshire, everyone benefits from the improvement in that infrastructure, the expansion at Manchester. The improvement in efficiency, not just in New Hampshire but across northern New England, creates a different choice for consumers, for businesses, and for tourism as well. That makes a difference, a real difference, in our northern New England economy.

This bill is not perfect. Rarely does anyone stand on the floor of the Senate and announce that a piece of legislation is perfect, but it is a good bipartisan effort. We will have opportunities to improve it, perhaps on the Senate floor during this debate, perhaps in conference, but it is important that we not bog down this legislation with amendments that will derail the bill, that will kill the bill, that will create a controversy that will make it difficult, if not impossible, to complete work on it in the coming weeks. It is a bill that needs to get done. It is a bill that needs to be sent to the President, not least of all so that the funding commitment for new technology can be implemented as quickly as possible.

Madam President, I again commend the work of the Senator from Texas as the ranking member of the Subcommittee on Aviation. I serve with her on the Commerce Committee, and I have really enjoyed working on this legislation. We had an exciting markup, to say the least, several months ago, but I am pleased to see we have been able to work through those differences and bring a very strong product to the floor.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Madam President, I commend the Senator from New Hampshire. He was, indeed, a very important part of the negotiations on this bill. It is a complicated bill. He represents a State that has general aviation. It is very important to the service in his State. He spoke up for that service. In fact, in the bill, there are some very important components that are strong for general aviation, and also cities that have lost service in the past after deregulation we want to try to help get back in service with some incentives for service by smaller, maybe startup airlines.

The Senator from New Hampshire, Mr. SUNUNU, has been a very important part of helping us negotiate this bill that we have brought to the floor.

I know my chairman, Senator ROCKEFELLER, is going to be here soon. I hope we will be able to come to closure on the aviation part of this bill. I have very strong concerns about some of the provisions in the Finance Committee part that is going to be put into this bill. I hope the Finance Committee will work with us to take away some of the extraneous tax provisions that have nothing to do with aviation so that we can pass a good, solid bill that addresses aviation safety, which every consumer is interested in doing, that addresses the need for better service to our smaller communities, that increases the modernization of our air traffic control system, and that assures that passengers are taken care of when there are inordinate delays, and especially when they are on an airplane, maybe sitting on a runway for several hours at a time, and there are some very important parts of the bill that address the rights of passengers and the needs of passengers.

I hope we can get an aviation bill passed. I hope we can move out the extraneous provisions out and let the Finance Committee do those separately, which they certainly have the capability to do. But I do not want to hold up this good consumer bill.

I look forward to working with my colleagues, Senator ROCKEFELLER, Senator INOUYE, and Senator STEVENS on the committee, and Senator SUNUNU who just spoke, to get a good bill on which we can then go to conference with the House.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

FEDERAL DEFICIT

Mr. GREGG. Madam President, I rise to speak briefly about where we are headed as a government and specifically what we are passing on to our children, which is regrettably a lot more debt than they deserve. This year the Federal deficit is projected to be close to $400 billion. That is up from last year, where it was under $200 billion. That is not a good trend, to be driving up the deficit.

It is also not a good trend to be putting on the books program after program which will end up costing our children a lot of money, and which we borrow from our children to pay for.

This bill, which is brought forward today, has in it, unfortunately, a couple of items—at least one specifically—actually a couple that are questionable, in which we are spending money which could much better be used to reduce the debt on our children. As I said, this year alone we are going to add $400 billion of debt to our children's backs. Probably the most significant in this account is something that has nothing to do with air transportation. You can call it the train to nowhere or the fast track to waste. It is the train they are proposing to build somewhere in New York to go somewhere in New York which is going to cost $1.7 billion.

Clearly this is not the right bill for that proposal. But even if it were the right bill, this would be not an appropriate proposal. This is a situation where folks from New York, who are good and decent people, have decided to raid the Federal Treasury to get some money to pay for something—in a very questionable way, by the way; by basically waiving FICA taxes, which they are not paying to begin with, for town employees—State employees. They have decided to raid the Federal Treasury for the purposes of building this train to nowhere.

We have seen this before, these specific projects, which benefit a specific place, which are not defensible. This certainly falls into that category. But in the broader context it becomes even less defensible because we are facing such a large deficit. We are not only facing this very significant deficit of almost $400 billion, we are constantly adding to that deficit. There are now, within the framework of the walls of this Capitol building—there are not four walls, there are lots of different walls in this Capitol building, but within this Capitol there is a series of ideas which is being promoted, which is also on a fast track, regrettably, a fast track of spending, which is also going to end up ballooning that deficit further than $400 billion.

There is, for example, a proposal being floated which has merit in concept but, when it comes to paying for it, nobody is willing do that, which will cost close to $60 billion. That is a proposal to dramatically expand the GI bill, as it is known. There is a proposal to expand unemployment insurance, even in States where unemployment has not hit numbers where it represents an immediate problem. Traditionally, unemployment under 6 percent or 5.5 percent is deemed to be full employment. In much of this country today, many States have their unemployment rates under 5.5 percent. But there is a proposal to expand the number of weeks a person can claim unemployment, even in States where there is essentially a number that represents full employment and that is going to cost $15 billion.

There are proposals in the farm bill, which has all sorts of gimmicks and all sorts of machinations to cover its costs and claim that it is paid for, which will cost billions and billions of dollars. The farm bill itself is a $285 billion bill. Huge expenditures are coming down the pike here, which are going to have to be paid for by our children.

There are proposals for further relief for Katrina of $5 billion. There are food stamp proposals of billions of dollars. There are Byrne grants, competitiveness grants, county payments, Bureau of Prisons—all of these ideas are floating around this Capitol as ideas on which we should spend more money. Most of them have good and reasonable arguments behind them. But the problem is they also, almost in every case, end up passing more debt on to our children.

In many instances, especially the train to nowhere in New York, you cannot justify it. It is wasteful spending at the expense of our children and it is inappropriate because this debt is building up and up. As a result, paying off this debt is going to mean the taxes on our children are going to have to go up and up as they move into their earning years.

The practical effect of that is that the next generation, our kids and our children's children, are not going to be able to afford as high quality a lifestyle as our generation has because they will have to be paying so much to support the Federal Government and the debts of the Federal Government. They will not be able to afford to send their kids to college, assuming college is even affordable at that time. They will not be able to buy that first home. They will not be able to live the high quality of lifestyle that has become the nature and character of American life, because the cost of the government, which we have incurred today, will have to be paid for by them tomorrow.

It is not fair. It is not right. It used to be around here people talked about the deficit a lot. They used to point to it as a failure of our Government and there used to be genuine efforts to try to reduce the deficit—on the spending side of the ledger from our side of the aisle and on the other side of the aisle by raising taxes. But that discussion has waned. There is no focus right now on the deficit, I suspect in large part because we now have a Democratic Congress and deficit spending is justifiable if it meets an interest group's claims that they have a right to this money or they believe should have a program, such as the train to nowhere in New York, which is promoted by our colleagues from the other side of the aisle who represent New York.

In the end, if we do not return to the basic concept that every family in America has to confront, which is you need to pay your bills as they come in and you cannot put too much money on the credit card because that means down the road you are not going to be able to pay that credit card and you are going to have to suffer significant contraction as a family—if we do not face up to that real fact of day-to-day existence that most Americans must realize, as far as how their spending meets their income, or if we do not as a government face up to that, we are going to fundamentally undermine our Nation. We are certainly going to do significant damage to our children and their future.

We talk a lot now about the weakness of the dollar and how that has caused the price of gasoline to jump dramatically, which it has. The weak dollar has caused energy costs and costs of commodities which are not produced in the United States to be driven up in large part because the dollar has weakened so much. One of the drivers of the weak dollar is a belief in the international community that we are not going to put our fiscal house in order, that we are going to continue to run deficits that are excessive, and that is what we are doing as a Congress.

We have some responsibility here. You can't make great progress unless you begin somewhere. A good place to begin might be to take this $1.7 billion that is proposed in this bill to spend for the train to nowhere, or the fast track to waste, and eliminate that program and take the revenues that are alleged to be used to offset that program and use them to reduce the debt on our children's heads. Reduce that debt by $1.7 billion. That is progress. Granted, in the overall scheme of things it is not a huge amount of money compared to the total debt that is being incurred, even this year, the $400 billion, but you have to start somewhere. This would be a good place to start.

Let's stop the wasteful spending which is adding to the Federal debt, which inevitably will undermine the quality of life of this Nation and especially pass on to our children obligations which there is no reason we should ask them to bear.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DURBIN. Madam President, when the Senate considers the Federal Aviation Administration Authorization Act, I will offer a bipartisan amendment to strike section 808 of the substitute to this bill. The section I wish to strike would impose a significant competitive disadvantage on airlines that have done the most to protect their employees and provide for the secure retirement of those employees and current retirees. It would increase the pension obligations of these airlines above what is required of the airlines they compete with. It is fundamentally unfair. Such a move would undermine the ability of these airlines to maintain their commitments to their workers, particularly in today's struggling economy.

In 2006, with several airlines facing the prospect of bankruptcy, the Pension Protection Act adjusted how struggling airlines that had frozen their defined benefit pension plans could calculate their pension obligations. Those airlines were allowed to devote significantly less funding than their competitors toward payments to their pension plans. Understand, airlines facing bankruptcy that were on the cusp of losing defined benefit retirement plans were given better treatment under the Tax Code than those that didn't file bankruptcy and tried to keep their word to their employees under their defined benefit plans. Airlines that maintained their pension plans weren't given this benefit. As a result, American, Continental, Hawaiian, Alaskan, and US Airways were placed at a significant competitive disadvantage, only because they continued to offer their workers defined benefits for retirement. Those are the benefit plans, incidentally, that workers like the most. They are the ones that guarantee what you will receive when you retire, as opposed to a defined contribution plan, for example, that says a certain amount of money will be set aside, and maybe it will earn a lot before you retire, maybe it will not. The defined benefit plans—which, incidentally, Federal employees and Members of Congress have—are the best. These airlines that had similar plans for their employees and retirees and avoided bankruptcy were put at a disadvantage. The airlines facing bankruptcy, throwing away their pension plans, and changing them, were given a better break under the Tax Code than those that continued in business, avoiding bankruptcy and keeping their word to their employees and retirees.

In 2007, I joined with Senator HARRY REID, adding language to the Iraq supplemental that tried to address this unfairness and inequity. Under the 2006 law, airlines that had prohibited new workers from participating in their defined benefit plan were allowed to assume a rate of return of 8.85 percent on their pension investments. The 2007 law allowed the other airlines, those that had maintained the previous defined benefit commitment, to assume an 8.25-percent return. I know these numbers probably in the course of the speech don't impress you, but they should. It makes a significant difference of how much money an airline has to put in the pension plan, and the Tax Code, the law of our land, requires it. Airlines that had frozen their plans were allowed to amortize their plan shortfalls over 17 years; in other words, those that were facing bankruptcy and walking away from many aspects of their pension plans were able to take a longer period of time to pay out what was necessary to bring their plans up to solvency. The 2007 law gave airlines with defined benefit plans only 10 years, not 17. Therefore, airlines that are offering their workers defined benefits retirement face a competitive disadvantage.

The 2007 law I mentioned earlier partially closed the gap. Section 808 of this FAA reauthorization bill would tilt the playing field away from the airlines that already face this competitive disadvantage because they offer the very best pension benefits to their employees.

What it comes down to is this: Airlines are declaring bankruptcy in every direction. Some are reporting record losses. Last week, American Airlines reported a loss of $328 million in the first quarter, virtually all of it attributable to increases in jet fuel. A few days later, United Airlines, another

major airline based in my home State of Illinois, announced first quarter losses, if I am not mistaken, of nearly $500 million and the need to lay off some 1,000 employees. Now comes this FAA reauthorization bill, and it includes a provision that will create an economic burden and hardship on some of these airlines that are struggling to survive. Could this Senate pick a worse time to hammer away at these airlines, when they are struggling to deal with jet fuel costs that are going through the roof and an uncertain economy facing a recession? If there was ever a bad idea, this is it.

Mr. ROCKEFELLER. Will the Senator yield for 15 seconds?

Mr. DURBIN. I am happy to yield.

Mr. ROCKEFELLER. I thank the Senator.

Madam President, I ask unanimous consent that all postcloture time be yielded back and that the motion to proceed be agreed to and the motion to reconsider laid upon the table; that once the bill is reported, the Senator who is now speaking be recognized to offer a substitute amendment; that upon reporting of that amendment, no further amendments be in order during today's session and that there be debate only today.

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

Mrs. HUTCHISON. Madam President, will the Senator from Illinois further yield?

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I want to say I am in complete agreement with what the Senator from Illinois has said. I know he is going to finish his statement, but he is making exactly the point I think needs to be made in this debate.

We will have an amendment tomorrow. Senator DURBIN and I are going to cosponsor an amendment that would fix the issue about which he is speaking. The idea that we would pass an FAA reauthorization that would modernize our facilities, that would put more safety precautions in place, that would give passengers more rights and, oh, by the way, would also bankrupt some of our airlines in the meantime is ridiculous.

The bill will be so good. Senator ROCKEFELLER has done a great job. We have compromised. We have worked on a bipartisan basis. Then, all of a sudden, we see this pension issue rise up that would put one, maybe two airlines into bankruptcy, and then we have taken away all the advantages of this very good bill.

I commend the Senator from Illinois. I look forward to working with him tomorrow on an amendment—or whenever we are designated to put our amendment in place—and hope the balance we had is restored in the pension issues so that airlines that are offering defined benefit plans—which are so rare these days—will still be able to offer employees that, even at a greater cost.

I look forward to working with my colleague from West Virginia to make sure this very good bill goes forward without the bad tax provisions and the pension provision that was added, not by our committee, but by the Finance Committee.

I thank the Senator for yielding. I look forward to working with the Senator to fix this pension issue.

Thank you, Madam President.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, I thank the Senator from Texas for joining me in offering this amendment. This is a bipartisan amendment. We urge our colleagues: Take a close look at this. At the end of the day, if we pass this FAA modernization bill and force more airlines into bankruptcy because of this provision, is that our goal?

We have lost so many airlines already, and now a major airline, such as American Airlines, which avoided bankruptcy and managed to keep its promise to its employees and retirees, and has provided significant funding for its pension, is going to be penalized by this bill.

Ask the people whose pensions are affected, those members of unions who are supporting our efforts to stop this change in the law. I cannot understand the motivation behind this change.

When this was originally considered a few years back, there was another group in charge in Congress and a chairman of the House Ways and Means Committee who singled out several airlines that were not facing bankruptcy and created a disadvantage for them. We tried to remedy it last year, and we got a temporary fix in there. And here they come again: this group that wants to keep changing this law, penalizing these airlines—at absolutely the worst possible moment. Wouldn't it be ironic if this were passed and the airlines that worked the hardest to avoid bankruptcy, the airlines that worked the hardest to keep the defined benefit plans—absolutely the gold standard when it comes to retirement—wouldn't it be ironic if the language of this bill ended up capsizing these airlines at this precarious moment in our economic history.

I am going to urge my colleagues: Take a close look at this. Ask yourselves: If the beneficiaries of these retirement plans oppose this change, if the airlines oppose this change, if there is no argument to be made as to why you would treat these airlines differently than those that have faced massive changes in their pension plans, why in the world would we want to pass this amendment?

At the end of the day, I want to make sure we have FAA modernization. But I also want to make sure there are airlines still serving America in every corner of America so our people have a chance to travel for business, for leisure, whatever it might be.

I urge my colleagues: Please take a close look at this. I hope they will consider supporting the Durbin-Hutchison amendment when it is offered tomorrow morning. It will be the first item of business. I hope we can entertain a debate and move to its consideration at an early time.

There is no reason to delay this. The sooner we remove this cloud from these airlines that have worked so hard to stay in business and avoid bankruptcy the better.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, all postcloture time is yielded back.

The motion to proceed is agreed to, and the motion to reconsider is laid on the table.

The Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, I thank the Senator from Illinois for allowing himself to be interrupted twice, and I wish him a good evening.

Madam President, I wish to talk, with your permission, for about 25 to 30 minutes on what I consider to be the core problem we face; and it is the real condition that people need to know about the American aviation industry.

FAA REAUTHORIZATION ACT OF 2007

The PRESIDING OFFICER. The clerk will report the bill by title.

The bill clerk read as follows:

A bill (H.R. 2881) to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes.

The PRESIDING OFFICER. The Senator from West Virginia.

AMENDMENT NO. 4585

(Purpose: In the nature of a substitute)

Mr. ROCKEFELLER. Madam President, I call up my amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from West Virginia [Mr. ROCKEFELLER], for himself, Mr. INOUYE, Mr. BAUCUS, and Mr. GRASSLEY, proposes an amendment numbered 4585.

(The amendment is printed in today's RECORD under ''Text of Amendments.'')

The PRESIDING OFFICER (Mr. SALAZAR). The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, as I was indicating, I do not think most of our colleagues—they pick on certain subjects within aviation that are of interest that have hot buttons to them—look at the general situation of where the U.S. commercial aviation industry is, how bad its situation is, and I think it is time to tell the truth about that before we begin the debate on this bill.

After posting nearly $35 billion in cumulative net losses from 2001 through 2005, over the past 2 years, American commercial air carriers were able to recover financially for a brief period from the effects of September 11's grounding and subsequent adjustments. That is understandable.

Domestic airlines earned an estimated net profit of roughly $3.8 billion last year, more than twice the $1.7 billion net profits they achieved in 2006. That would appear to be going in the right direction. This year, however, marks a turning point, which I fear will be a sustained downturn in the industry's long-term outlook. Within the past week alone, we saw the Nation's third largest carrier—Delta—announce a first quarter loss of $6.4 billion. On that same day, the Nation's fifth largest airline—Northwest Airlines—posted a quarterly loss of $4.1 billion.

This month, we witnessed four of our airlines—Frontier Airlines, Aloha Airlines, ATA Airlines, and Skybus Airlines—forced to declare bankruptcy. Four airlines collapse in 1 month, and two airlines announce a combined loss of $10.5 billion in one single quarter. I think this underscores the dangerous direction in which I believe our aviation industry is now truly heading.

It is clear that in 2008 this industry is moving through what could be one of the most tumultuous periods it has ever experienced in our history. The recent window of profitability that commercial aviation experienced now seems to have closed. A worrying question for all of us—and for the future of our economy—is whether these losses will come to characterize its long-term financial outlook. I fear it will.

The challenges confronting our Nation's aviation market have now sharply affected a variety of consumers and stakeholders. Airline companies have been posting multibillion dollar losses this quarter alone. Tired and frustrated passengers are being caught up in the thousands of flights that have been canceled or delayed due to a number of things, including safety issues. A quarter of the airline industry's entire workforce have lost their jobs since the year 2000. I will repeat that: One quarter of the airline industry's entire workforce have lost their jobs since 2000. The air traffic control system remains outdated. As I indicated, we are trying to catch up with Mongolia. And management problems continue to beset the industry's overseer, the Federal Aviation Administration.

Compounding all of these difficulties is the reality that the industry is operating against a backdrop of a weaker American economy and general turmoil in global credit markets. Aside from all this, however, there remains one factor that has done more to change the face of the commercial aviation sector than any other; that is; the escalating cost of its lifeblood. We call it the price of oil.

To illustrate this dramatic spike in costs, it is worth recalling that back in 2000 the price of oil stood at $30 a barrel. Recently, oil prices have been approaching $120 a barrel. But this does not necessarily reflect the true cost to the airlines, as there is a difference between the price of oil and the price of jet fuel, what the industry refers to as the ''crack spread.'' This means that, for example, on April 18, 2008, when oil was trading at nearly $116 a barrel, the price of jet fuel per barrel was trading at nearly $144—$116 for a barrel of oil becomes $144 for airplanes.

Such a dramatic increase in the industry's largest single cost clearly illustrates the extent of the problem it must absorb. With oil prices alone having risen 75 percent in the past year, it is somewhat unsurprising that the move toward further consolidation is gaining in speed.

It seems increasingly inevitable that the Delta-Northwest merger proposal will unleash a wave—a further wave—of industry consolidation. I note that various airlines have been considering a number of possible pairings for some time now.

In September 2005, US Airways and America West Airlines merged. In 2007, US Airways pursued an unsuccessful bid for Delta, and Midwest Airlines was purchased jointly by Texas Pacific Group and Northwest.

Numerous reports also indicate that further consolidation between United Airlines and Continental Airlines is likely—we will see—to happen as a consequence of the move by Delta and Northwest to consolidate—the domino theory.

With the emphasis on pursuing market share prior to 9/11, the big air carriers are now focused on route and flight profitability and are less willing to fly half-empty planes to keep their nationwide networks competitive. In an effort to improve their financial standings and compete with smaller carriers, many legacy airlines—commercial airlines—have aggressively sought to cut costs by reducing labor expenditures and by decreasing capacity through cuts to flight frequency, use of smaller aircraft, or the elimination of service altogether to some communities.

The major U.S. carriers have shown much more capacity discipline over the past few years and have retired, to their credit, many older, inefficient aircraft. Available seat miles—which is a term of art: a measure of capacity—increased only 0.3 percent in 2006, down from a 3.3-percent increase in 2005, and an 8.7-percent increase in 2004. As a result, load factors have increased by more than 10 percent since 2000, bringing in more revenue per operation. Profitability. Statistics from the Air Transport Association show that the legacy carriers' combined fleet was 2,860 aircraft in 2006, an 18-percent reduction from almost 3,500 planes at the end of 2000. So it has gone from 3,500 planes in 2000 to 2,800 aircraft in 2006. That is clearly a trend.

In West Virginia, aviation represents about $3.4 billion of the State's gross domestic product. To us, that is a rather huge figure. It employs over 50,000 people in our State. So the State has a direct interest in the impact any consolidation within the industry may have on services. I know the Presiding Officer knows that feeling.

I have said before that while I am not unilaterally opposed to consolidation, I do believe every transaction has to be considered on its own merits. With regard to Delta-Northwest as a merger, I believe it is critical that the Federal agencies examine the fine details of the merger thoroughly before approving it.

Now, this is of particular concern to me because Delta and Northwest provide critical air services to my State of West Virginia that allow businesses in our State to be connected with the rest of the world. I have said in the past, and I reiterate here today, that air services to small communities in my State and across the country depend on network carriers that use hub-and-spoke operations. There are no other sustainable options available to us. None. We have very few private aircraft, and obviously they are not available for commercial use. Low-cost carriers are not going to serve West Virginia's communities because we do not have the volume of passengers to work with their business models.

My State needs healthy network carriers if we are to attract new air services. At present, low-cost carriers are not going to fill the service void in our markets. It disturbs me, then, that since March 13 of this year alone, American air carriers have exited from 86 routes throughout the country, my guess would be all of them rural. I fear these airlines plan to exit many other routes in the future.

It was to ensure West Virginians continued access to adequate air services that I helped to create and expand the Small Community Air Service Development Program and the Essential Air Service Program. Both of these arrangements provide a Federal subsidy for air carriers to operate out of very rural areas. From my perspective, an adequate air service in West Virginia is not just a convenience but it is a flatout economic necessity for our survival.

The airline industry is not only about the viability of the companies that it comprises. It is important that we not forget the increasingly large number of American passengers who underwrite the industry by consuming its services each year. Passenger traffic demand has now surpassed pre-9/11 levels, with total passenger enplanements of 745 million in 2006, nearly 12 percent higher than the 666 million passengers who enplaned in 2000. The FAA's most recent forecast estimates passenger enplanements will grow to 794 million in 2008.

We are all aware and have probably often experienced ourselves the delays and the cancellations that seem to be a growing feature of this industry. Air carriers and their passengers continue to be plagued by severe weather problems—which seem more than normal each year—and an air traffic control system that lacks the necessary capacity to handle demand effectively. That is why, when we talk about building an air traffic control system, which is at

least up to Mongolia—and as I said this morning, that is a little bit of an exaggeration because they had no air traffic, and so they started with what we want to move to. They started with what they should have started with, and that is digital GPS.

These conditions produced near gridlock at several key gateway airports throughout the country this past summer which almost matched the record delays reached in the summer of 2000. Congestion and delay problems cost the airlines and passengers billions of dollars each year in lost productivity, canceled flights, and, obviously, fuel expenses.

The severe congestion and delay problems that continue to plague air carriers and their passengers further exacerbate the high cost, therefore, of fuel. Inclement weather, an out-of-date air traffic control system, and management problems keep planes in the sky longer, which only increases fuel-burn. Due to these conditions, only 69 percent of reported commercial airline operations arrived at their destination on time during June and July of 2007.

I am pleased we have been able to work with the FAA on several efforts currently underway to address these problems, including a continuous focus on expanding infrastructure and adopting operational procedures, such as the implementation of reduced separation requirements and programs such as this fascinating acronym, the Area Navigation and Required Navigation Performance program, that permit more precise navigation of aircraft. But, you see, that is very difficult to do with x ray, with ground radio. That is why we need an air traffic control system which is modern, as every other modern country in the world has. Furthermore, since many of these delays originate in the New York City airspace, the FAA has committed itself to taking a number of specific steps to relieve congestion there—and I applaud them for that—including airspace redesign and the opening of military airspace to create additional capacity during particularly congested times.

All of these efforts are a part of a longer term endeavor to solve these problems by modernizing the entire air transportation system through the implementation of the Next Generation Air Transportation System, the system I have been talking about a good deal. I am confident we can continue to pursue a workable strategy to increase the capacity of the National Airspace System to keep pace with projected growth and demand for air travel while ensuring that we continue to operate the world's safest aviation system. But then again, you always have to look underneath the figures.

The pending Delta-Northwest merger could represent an absolute watershed moment in aviation industry history which would have a dramatic and wide-ranging impact on the industry, passengers, employees, and our national economy. This merger is emblematic of the aviation sector's future, in my judgment. We must acknowledge that a greater degree of consolidation is becoming simply unavoidable due to pressing economic factors, and we have no excuse to not manage these changes responsibly.

I will always remain a fierce defender of West Virginia's right to adequate and reliable air services. That is why I went there in the first place. That is why I am there. I fight for fairness, and we don't have it in aviation, and I fear losing more of it. Even in these new challenging times for the sector, I will continue to ensure that my State is not adversely affected by this consolidation or any consolidation.

Finally, I am concerned that even when the aviation industry did return to profitability over the past 2 years, services in my State did not dramatically improve or expand. They weren't investing. Now that the sector looks to be heading toward a more decidedly bleak future over a prolonged period, our efforts need to be redoubled so as to ensure crucial air services to small and rural communities everywhere are rightfully defended.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. THUNE. Mr. President, today we debate the FAA reauthorization, and it is a debate that probably should have been joined a long time ago. This is a piece of legislation that has been kicking around here for a long time. I serve on the Senate Commerce Committee. I know both the House and the Senate reported bills out many months ago. We are finally now getting a bill on to the floor for debate. It is important we do this.

This is legislation that is critical to the infrastructure that supports our aviation industry, which is a critical industry to America's competitiveness, and if we look at what is happening in the airlines these days, obviously, we need to do everything we can to make sure we have a viable and effective aviation industry and commercial airlines are able to operate and provide the services to travelers who need to get, every single day, to places both here at home and around the world to conduct business and to recreate.

In the course of this debate, I cannot help but be struck by the fact that I do not see there is anything we can do in the FAA reauthorization that addresses what fundamentally is probably plaguing the airline industry more than anything else, and that is the high cost of energy.

I am looking at some information, graphs, some data. We can look at this graph for January of 2004 and see where the cost of crude oil and the cost of fuel for the airlines, for the aviation industry, was then and where it is today. Follow the red line, the way it tracks up. That spikes up. That is almost a straight vertical line.

If we take another graph which shows what the consumption of fuels is in the airline industry, the green line—you probably, Mr. President, cannot see this; it is too far away, but the green line shows consumption has been fairly static in terms of the amount of fuel that is used. But if we look at the expense or the cost of the fuel, it has increased at a sharp and dramatic rate.

My point very simply is that we cannot affect, I do not think, in a very substantial way, what is plaguing and ailing the airline industry and a lot of other industries in this country absent addressing the fundamental cost issue of energy independence.

If we look at where we are as a nation today and where we were 30 years ago, not much has changed. I remember as someone growing up during the oil embargoes and what we were experiencing in the late 1970s and a real concern at the time about our dependence, overdependence, dangerous dependence on foreign sources of energy. At that time it was 55, 60 percent. Here we are 30 years later and we are more than ever dependent on foreign sources of energy. Mr. President, 60 to 65 percent of our petroleum comes from outside the United States. We have very little control over the supply. The only way we fix that, the only way we can impact energy costs in this country in a meaningful way is to increase supply.

We can talk a lot about a lot of issues with regard to this problem, this challenge we face as a country. There are some things we can do to impact the demand side, too, and we did that in the Energy bill last year. We increased for the first time in a very long time fuel economy standards so now automobiles are going to be built to standards that will require more miles per gallon than they currently get. That will help control, to some degree, the demand side. Obviously, I think individual consumers in this country, drivers in this country, are going to begin to take steps to reduce the amount of fuel they consume because it is impacting so adversely their pocketbooks on a daily basis.

But there is not anything we can do totally on the demand side to get us out of this mess we are in. We have to do some things to impact supply. I can't help but think that if we had taken some of these steps years ago, back in 1995 or thereabouts when President Clinton vetoed legislation that would have allowed oil exploration on the North Slope of Alaska—at the time it was argued, oh, it will take 5 to 10 years for us to develop this resource and when we do, it will not be that much anyway. It is only 1 million or 1½ million barrels a day, and that is not that significant in the overall scheme of things. Here we are 10 years

later. If we had done that then, this would be fully developed, we would have the barrels of oil on a daily basis, the daily equivalent of what we get from Saudi Arabia, available to meet our demand in this country.

It has probably been, since that time, half a dozen times we voted on that. In the House of Representatives, I don't know how many votes we had over there that would have allowed authorized exploration for oil on the North Slope of Alaska. We have had that vote in the Senate, since I have been here, on at least one occasion, maybe two times, where we were a couple votes short of reaching that magic 60-vote threshold that would allow us to move forward and explore some of these opportunities that we have to grow our supply, our domestic supply of energy.

Because he had listened to this debate for some time—I have been in the Congress, now, for the better part of 10 years and always was interested when the debate would come to the floor of the House or the Senate and you would hear both sides come to the floor and make their arguments—I actually went up to Alaska and visited the section 1002 area where it is proposed we develop this oil resource. We landed in Barrow, AK, in February, a couple years ago. It was 38 below. We visited a couple of the existing sites at Prudhoe Bay and then we went over to section 1002, which is the vast area we are talking about for development. What struck me is we are talking about a 2,000-acre footprint that would be used to access the oil below the surface, and with modern technology, you can actually get to those reserves below the surface with horizontal or directional drilling, with a minimal footprint on the surface, and it would be done during certain parts of the year where it wouldn't impact wildlife or anything.

Incidentally, there were caribou everywhere. Anybody who is worried about the caribou on the North Slope of Alaska, they have nothing to worry about because, if anything, it has been increased since the activity that has taken place up there.

But this particular area is a very isolated, remote area on the North Slope of Alaska. The estimates run from somewhere between 6 billion and 16 billion barrels of oil beneath the surface or, as I said, the daily equivalent of about 1.5 million barrels a day, which is comparable to what we get from Saudi Arabia.

To put it in perspective, a 2,000-acre footprint, for those who come from my part of the country who have an agricultural background, that is the equivalent of three sections of farm ground. That in an area of some 19.2 million acres in what they call ANWR, this refuge area. But if you look at the State of Alaska in its totality, Alaska, believe it or not, is 7.5 times the size of the State of South Dakota. You could put South Dakota geographically into Alaska 7.5 times. That is how vast this area is up there. It is part of our country, part of an area that has enormous resources below the surface that could be very meaningful in terms of addressing America's energy needs.

When you visit that area, you cannot help but be struck with, No. 1, how supportive the governmental leadership is in that area—the Governor, the State legislature, in many respects most of the local citizens. There are always those who are opposed to this type of development. We heard from them as well. But overwhelmingly, the majority of people in that area want to see this development.

Here we are again facing a crisis as we head into the summer driving season, travel season, vacation season. Families are looking, making plans. In my State of South Dakota, farmers are getting into the field, and they are having to deal with the input costs associated with high fuel costs, diesel costs. This is an economic issue that affects literally every American but particularly those middle-income Americans and those who this summer are looking at making plans to travel. They are going to be facing $3.50 gasoline, perhaps higher than that. Who knows how high that is going to go?

My point very simply is we should have been taking these steps many years ago. We are now paying a price for inaction on the part of this Congress when it comes to the things we can do to add to supply in this country, to make sure we are taking full advantage of the domestic resources we have right here at home so we do not have to continue to allow other countries around the world to hold us over a barrel when it comes to our energy needs.

The other thing we ought to have been doing—again this is something that is long overdue—is developing more refinery capacity. We are pretty much maxed out. We have not built a new refinery since 1976. They will tell you they have added or expanded existing refineries, and all that is true, but at the end of the day we have not done very much in terms of addressing the refinery shortage we have in this country either. So when it comes to raw resources such as the oil, petroleum resources below the surface on the North Slope of Alaska, when it comes to the ability to refine that into gasoline, we have some deficiencies that are of our own making. I regret the fact that we were not able to find the votes in this body to do these types of things many years ago, when today it would make a big difference in the challenge we face.

The other issue, the other point I will make—because I think it gets back at this issue of how doing some of these things, although at the time they may have seemed to be not that substantial, could make a difference at the margin—is what has happened with renewable energy in this country. We are now generating about 7.5, almost 8 billion gallons of renewable fuel or ethanol in America today. One would think perhaps, when you use 140 billion gallons of gasoline on an annual basis, that that is not that big of a dent. But there was a study done by Merrill Lynch, it was reported in the Wall Street Journal a few weeks back, that were it not for ethanol, the price per barrel of oil and the price per gallon of gasoline would actually be 15 percent higher than it is today. So even though it is 7.5 billion gallons out of a 140-billion-gallon annual demand for gasoline, it is affecting the price because it is impacting supply in a positive way.

In the same way, if we had opened the North Slope of Alaska when we had an opportunity to do so, we would have that 1½ million barrels a day coming into this country, which also would significantly impact the supply in a way that would begin to bring down prices. The only way we are going to bring downward pressure on prices is to increase supply. That is why I have been such a big advocate for renewable energy.

We are at 7.5 billion gallons today. The Energy bill that passed last year calls for 36 billion gallons of renewable fuel by the year 2022. I think we can reach that. We are not going to reach it with corn-based ethanol. We have to diversify the production of ethanol in this country with other forms of biomass, whether that is by woodchips out of our forests, whether it is by switchgrass, which we have an abundance of on the prairies of South Dakota—but there are a lot of opportunities for what we call the next generation, for cellulosics, to meet the demands for energy in this country. I think we should be moving full steam ahead when it comes to support for renewables so we can lessen the demand on foreign energy and we can become more energy efficient here at home and develop the supplies of fuel we have.

That being said, even if we get to 36 billion gallons of renewable fuels, we still will be way short of what we need. We are going to need a mix of fuels. We are going to rely on some of those traditional sources of fuel such as petroleum. Coal-to-liquid holds great promise in terms of being able to be used as a fuel, and coal is something we have in infinite amounts. We ought to be developing these types of resources. I think we also ought to be allowing States that want to, particularly some States in the upper Midwest, where ethanol is produced, to go to higher blends. We are at 10 percent ethanol today. There are States I think would like to go to higher blends. We ought to allow them, particularly when the studies are concluded by the Department of Energy and the EPA, which are determining the impact on drivability, materials compatibility, emissions—all those sorts of things. When they come back, which I believe they will, and conclusively determine that going to higher blends would not in any way adversely impact any of those metrics I mentioned, we ought to be moving to higher blends of ethanol because I think that also will help take pressure off oil prices as we continue to use more and more renewable energy.

These are all parts of a solution. We need supply. But we have not taken the necessary steps to add to supply. If not now, I don't know when. When we get prices such as we are seeing, and the impact that is having on transportation industries such as aviation, such as trucking, such as agriculture, these are impacts on our economy that are only going to bring great economic strain to many industries and a loss of jobs.

We can do something about it. We ought to be doing something about it. We need to now authorize, even though we have had many opportunities to do it in the past—we ought to do it on the North Slope of Alaska and offshore and other places where we have these reserves. We ought to allow refineries to be built. We tried to get legislation through that would allow refineries to be built on BRAC bases; in other words, bases that were closed through the BRAC process, and it was blocked by the Democrats on the Environment and Public Works Committee.

Even when it came to the renewable fuel standard last year, that passed through the Senate and House and ultimately was signed into law, there is a deficiency there as well which has come to light now and a change that was made at the very 11th hour by the Speaker of the House that prevents biomass, residual types of biomass such as slash piles that are generated in our national forests, to be used to make cellulosic ethanol.

That makes absolutely no sense. We have waste products in our forests that add to fuel loads that create fire hazards. All we are simply saying is these types of products could be used to make next-generation biofuels and help grow our supply of renewable energy, and that was stripped out, at the 11th hour, by the House in the conference.

That is very unfortunate because it is steps such as that, it is steps such as blocking legislation that would allow for expedited permitting of refineries on BRAC bases, it is things such as blocking a vote on opening the North Slope of Alaska to oil exploration—those are the types of things that are stopping us. Those are the types of steps and maneuvers in the Senate and the House that are stopping us from adding to the supply of energy so we can do something about it, so we can impact, in a meaningful and positive way, the high prices that are affecting consumers across this country.

I wish to make one observation as well with regard to renewable energy because ethanol has come under a lot of criticism of late, much of it I think inspired by opponents of ethanol, such as oil companies. People are talking about the high cost of food, and food prices have gone up in this country. But if you think about it, the amount of corn that goes into a box of corn flakes, for example, it is about a nickel. If you think about what impacts the cost of the things we buy at the grocery store, transportation has a profound impact on the cost because you have transportation, you have packaging, processing—all those things which are very energy intensive. So when you have high energy prices, high fuel prices such as we are facing today, that has more to do with the costs of food than the cost for a bushel of corn is ever going to have, when it comes to corn flakes or when it comes to popcorn or many of the other things that are being mentioned now by some of these groups opposing ethanol.

I also would point out what I mentioned earlier and that is that were it not for ethanol—this again was reported upon by the Wall Street Journal a few weeks back, a study done by Merrill Lynch—oil prices, per-barrel oil prices and per-gallon gasoline prices would be about 15 percent higher. Couple that with the fact that a high commodity price means the Federal taxpayers under our farm programs are not making payments to producers to the tune of a savings of about $8 billion last year, according to the USDA, and there are lots of impacts that are not being mentioned by those who are specifically singling out ethanol and criticizing ethanol for the increase and runup in food costs.

Add to that or couple that with this piece of data that comes out of the USDA, that $8 billion in savings in taxpayer payments would be made under farm programs that were not made, that didn't go out this last year because of high product prices. That is a substantial savings to the taxpayers of this country. Again, couple that with the fact that ethanol has contributed 15 percent reduction in the overall costs of fuel in this country, ethanol is having the impact we hoped it would by increasing supply and taking pressure off the price at the pump in this country.

High fuel costs, high food costs, all these things are impacting consumers across this country. We cannot solve that problem. We cannot solve the problem of the airlines until we do something to develop our domestic resources right here at home.

We have some supplies, some reserves underground even in places that previously had not been contemplated as a source of energy, in places such as the Dakotas where we are now finding there are some reserves down there, that with prices being what they are may be economically recoverable. We should be doing everything we can to develop domestic resources, whether it is on the North Slope of Alaska, whether it is offshore, whether it is in the Dakotas, in the form of oil below the surface, or corn that grows above the surface that is renewable that we can use every single year. We need to be developing resources right here at home that will lessen our dependence upon foreign sources of energy and do something to take the pressure off these high gas prices we are seeing today that are affecting every single American.

I hope we will pass a comprehensive energy bill, one that includes increasing our supply, one that finally, once and for all, will allow us to get to that 6 to 16 billion barrels of oil beneath the surface on the North Slope of Alaska, which is widely supported by the political leadership in Alaska, the local citizenry there, that increases the amount of renewable energy we use in this country by allowing States that choose to increase and go to higher blends, perhaps to 20 percent or 30 percent ethanol. These are all things we could and should be doing today—allowing refineries to be built on bases that have been closed, and allowing for expedited permitting when it comes to constructing those refineries. These are all things that ought to be part of this energy solution. I think people are going to hold this Congress accountable if we do not take steps in that direction. My hope would be that before we move out of here before the next break—we have got a break coming up in a couple of weeks—we will take some action that will do something meaningful to lower energy prices for people in this country, increase our supply to build new refineries, to support the increased use of renewables. Those are all things that will happen and provide solutions and meaningful relief to the hard-working people in this country who are now faced with much higher gasoline prices.

I yield the floor.

The PRESIDING OFFICER (Mr. MENENDEZ). The Senator from North Dakota.

ENERGY

Mr. DORGAN. Mr. President, I know a couple of my colleagues will be coming to the floor, specifically Senator CANTWELL will be coming to the floor, to speak about some energy issues in a moment. When she does, I will relinquish the floor.

I wanted to make a couple of comments. I listened with interest to my colleague from South Dakota making comments about the energy situation. We agree on much of what he has said and disagree on perhaps some amount of it. But renewable fuels, ethanol, providing renewable energy, all of that is very important.

The area where we would perhaps not agree is ANWR, which in my judgment ought to be a last resort rather than a first resort. But I might say to my colleague from South Dakota that particularly with respect to the Outer Continental Shelf, if you measure where oil exists, the best resources and reserves of oil and gas on the Outer Continental Shelf first are in the Gulf of Mexico; second, off California; third, off Alaska.

One of the things we have recently done on a bipartisan basis in this Congress was to pass something called Lease 181, which opened up a portion of the Gulf of Mexico for development of oil and gas. I was one of the four Senators who led the effort on that. I was pleased to do that because we are now

producing and are going to be producing more oil and more natural gas from one of the most productive areas in the eastern Gulf of Mexico. So production is certainly one of the areas we ought to be concerned about, as the Senator indicated. Production, conservation, efficiency, and renewables, all of these are important elements of an energy policy.

No one has ever accused this Congress of speeding. I understand that. This system is not established to be necessarily efficient. It has checks and balances, which makes it very hard to get things done. But there is an urgency at this point, an urgency for families, for farmers, for truckers, yes, for businesses and airlines with respect to what is happening with the price of gasoline.

There are a lot of reasons for all of this, and I am not here to try to ascribe blame, I am here to say: Let's fix some of these things. I am going to offer an amendment, by the way, to the FAA reauthorization bill, that deals with something that as of today I note that 67 Members of the Senate have agreed to.

Some while ago, I introduced the notion of prohibiting the further movement of oil underground into the Strategic Petroleum Reserve. I have introduced legislation on that matter. Long ago I introduced it, had discussions with the Energy Committee about it. I had 51 Senators sign a letter to the President to say: Stop putting oil underground when the price of oil is $115, $120 a barrel. Stop taking oil out of supply and putting it underground into the Strategic Petroleum Reserve. It is already 97 percent full. Why would we take oil out of supply to put upward pressure on prices, on both oil and gasoline, at a time when oil is at a record high? That makes no sense. Let us use at least some reservoir of common sense. Fifty-one Members of the Senate signed my legislation, signed the letter to the President in support of my legislation.

Today, 16 members of the minority signed a letter to the President. They have also introduced legislation. So 51 and 16, 67 members agreed, that includes the person who spoke on the floor today. Senator MCCAIN has called for the identical policy. That is 67. That is veto proof. If 67 Members of this Senate say to this President and this administration: Stop sticking oil under the ground, nearly 70,000 barrels of sweet light crude every day—that is the most valuable subset of oil. We have had testimony before the Energy Committee that suggests it has put as much as a 10-percent increase on the price of a barrel of oil or a gallon of gasoline. And while families and farmers and truckers and airlines and all of these businesses are trying to figure out how on Earth do we pay this fuel bill, and while we see the damage and the dislocation of this country's economy because of it, this administration merrily goes along sticking oil underground. It is unbelievable. At the very least you ought to expect some common sense here.

Now, what has gotten us into this mess? Well, let me describe what is happening with Saudi Arabia. And if ever we should wonder about the danger of being overly dependent on oil from off this country's shores, this is the chart that shows why.

The Saudis, who have the largest reserve of oil in the world by far, have reduced their production by 800,000 barrels a day since 2005. They have reduced production by 800,000 barrels a day. That is part of the problem. So we sit here in the United States with a prodigious need for energy to make this economy work. And, by the way, as an aside, I have said before: We stick straws in this planet and suck oil out of the planet. We suck out 86 million barrels of oil a day. One-fourth of it is required here in the United States of America. We use one-fourth of everything that is produced every day in this world, on this planet. One-fourth of that oil is used here in the United States. We have an enormous appetite. So we need to conserve; we need more efficiency in the use of energy. We have done some things in that area. The CAFE standards increased fuel efficiency by 10 miles per gallon over 10 years. We have done some things in a range of these areas, but we are far too dependent on foreign sources of oil. When the Saudis decide they are going to cut back oil production by 800,000 barrels a day, and they say to us: Oh, by the way, with our strategic relationship, we want you to sell us precision munitions, it seems to me we ought to not be arming to the teeth the Middle East.

But aside from that, strategic partnerships run both ways. You cut your oil production by 800,000 barrels over 2 years; and by the way, we would like some strategic weapons for our strategic need in the region—it does not seem to me that is the way a partnership should work.

But let me describe with a couple of charts what is happening with this strategic reserve. Here we see that oil prices have nearly doubled in 1 year. There is no natural reason for that. The supply-demand relationship in the marketplace does not justify this. The marketplace simply is not working.

We have these people who shake the cymbals and worship at the altar of the marketplace. By the marketplace, that is the greatest allocation of goods and services known to mankind. Well, I believe it is a great allocator of goods and services. I used to teach economics in college briefly, and I understand the marketplace. But the marketplace needs a referee from time to time because sometimes the marketplace does not work; the arteries get clogged, it does not work.

So here is what has happened in a year. Oil prices nearly doubled in a year. Now, my colleagues have used quotes, and I have used many quotes. I am going to use one by Mr. Gheit, because Mr. Gheit said it all. He said: There is no shortage of oil.

Who is Mr. Gheit? He has worked for 30 years for Oppenheimer and Company, the top energy analyst for Oppenheimer. He said:

> There is no shortage of oil. I am absolutely convinced that oil prices shouldn't be a dime above $55 a barrel.

Oil speculators, including the largest financial institutions in the world—he said:

> I call it the world's largest gambling hall. It is open 24/7. Unfortunately it is totally unregulated. This is like a highway with no cops and no speed limit and everybody is going 120 miles per hour.

What is he talking about? He is talking about hedge funds neck deep in the futures market. He is talking about investment banks neck deep in the futures market. Is this because hedge funds and investment banks want to wallow in oil? Do they want to bathe in oil? Do they want to take it home and store it in their garage? They do not want to see oil. They want to speculate and make money.

They have made a lot of money. People who never had it are buying things from people who never will get it. So they are making money on both sides of the transaction.

Now, what does that do when you have this kind of unbelievable speculation? It causes the runup of prices in a very dramatic way. There is a trader named Andrew Hall. I would not know him from a cord of wood; never met him, never will, I suppose. He earned $250 million on the commodity market over the past 5 years, one-quarter of a billion dollars. He was betting. All of this is betting. He is betting long term, short term. He is not somebody who takes oil as a commodity; he just bets.

There are a couple of things we ought to do. I will be very brief. One, in order to be engaged in the futures market, as I have said before, if you want to speculate in the commodities future market for oil, for example, you only require 5 to 7 percent down; only 5 to 7 percent margin. You can control $100,000 worth of oil with $5,000 to $7,000 of your own money.

If you wanted to wager, that is a good way to do it, I suppose. If you want to do it in the stock market, to do this on margin, it takes 50 percent to buy in the stock market. But if you go to the commodities market, you can speculate to your little heart's content with 5 to 7 percent. That makes no sense. It ought to be 25 percent, in my judgment, or perhaps if you want to buy oil futures, you ought to take possession of the oil.

But one way or another, when you have a market that is not working, and you have speculation running out of control, I think there is an obligation on the part of this Congress to address that. Because that speculation is driving up the price of oil, and driving the price of gasoline well up beyond where the fundamentals would suggest. It injures the American drivers, consumers,

business, and it injures this country's economy.

The second point I indicated I was going to make is on the Strategic Petroleum Reserve. This chart shows what the Strategic Petroleum Reserve looks like. These are holes in the ground, and we shove oil down those holes. We save it for a rainy day; it's 97 percent filled at this point. We are putting just under 70,000 barrels a day every day underground right now.

Sixty-seven Members of the Senate as of today have expressed themselves publicly. They think it is the wrong thing to do. They think this administration is making a mistake and they ought to stop it. Now, why do people say that? Because they know if we stop taking that 70,000 barrels of sweet light crude and sticking it underground, it will be part of the inventory out there, and they know that would put downward pressure on gas prices and downward pressure on oil prices. That is why 67 people have come to this conclusion.

The question is: What do we do to try to stop this? Well, when you put oil underground, you drive up to the gas station, you see the effects of this kind of policy. The question is: What do we do to put some downward pressure on prices? Stop filling the Strategic Petroleum Reserve and stop it now.

There is a bill on the floor of the Senate, the FAA reauthorization bill. I am part of the committee that has produced this bill. We need to modernize the system for aviation in this country. It is desperately in need of modernization. It is going to cost some money to do that, but we do not have much choice. We have had, I think, four airlines declare bankruptcy in the last month and a half.

A substantial part of it, announced by every one of those airlines, had to do with the price of jet fuel.

I am going to offer, as an amendment on this bill, legislation that would call a halt to filling the Strategic Reserve. To stop taking oil and sticking it underground, and put some downward pressure on jet fuel prices, downward pressure on gasoline prices. Some say this doesn't fit on this bill. It does. Fuel prices are why three or four airlines have gone bankrupt in the last month and a half.

I will be over here tomorrow speaking about this topic because I believe strongly that we should do something about this issue.

My colleague Senator BYRD used to talk about Aesop's fly. He described the fable Aesop's fly who was sitting on the axle of a chariot who would observe: My, what dust I do raise. There are some here in the Congress who have that notion, that if you just make a little bit of noise and have a little bit of activity, you can claim a lot of success. The fact is, that is not what the American people want this time. They want this Congress to understand the urgency, understand the problem, understand what it is doing to this country's families, and do something about it. When you have speculation that runs out of control, this Congress has a responsibility to do something. We can't have someone else do it, we can't wait for somebody else. It won't get done. If we don't do it, it won't happen.

These are two steps I believe we ought to take: No. 1, increase the margin requirement and stop the speculation in the futures market to begin to put downward pressure on prices; No. 2, stop putting oil underground when prices are at a record high and put downward pressure on prices. If we did both of those things, I am convinced we would bring oil and gas prices back down and we would provide some relief to the American driver and to the American economy.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. CANTWELL. I ask unanimous consent that the order for the quorum call be rescinded.

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

Ms. CANTWELL. I come to the floor this evening to talk about the energy crisis, the price of oil, and how consumers are seeing the impacts of high oil prices in their everyday lives. The high price of oil is impacting businesses and many consumers can't afford to take family vacations and trips, dragging down our economy over all, and dragging us further into an economic downturn.

What I have heard today on the Senate floor from many of my colleagues is accusations and claims about what is going on and what might have transpired on various issues that might have caused the high price of gasoline and certainly the price of crude oil, which is now well over $100 a barrel. I think it is important to think about what Congress has already done and to make sure we are telling consumers what needs to be accomplished to solve the problem.

What we are hearing from analysts on Wall Street is that this issue is going to continue to exacerbate, and that oil prices will continue to rise. When we think about oil futures all the way out to 2015, still being over $100 a barrel, and oil futures impacting the physical price, it raises a lot of concerns about how the economy can sustain such a high price of fuel.

Let's start with some basics about supply and demand because many of my colleagues on the other side of the aisle have talked about the fact that they think oil supply hasn't been there, that growth in the numbers of people in India, China, other countries, is exacerbating the problem.

While we have seen growth in demand from other countries, this chart—starting in 1980, going all the way to 2006, and showing some numbers until 2008; the orange line is demand, and the yellow line is supply—except for some anomalies here, shows that supply and demand have kept pace. So anybody who wants to say this is all about supply and demand hasn't looked at a chart such as this showing that these lines pretty much track each other. What it tells us is that we have to look at other fundamental things that are happening in the marketplace and not just make accusations about what is going on.

In fact, if you want to look at the high price of gasoline, you can't say it is just an increase in demand. During the summer season, motor gasoline consumption in the United States is actually projected to decline by four-tenths of a percent, and it is projected to decline by three-tenths for the whole year. We are actually seeing a decline in demand. Obviously, that is not a surprise. Given the high price of fuel, people are not able to afford to continue their normal habits. But the issue isn't that the price is being driven up simply because there is this increase in demand. The high price of gasoline also isn't about the fact that there are low inventories. Some people have wanted to say this issue is about low inventories. When you look at what the industry says, here is an oil analyst who basically says that gasoline inventories are higher than the historical average at this time of the year. So there is really no need to worry about tight supply. Here is an oil analyst saying that.

It points, again, to other questions about what is going on. Some people have said: Let's blame it on renewables. Many Democrats have been big supporters of renewable energy, big supporters of getting alternatives into the marketplace, because we believe if you get alternative fuel into the marketplace, it will lower the demand on normal fossil fuel and create some competitive advantages. I know there are some people—a Governor—basically saying: You ought to repeal the whole RFS. You ought to get rid of this issue as it relates to having a renewable fuels standard. Here is the Wall Street Journal report from Merrill Lynch saying that without biofuels, the price would be even higher, and that basically oil and gasoline prices would be 15 percent higher if biofuels weren't helping to increase the output. So it is wrong to say that somehow our focus on renewable fuels has exacerbated the situation when, in fact, it has done nothing but help the situation. In fact, I love that this Texas A&M study basically found that ethanol has increased in excess of what our renewable fuels standard was, indicating that relaxing the standard would not cause a contraction in the industry, nor would it cause a reduction in the price of corn.

The issue today is where do we go for solutions. Part of the issue is that many of my colleagues are saying it is all about more supply of fossil fuel for the United States. We have had this debate so many times in the Senate. We

have had a debate about whether the United States, with 3 percent of the world's oil reserve, really is going to make a dent in increasing supply and giving consumers a chance to get off fossil fuels. We are going to have a big debate about global warming and its impact and whether we should even keep our focus on fossil fuel or accelerate getting off of it.

Many times today, even down at the Rose Garden, we hear the word ''ANWR'' again, and how ANWR was the secret recipe for lowering gas prices in America. I obviously don't support opening up drilling in the Arctic Wildlife Refuge because it is a wildlife refuge. But I certainly don't support it when even our own Energy Information Administration has said that drilling in the Arctic Wildlife Refuge would only reduce gasoline prices by a penny per gallon and only 20 years after we got to peak production. So at a penny per gallon, if people use 400 to 500 gallons of fuel, we are talking about a few dollars of savings there over many, many months. So the notion that ANWR would be some way of solving our problems just isn't true.

I know a lot of people have talked about refinery capacity, and I think you need to talk to the oil companies about refinery capacity and why they have not expanded. I know my colleague Senator BOXER has been out here many times talking about how she had to stop consolidation in her State because they didn't want to keep a refinery open. But I know this: We know it is not environmental regulation. In fact, according to this CEO of an oil company:

> We are not aware of any environmental regulations that would prevent us from expanding our refinery capacity or siting a new refinery.

So we know it is not about environmental regulations. That is not what is stopping them either.

Some people have said: Don't take the tax incentives away from the oil industry; don't do that because somehow that is what is keeping the industry afloat. The industry is making record profits. They are making so much profit they don't even know what to do with the profit. They are buying back their own stock.

We know this: We know the President of the United States, George W. Bush, said:

> With $55 oil, we don't need incentives for oil and gas companies to explore.

It is way above $55 a barrel. So I take him at his word that we don't need incentives to continue to explore at that level.

Let's talk about what is the issue. Let's talk about what is the problem we need to solve, for which we need to be responsible to consumers, to businesses, to the economy, and to make sure we continue to deal with this threatening crisis.

I know one oil analyst who looked at these markets. And maybe the man on the street, if you ask him, he thinks something is going on in the oil market. He doesn't think it is about supply and demand. He didn't happen to see that first chart I put up, but he knows something is going on because he sees the irregularity of prices. But this analyst said: Unless the U.S. Government steps in to rein in speculators' power in the market, prices will just keep going up. Basically he is saying that speculators have too much power in the market right now, and unless the Government does its job, the prices are going to keep going up. So it is time for us to act. It is time for us to get smart about this.

It reminds me of the debate we had when the Enron crisis hit the electricity markets. It probably took well into 2001, when many people said: Do you know what, this is all about environmental regulation, or, this is about not enough refineries, and it is about the fact that there is a supply shortage. They came up with all these things.

So as 2002 rolled around and as more and more investigation was done, we found out that, no, it was actually manipulative schemes by various individuals within a very large organization—actually several organizations—that purposely manipulated the electricity markets. They did this so they could short supply and drive up the price.

Now, Congress acted in 2005. We said—after we found out all the facts, we heard all the terms: Death Star, Get Shorty, all the various schemes that had been manipulated—we kept thinking: How could this happen when we had a Federal Power Act that said, on the wholesale rate of electricity and natural gas, you have to have just and reasonable pricing. We thought that is a clear enough message for people. But, in fact, it was not. It was not a clear enough message. It cost my State billions. It cost California's economy billions. So what did we do? Congress made it illegal to use manipulative devices or contrivances in the electricity or natural gas physical markets, and we greatly increased the penalties for market transparency violations.

Now, why did we go to the extent of doing this? We could not believe that such activities were in some way a gray area and that somehow people were still confused post-Enron that this kind of activity was OK. Some people said: Well, you already have the electricity and natural gas markets under the Federal Energy Regulatory Commission. What else do you need?

But I was very proud that Congress passed this legislation. Since that law has been on the books, since 2005, the Federal Energy Regulatory Commission, as it relates to electricity and natural gas markets, has been aggressive about pursuing this power and using it.

What have been the results? Well, the result has been making market manipulation illegal when it comes to oil and natural gas, so that they have had 64 investigations, 14 settlements, $48 million in civil penalties, two ongoing market manipulation cases that could net over $450 million in civil penalties, and a dramatic increase in self-reporting and self-policing. It is like one of my staffers said: If you want people to straighten up, let them know there is going to be a cop on the beat. Let them know there is going to be someone investigating these activities and we are not going to tolerate it, and people will start obeying the law. So we did that.

In 2007, we decided that if this kind of pervasive activity was still continuing in the natural gas and electricity markets—if that was still happening—maybe there was some correlation here with what was happening in the oil markets, because clearly, after looking at all those charts we just went through about supply and demand, and everything else, we could not understand what was happening. We have had oil company executives tell us that the price of oil today should be at somewhere between $50 and $60 a barrel given where supply and demand is. Oil company executives are throwing up their arms saying: We don't know why the price of oil is well over $100 a barrel. So we, in the Energy bill in 2007, passed a law saying it is time to make the same laws we have for natural gas and electricity apply to oil markets. We said that any person who uses, directly or indirectly, ''any manipulative or deceptive device or contrivance'' in connection with the wholesale purchase of crude oil or petroleum distillates—that that was illegal and that Congress made violations subject to penalties of up to $1 million a day. That is $1 million a day because we believe, if you are doing these kinds of activities, every day that you have engaged in those activities you should pay a fine for that.

Now, where are we today with this authority? Because some people say: Well, you passed a law. Is it working? This law does not really go into effect until the Federal Trade Commission adopts rules and puts them into action. That is what we are waiting for now. My colleagues on the Commerce Committee have urged the FTC to hurry about this task, that it is so important to our economy and to consumers to hurry about this task. I know Senator REID has encouraged them, Speaker PELOSI has encouraged them. So we are in the process now of hoping that the FTC will implement this rule and give proper notice but start the process because once the marketplace knows—just as they did in natural gas and electricity—that these kinds of activities will not be tolerated, we might be able to make a dent in what is happening with this excessive speculation in the energy markets.

Well, let's look at what exactly the market manipulation behavior is that we are concerned about. We basically have said we are interested in whether companies have manipulated the supply, whether they have given false reporting, whether they have cornered

the market, and whether they have engaged in any kind of rogue trading. Those are the things we are concerned about.

Well, let's talk about supply manipulation for a second because that is something for which people might say: Well, it is just about supply and demand, and how do you pass a law about supply and supply manipulation? Believe it or not, there are good Federal statutes on the books starting with a lot of case law and a lot of history. What we are saying is, we do not want any artificial influencing of supply in the energy markets. We do not want someone creating something that is not a normal part of business but is artificially used to create a shortage—for example, diverting or exporting marginal supply in tight markets. That is, we know the market is tight on oil. You can go back to that chart on supply and demand. They pretty much track very closely. So it is a tight market. When you have an event like Katrina, it is even tighter.

Our question is, Did somebody export supply outside the country just to create a shortage in the United States and drive up the price? Have we had hedge funds holding crude oil ships off the coast just so the price will go up for a few more days?

That is the second point: holding supply deliveries temporarily to boost prices. We have people now who are major players in the oil market who really are not the end users of crude oil supply. They are just big financial movers in the marketplace. They are not taking the delivery of oil because they are out there delivering it to various jobbers or what have you. They are there for a financial investment.

In fact, we want to know if some of these inventory management strategies that have basically reduced physical supply—and basically everybody just trades their reserves on paper, and everybody just trades the paper around, where that, in fact, does not have much transparency to it. So we do not know how much that creates that management system in and of itself. Where we used to have 30 days of crude oil supply, thereby, the market was not so tight. Now we have this paper inventory system. We do not know what that really means. We do not know how much supply is really in reserve. Is that being used to manipulate supply?

Then, obviously, what we saw—I just think back to the Enron days when people said: Oh, no, no one would ever shut down a powerplant just to short supply. They would never do something like that. It must all be about the fact that really something was wrong. Well, we found out that there were purposeful shutdowns of various powerplants to short the market and to drive up the price. So we want to know if there are unnecessary and untimely ''maintenance'' shutdowns just to impact supply in the marketplace of oil.

We also want to know whether there is false reporting because false reporting can lead to misleading or inaccurate statements that also can hinder the marketplace.

Part of this legislation we passed in this bill is to say, in 2007, that if you gave false information, that was also subject to civil penalties of up to $1 million a day because part of this—the same in the Enron case—is it was very hard to understand these schemes. If it was not for videotapes that were put together, we would have never known exactly how these schemes would have worked just by looking at the books. So we want the Government to look at some of this information and if there are manipulative schemes. But if they provide false information, we believe that also should be a penalty.

Now, we know that in one case of natural gas—El Paso Merchant Energy—they reported nonexistent trades to reporting firms while at the same time failing to maintain certain records. They basically created false information about the trades that were going on. The result was six traders were convicted for false reporting and attempting to manipulate the energy market.

Now, the reason why this is so important to the subject we are debating today is that manipulation has happened in natural gas, and why this is so important now is because in the oil markets, and particularly in the oil futures market, we do not even have the same transparency in reporting requirements that we do with other commodities like natural gas. We have given them an exemption in the Enron loophole that was done in 2000 as part of the Commodity Exchange Act, so they do not have those reporting requirements. So we cannot even go and get some of this information to know that something like what was happening with El Paso Energy is transpiring in the oil markets, as it did in the natural gas markets.

So it is one of the reasons why we want to close the Enron loophole and to say that the trading of energy futures, which definitely impacts the price of oil today—and we will get to that on another day out here on the floor, about how the energy futures price impacts oil today, we will get to that, but for today we just know that if you do not have reporting, then there is no way—whether it is the SEC or the CFTC or FERC or the FTC—no one has any ability to get access to the information.

We also know that we want cornering the market to be illegal. Cornering the market would be exploiting the market power through excessive mergers like natural monopolies or blocking new entrants to basically corner the marketplace. We know this is something about which we have a great deal of concern. We know British Petroleum attempted to do this. Basically, they purchased excess propane in Texas, within the pipelines, to hold it from the market and then sell it high. We know they did that in trying to corner the market. The end result was that the Department of Justice and the CFTC ended up with a settlement case against them in the number of $303 million. So we know these things are happening in other energy markets, and we know they are a problem in the—potentially a problem—in the oil markets today.

We also know rogue trading is potentially a problem as well.

Mr. President, I am not going to take much more time on this issue as it relates to the high price of gasoline. I plan to continue to come out to the floor to talk about this issue about the need for the CFTC to promulgate this rule and get on about investigating the oil markets and to make sure consumers are protected.

I talked about what I think the rule needs to do. It needs to prohibit the manipulation of supply and to have a strong statute and penalty for falsifying information. It has to have a prohibition on cornering the market.

I believe that rogue trading is something else we are seeing in the marketplace. We need to have a prohibition on that. People might ask: What is that? It is employing manipulative trading schemes such as buying or selling large volumes of stock or futures contracts with the intention of influencing prices.

You can imagine, if somebody has a large position in one of these energy supplies or stocks, that basically ends up impacting the marketplace. We actually found this with the Amaranth case, in the area of natural gas. Amaranth sold large volumes of what is called next month natural gas delivery in the last 30 minutes of the market. What they did is basically crashed the close of the market. By selling large amounts of futures contracts for delivery of natural gas at the close of the market they manipulated the price and benefitted their large positions in other financial derivatives, and that ended up impacting the physical price of natural gas. The good news is the FERC, because of the 2005 law we passed, was on the beat, doing its job. Unfortunately, consumers paid something akin to $9 billion in increased natural gas costs before the FERC could get this situation under control. Now they are in the enforcement phase of a $291 million civil penalty against Amaranth. We know these situations are happening with rogue trading.

We know of another case that is similar to rogue trading and price manipulation, where Marathon Oil allegedly attempted to sell oil delivery contracts below the market prices in order to basically lower the market price, benefitting them as a net purchaser of foreign crude oil. So there ended up being an investigation by the CFTC, and today they are in a $1 million settlement with the CFTC on that issue.

All these issues, I believe, need to be investigated in the oil markets. They need to have a strong statute passed by the CFTC, similar to in 2005 for electricity and natural gas, where we can

see the results of the investigation, we can see that a Federal agency is doing its job; we need to do the same thing with the oil market.

In fact, there are five things I think we need to do that would help protect consumers from high prices of gasoline. Our economy and consumers cannot afford much more.

We need to close the Enron loophole, in which that 2000 law said that online trading promulgated by Enron, they said, they don't have the same transparency, don't have to open their books or allow people to see what they are doing. We know for other commodities the Securities and Exchange Commission and CFTC look at those things to make sure there is not a manipulation in the marketplace. We cannot even get these because we gave them an exemption. That needs to be repealed. We need to require oversight of all oil futures markets. That is, as I said, the oil futures price affects the physical price of oil. If people are going to buy oil futures well into 2015 at over $100 a barrel, it is going to impact the physical price of oil today. If you can buy oil at over $116 in the oil futures, it is hard to believe that oil is going to drop much below that in the physical market. But these are markets—unlike, again, our commodities in the United States, on NYMEX or the mercantile exchange, such as corn or soybean futures, this is an exchange the United States doesn't have any regulatory impact on. We don't have the ability to look at those books, any enforcement mechanisms. We don't have the ability to protect consumers on that kind of speculation if there is manipulative activity going on.

As I said, we need to get the CFTC to finish their work. This is so important that I think the Department of Justice should coordinate all these agencies because there are futures activities, there is a physical market, and there is the falsification of information. What happened with Enron is the Department of Justice created a task force, called the Enron Task Force. It coordinated these agencies and got to the bottom of what was happening with the electricity markets and the manipulation. I think the Department of Justice should create an Oil Market Fraud Task Force to do the same thing.

Lastly, I know my colleagues will talk about this on the floor—to make price gouging a Federal crime. There are 28 States in our country that have the ability, in an emergency, to make a declaration in the event of a natural disaster, or huge anomalies in the market, and help stabilize the situation with executive power. I am willing to give that same executive power to the President of the United States. I hope he would use it.

In conclusion, there is a lack of transparency in energy trading markets. We need to fix that. This is one of the CFTC Commissioners who said:

> I am generally concerned about a lack of transparency and the need for greater oversight and enforcement of the derivatives industry.

He is basically talking about this offshore exchange, where we don't have the same kind of oversight that we do. In fact, I said earlier that we have more regulation of hamburger and the future of beef than we have of oil. I will tell you that oil is critically important to our economy, and it needs to have the same kind of transparency and oversight as other futures commodities.

Last, I will reiterate that even on Wall Street, even the analysts who know what is going on in the marketplace, who know these prices are outrageous, not based on supply and demand, are saying:

> Unless the U.S. Government steps in to rein in speculators' power in the market, prices will just keep going up.

An energy analyst said that this month.

It is clear the marketplace even thinks there is too much speculative power, and the answer is for us to do our jobs—for the FTC to do their job, to get the help of DOJ, and for us to make sure we are doing our job on oversight in giving consumers protection. But I think there are very few people in America who do not think these prices are out of control, that it is not normal market forces, it is not normal supply and demand, and if it keeps careening out of control, it is going to wreck our economy. It is certainly wrecking consumers' pocketbooks right now.

I hope we will take action. I hope the Federal agencies will get on their feet and be aggressive about protecting consumers on this important issue. I know we will continue to talk about this on the floor as we continue to pass legislation that does protect America from these out-of-control gasoline prices.

I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, Senator COBURN has agreed to come to the floor. I have a couple unanimous consent requests. He wanted to be present when I made these.

UNANIMOUS CONSENT REQUESTS—S. 579

Mr. President, every year, hundreds of thousands of women in America are diagnosed with breast cancer. Breast cancer will strike approximately one in eight American women in their lifetime, with a new case diagnosed every 2 minutes in America. This year alone, it is estimated that 250,000 women will be diagnosed with breast cancer, and 40,000 of them will die.

We have made remarkable progress in breast cancer diagnosis and treatment, but we still do not know the cause of breast cancer. There are theories but no one really knows. Scientists have identified some risk factors. Those factors help explain fewer than 30 percent of the cases.

This legislation that I am going to ask unanimous consent for in just a few minutes, the Breast Cancer and Environmental Research Act, would establish a national strategy to study the possible links between breast cancer and the environment and would authorize funding for such research.

Eminent scientists believe the breast cancer that is being found, discovered in America, very likely is the result of something in the environment. Resulting discoveries could be critical to improving our knowledge of this complex illness which could lead to better prevention and treatment and even perhaps one day a cure.

Although we first introduced this legislation in 2000, and despite strong bipartisan support—right now we have 68 Senators supporting this legislation and are cosponsors of it, Democrats and Republicans—Congress has yet to act and send this bill to President Bush. Last session, the bill was reported out of the HELP Committee, but one of our colleagues prevented final Senate passage. This session we have worked in good faith to address any concerns that have been raised about this legislation. As a result, this act was once again reported out of the HELP Committee, and as I have indicated, it is sponsored by 68 Senators.

It is long past time for the Senate to take up and pass this broadly supported bipartisan legislation. Too many women and their families have waited too long for Congress to act. I tried recently, last week, to pass this legislation by unanimous consent, but one Senator objected to my request. In response to that objection, I then offered a time agreement that would allow for 2 hours of debate on this bill with two amendments on each side. I think this is a fair offer for legislation that over two-thirds of this body have cosponsored. This offer was rejected.

I urge that we have this matter move forward. I urge my colleague to reconsider this offer and end the opposition to this matter—opposition to even debating this legislation which enjoys such broad bipartisan support. It is time to offer more than words of encouragement to those affected by breast cancer. Our wives, mothers, sisters, daughters, and friends have waited long enough.

I therefore ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 628, S. 579, the Breast Cancer and Environmental Research Act; that the committee-reported substitute be agreed to; the bill, as amended, be read three times and passed, and a motion to reconsider be laid upon the table; and that any statements be printed at the appropriate place in the RECORD as if given with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. COBURN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. COBURN. Mr. President, I will not take the time now to go into detail. I will wait until the Senator from Washington finishes her speech.

I will say I have a personal involvement with this issue. My sister has breast cancer. My sister-in-law has breast cancer. My most cherished person in the world besides my wife and children and grandchildren died of breast cancer. She was a breast cancer nurse specialist. I understand the disease. We spend more on breast cancer research than any other cancer in this country today. We spend $100 million on environmental causes related to breast cancer research.

I don't object to us spending money on breast cancer research. I object to us making the decisions about what the scientists know we should do versus what the politicians want us to do. So I will spend some time after the Senator from Washington State speaks outlining in detail my opposition to putting one cancer ahead of the other 70, No. 1; and one disease that—specifically, we are going to put one specific disease and one ideology of a specific disease ahead of all of the others, and I will outline that in detail.

On the basis of that, I will object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I understand the objection, but I would hope everyone within the sound of my voice understands the lack of logic to the statement just made by my friend, the Senator from the State of Oklahoma. If he has problems with this legislation, why would he prevent the whole Senate from taking it up? Why wouldn't he come to the floor as legislators are supposed to do rather than some guerilla attack and not allowing this to come up, recognizing if I bring this to the floor, it takes time.

Now, I don't understand why, if he has all of these great ideas as to what should or shouldn't be done. Let's bring this to the floor, offer an amendment, offer two amendments. Why stop this matter from being legislated?

So I understand. I can't wave a medical degree, but I can wave the fact that this legislation is important to many people in America today, and this legislation gives them hope that something can be done to find a cause and hopefully a cure. If my friend is so certain of his position, he should be able to offer an amendment and prevail in that regard.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 628, S. 527, the Breast Cancer Research Act that was just spoken about, at a time to be determined by me following consultation with the Republican leader, and that the bill be considered under the following limitations: that other than the committee-reported substitute, the only first-degree amendments be four amendments—two for each leader—that are relevant to the provisions of the underlying bill and substitute; that there be a time limit of 1 hour for general debate on the bill and 1 hour on each amendment; with all time equally divided and controlled between the leaders or their designees; that upon the disposition of all amendments, the use or yielding back of all time, the substitute, as amended, if amended, be agreed to; the bill, as amended, be read a third time with no intervening action or debate; and the Senate proceed to a vote on passage of the bill, as amended.

The PRESIDING OFFICER. Is there objection?

Mr. COBURN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. COBURN. I would like to ask the majority leader a question. Are you aware of the thousands of studies that have already been published—

Mr. REID. Of the what?

Mr. COBURN. Are you aware of the thousands of studies that have already been written on this subject?

Mr. REID. I say to my friend, I am not aware of the thousands of studies. I am aware of the need to move forward with this legislation. I would say to my friend, if, in fact, there are thousands—and I don't in any way doubt the word of my friend—then why should that be a basis for stopping us to legislate on this issue?

We have 68 Senators who believe this legislation is important. If you, the Senator from Oklahoma, have a cause that this legislation is ill-founded, people are—I have changed my position on legislation before, and I can't understand why you would stand in the way of allowing this legislation to be legislated. That is what we do here. We are legislators.

So, no, I am not familiar with the thousands of studies.

Mr. COBURN. Mr. President, I appreciate the majority leader's response to my question. The reason is because the policy is wrong. We passed the NIH Reform Act just to eliminate this sort of issue because what we know is, out of the 2,037 diseases, we don't know which one to fund properly. We don't know which one to spend the most money on, but peer-reviewed science does. So what we have decided is, because we have a very effective lobbying group on this because it does impact hundreds of thousands of women, we are going to step right back in the middle of the NIH reform and say we didn't need it.

So the policy of us directing spending on research when we don't have the knowledge base to know that is the right thing to do—and the researchers agree with this, that we don't have the knowledge—in the context of all of the other 2,037 diseases, I will object to moving forward on this because the policy is wrong. It is not about debating it. I am happy to debate it all you want. But the policy is wrong.

Who says that the women who died of breast cancer this year are more important than the same number of people who died from lung cancer that is not related to smoking? Are we going to say that? Should we tell the NIH everything they should do, every amount of money, every disease we should decide, based on the effective lobbying of people who are absolutely affected—there is no question about that—but should we make that decision? The answer is no, we shouldn't. We should let the experts, not the Senators, not the Representatives, but the scientific experts make those decisions. We have given that charge to the NIH. That is what we ought to do. They would more sooner come to a cure and solve the problem than with us micromanaging the NIH.

With that, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I first got interested in diseases of women a number of years ago when in my Las Vegas office three women came to see me. They didn't want to be there. They were embarrassed for being there. They had a condition. It is called interstitial fasciitis. I had never heard the words before, and it is still hard for me to say these words after all of these years. But I looked into this. The NIH and the scientific community and the country thought this was a psychosomatic disease; that this was something these women had in their head; that even though each of them described the pain the same—like slivers of glass being shoved up and down their bladder—it was all in their head.

I had the good fortune of having a woman, who is an orthopedic surgeon, who had this same condition, and she said: This is not in my head, it is in my bladder, and something should be done to study this. We have begged the NIH to do it. We have had others that we have asked to do it, and they are not doing anything: You, Senator REID, should have something done about this.

And we did this. We established a registry. We did that by legislation. As a result of that, now almost 50 percent of the people who have that disease have medicine to take that takes away their symptoms, the pain. It is pretty good.

Have we cured the disease? No, we haven't. But progress has been made because, as policymakers, that is what we do. We set policy. The NIH is a body of this legislature, this Congress, and we have an obligation and a right to direct them to do things. Now, they do good work. They do very good work. But there are other things that we think they should be doing.

Who cares about this, my friend asks? Well, who is lobbying for this, he asks? Two hundred and fifty thousand women who are going to get the disease this year are the lobbyists. They don't come here, all of them, and 40,000 to 250,000 are going to die. Now, is every penny of this money that we want to appropriate going to hit the mark and do the right thing? Maybe not, but it is going to lead to some discoveries that

will help this disease and probably other diseases.

So I say, I am disappointed and we are going to continue to work this issue. This issue is not going to go away. It is not only this Senator but 67 other Senators and others who will support this when and if we get this to the floor. So I appreciate the courtesy of my friend from Oklahoma. He is a gentleman. I disagree with him on occasion, but I appreciate his statement.

UNANIMOUS CONSENT REQUEST—H.R. 5613

Mr. REID. We have more than 50 million low-income people—about 1 out of 6 Americans—depend on Medicaid for their health care. These are the poorest of the poor.

This administration has issued a series of regulations that will undermine the Medicaid safety net and create barriers for accessing care for the poorest of the poor.

These regulations, touted by the administration as ''savings,'' would not lower health care costs.

Instead States—already facing tough economic times, strained budgets, and increased demand for services such as Medicaid—will either have to raise revenues elsewhere or be forced to cut services to our Nation's most vulnerable at a time when they need help the most.

Each regulation has different impact on individuals, providers, communities, and States. They include, among other things, detrimental provisions, such as limiting services for people with disabilities; preventing children from receiving health care during the schoolday; cutting payments to public hospitals and other safety net providers for such undertakings as emergency rooms, burn units, and trauma centers.

The administration claims these regulations are necessary to fight fraud and waste in the Medicaid Program. But in a recent hearing on the Medicaid Program, the General Accounting Office testified it did not recommend the administration's proposed changes. They would not help.

We are committed to ferreting out any fraud that may exist in the Medicaid Program. But regulations that harm our most vulnerable and place greater burden on fiscally strapped States are clearly not the way to accomplish this end.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 719, H.R. 5613—which, I might add, passed the House by a huge vote—a bill to protect the Medicaid safety net; that the bill be read the third time and passed and the motion to reconsider be laid on the table, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection.

Mr. COBURN. Mr. President, there is $38 billion worth of fraud in Medicaid. We are on an unsustainable course as a nation. We have $74 trillion worth of unfunded liabilities. When we talk about controlling spending and earmarks, we always hear it is a mandatory program.

Finally, not all of what the administration has done do I absolutely agree with but on key points I do. These rules will make a difference. If we are interested in fraud, let's write the regulations to get out the fraud. That hasn't been the offer. All we are willing to do as a body is say to the administration you have ideas that will get rid of $42 billion worth of fraud over 5 years, but we don't like it because we are feeling pressure from the State Medicaid directors, when we know States game Medicaid. A great example: There is nothing in this to stop any Medicaid Program from taking a child from school to the doctor, but it does stop the 500-some-odd million dollars being spent on transporting schoolchildren back and forth to school who don't have a medical appointment. So what we have is a system that has been gamed. We have allowed it.

Now the administration put something forward which we don't like and which we ought to negotiate with them to change, rather than saying you are not going to do any of it. The fact is the unfunded liabilities associated with the Medicaid Program are about $12 trillion. We are going to do something—just forget it.

I applaud the administration for making an effort to try to fix some of this. But to say you cannot do any of it, when some of it is very badly needed, is wrong. So unfortunately, Mr. Leader, I have to object again.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, as I indicated in the last piece of legislation we tried to move forward on, would my friend allow us to bring it to the floor and debate the issue and offer amendments to it?

Mr. COBURN. I am objecting not solely for myself. I am happy to work on trying to put together a proposal with the administration that would make a difference and then bring it to the floor.

Mr. REID. How long do you think that would take?

Mr. COBURN. Two weeks.

Mr. REID. I appreciate that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington State is recognized.

Mr. COBURN. May I inquire how much longer the Senator is going to be?

Ms. CANTWELL. Three or four minutes.

Mr. COBURN. Mr. President, I ask unanimous consent that I be recognized following the Senator from Washington.

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

Ms. CANTWELL. Mr. President, I say to the majority leader, I appreciate what he said on behalf of women. Washington State has one of the highest rates of breast cancer in the Nation. We have a very good detection program and good survival rates. We don't know the cause of it, but we know it is very important to continue the research.

I know that in 1992, the so-called year of the woman, when we had one of the largest classes of women elected to the Congress, we saw an increase in women's health research. Why? Because women were in the Congress to say it was important to us to not have the research directed in a way that favored some of the particular programs that were about men's health.

So I thank my colleague. The majority leader is right to say we have to respond to our constituents who are concerned about this issue and want to give attention to it. Clearly, women's health research hasn't gotten all the attention it deserves in the past.

Mr. REID. Will the Senator yield?

Ms. CANTWELL. Yes.

Mr. REID. Does the Senator acknowledge that with diseases such as interstitial fasciitis, more than 90 percent of the people who have that disease are women? Women-related diseases have not gotten the attention they deserve, and one reason is because the legislature has been dominated by men.

Ms. CANTWELL. That is what we found in the 1990s, in that we didn't have enough representation to ask the hard questions, to say our constituents were not being heard on this issue and to raise this in various committees. Frankly, that was the time period when, for the first time, we had a woman on every committee in the House of Representatives. Once we got women on every committee, we asked the hard questions and increased the percentage of women's health research.

I think it is a very poignant point to the fact that, while NIH does good work, we have to respond to our constituency and, certainly, there can be discrepancies and issues that the larger public should have a say in as to health research.

The PRESIDING OFFICER. The Senator from Oklahoma.

CANCER RESEARCH

Mr. COBURN. Mr. President, I wish to spend a few minutes answering the question as to why would one Senator, in the light of all the other Senators who have cosponsored this bill, stand and block a bill that 60 some Senators want to see passed? I think it is a great time for us to define what is wrong in our country today.

What is wrong is we think about the next election far off and more often than we think about the next generation. I want us to cure breast cancer as badly as anybody else. The point Senator REID did not tell you is we are already spending $100 million on this very subject, the environmental connection to breast cancer. We are also spending more on breast cancer research than we are any other cancer, and yet it is not the leading cause of death.

We are going to have 160,000 people die this year from lung cancer, the

same number who are going to die from breast cancer, 40,000 of which have no relationship to smoking, but you do not see anybody on the floor telling the NIH to do a study between the environmental effects and nonsmoking-related lung cancer.

The reason it is important is a little example of penicillin. It is a great example. We stumbled onto that through the science of microbiology, but we would never have gotten there if we had told the NIH: Study scarlet fever and find a cure; study strep tonsillitis and find a cure; study syphilis and find a cure; study gonorrhea, and we had gone four or five different ways. The point I am making is basic research is what we ought to be doing.

In the mid-nineties, I was one of the strong advocates for increasing the size of the NIH budget. It ought to be twice what it is today. The reason it is not $60 billion a year instead of $29 billion is because we will not fix the waste in Medicaid of $42 billion over 5 years, we will not fix the $90 billion in fraud in Medicare, we will not fix the $8 billion that was paid out by the Pentagon for performance bonuses that nobody earned last year, we will not fix the $50 billion that is associated with waste within the Pentagon. Nobody will fix it. We had one wheelchair that was sold multiple times for $5 million to Medicare in Florida alone—one wheelchair. We will not do the hard work that creates the long-term best interest for our country, but we will certainly respond to—granted, very real issues, but in an inappropriate way that does not get us where we want to go.

The NIH budget spends more on breast cancer research than any other research. We are going to spend $100 million on research on the link between breast cancer and the environment. Plus, the Defense Department is going to spend another $138 million, and the Centers for Disease Control and Prevention combined is greater than $1 billion. There is not any other disease we do that on right now. Yet we are going to tell them to do more of the same they are already doing, and we are never going to think about the other people with other diseases, the other 2,037 diseases that are not as well organized and have nowhere close to the same investment at NIH.

The point is, the hardcore, heavy-duty, peer-reviewed science ought to guide us, not emotion, not my poor cousin Sharon Wetz who died 6, 7 years ago of breast cancer, not my sister who has breast cancer, not my sister-in-law who has breast cancer. What we ought to be doing is what is in the best overall good for this country as a whole. And if we need to spend more money on breast cancer, then the way to do that is to get rid of some of the waste and double NIH, but any dollar we spend on breast cancer is a dollar we are not going to spend on colon cancer, it is a dollar we are not going to spend on thyroid cancer, it is a dollar we are not going to spend on lymphoma, because we are going to take it away.

In this bill, it says this should not interfere with peer-reviewed research. If that is the case, then this will never get appropriated. So either this bill is about doing research or it is about a press event for a politician. I will tell you, I think it is the latter.

In 2006, we modernized the NIH to keep exactly this thing from not happening. We took away all the silos. We gave the Director the power and the authority to start making great decisions based on what the raw science was telling him so when we invest in raw science, we magnify the potential benefits that come from it. Now we are going to go back and say we are going to start picking diseases; we are going to start managing it. Why do we need a staff at NIH? Let's let the Senate pick every disease and how much we are going to spend on every one of them; we obviously are qualified.

We are not qualified.

I find it amazing—I do not doubt Senator REID's story, but as a surgical resident in 1984, I was doing cystoscopies and diagnosing interstitial cystitis. We didn't think it was psychosomatic. We knew it was a real disease 3 years before Senator REID came to the Senate.

The question politicians ought to be asking is what is NIH doing? Where is the oversight on what they are doing? Find out what they are doing. How does their work rank in comparison to the other disease initiatives at NIH? We have not had a hearing on that issue.

The HELP Committee has had hearings on multiple speciality disease bills. So we are back into answering a real need, but maybe it is not the best priority. What if we spent the same money we are going to spend on this disease and we got a breakthrough that cured all cancers, but because we decided we were going to reconnect with one specific aspect of one potential risk for one cancer, we missed it?

The wisdom of this body has to be to think in the big picture and in the long term. I have diagnosed breast cancer over 500 times in my medical practice. It is a gut-wrenching, life-changing disease. Fortunately, we have had great improvements in it and our diagnostic skills are getting better, especially with digital MRI on breast examination. Early diagnosis has an impact, but what we do and how we do it is going to matter.

I will put forward that Senator REID can bring this bill to the floor, and if he brings it and we take the time—and I am more than happy to take 4 or 5 days to talk about how we should work at NIH, and I am happy to do that—and the bill will pass, but then are we going to do the same thing with every other disease the HELP Committee brought out? There are about eight other bills just like this bill. We are going to tell NIH: You have to spend this money here, you have to do it here. Regardless of what the raw molecular science says, regardless of what the peer-reviewed literature says, we are going to tell them what to do. Consequently, we are going to delay scientific discovery.

My opposition is not that I don't want to cure breast cancer. My opposition is not that I don't want us to find a cure. I want to find a cure for all of them. I am a two-time cancer survivor. I would love to prevent colon cancer. I don't like walking around with half a colon. There are a lot of consequences to it. I don't like having melanoma and having half my neck taken away. I don't like it, but I don't want colon cancer to displace possible cures for everybody and in the best interest of this country.

Will I object? Every time I come to the floor I will object because I think the ultimate underlying policy is wrong. The way we solve breast cancer in this country is double the NIH funding and let science drive the way we need to go. The way we double NIH funding is get rid of the $300 billion waste, fraud, and abuse that is in the discretionary budget every year which most of us don't have the courage to attack because it might gore somebody's ox.

To those who have breast cancer, as a physician and somebody who has been through cancer, I know your fear. I have been there. I have experienced the questions. I have experienced the chemotherapy. I have experienced the losing of 30 or 40 pounds. I have experienced the nausea and vomiting that is persistent with you for 4 or 6 months. Most of all, what I have experienced is, we have a great health care system and great research in this country that is saving a lot of lives. If we will get our hands out of it as politicians, they will be able to save a whole lot more lives than when we put our hands into it and tell them what they must and shall do.

I thank the good Lord for the time he has given me. I am 5 years out this month from colon cancer. There is no guarantee, but while I am alive, I am going to do things that are in the best long-term interest of our research for health care, that give us the most life for the dollars that we invest. If that is pleasing politically, great. If it is displeasing politically, it is OK too. What is important is we are good stewards—not just with the money but with the direction to allow science to lead us to cures.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. MENENDEZ. Mr. President, I ask unanimous consent the Senate proceed

to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

HONORING OUR ARMED FORCES

CORPORAL BENJAMIN K. BROSH

Mr. SALAZAR. Mr. President, I rise today to honor the life of Army Corporal Benjamin Brosh, of the 2nd Battalion, 327th Infantry Regiment, 1st Brigade Combat Team, 101st Airborne Division, out of Fort Campbell, KY. Corporal Brosh was killed last week in Balad, Iraq, when a car packed with explosives detonated near his position at Forward Operating Base Anaconda. He was 22 years old.

Corporal Brosh has roots in Mississippi and Colorado, where his mother still lives and where he loved to ski. Those who knew him remember his energy, sense of humor, his love for his family, and his commitment to the Army and to the soldiers with whom he served.

He entered the Army in 2006, shortly after experiencing and enduring the devastation that Hurricane Katrina wrought on his community. The storm stirred Benjamin to understand his gift for helping others in times of need. Although the storm had badly damaged his own crabbing business, which he had built out of his childhood love for fishing, Benjamin spent the days and weeks after the storm helping his family and friends dig out from the wreckage. ''He just worked like a Trojan, and didn't want anything from it,'' recalls a family friend whose home Benjamin cleared of mud and debris.

He carried his dreams of helping others into the Army and then to Iraq, where, amid the violence of firefights and roadside bombs, he remained focused on doing what he could to help ordinary Iraqis rebuild their lives. Benjamin's father recalls how much he enjoyed delivering soccer balls to Iraqi children and then challenging them to a pickup game. In a war zone wrought with confusion and tragedy it is hard to imagine a gesture of humanity more powerful than that of an American soldier joining with Iraqi kids in a soccer match.

Corporal Brosh's passion for assisting others was matched only by his commitment to protecting the soldier next to him. He was a pillar of his unit, sustaining his fellow soldiers with his good spirits, optimism, and courage. He dispensed advice and encouragement and, ultimately, offered his life to protect his unit.

The words we offer to honor Corporal Brosh cannot begin to describe the heroism of his daily work or the depth of his character and convictions. From his memory, though, we draw a model for service and duty to which we can all aspire.

At a 1963 gathering remembering the life of the poet Robert Frost, President John F. Kennedy reminded the crowd that, ''A nation reveals itself not only by the men it produces, but also by the men it honors, the men it remembers.''

Our Nation tends to recognize those men and women of wide acclaim, with whose accomplishments we are already familiar. This, however, is a time of heroes. Over a million and a half Americans have left their families for deployments to Iraq and Afghanistan. Benjamin Brosh, a young man who learned his power to help others in the wake of Hurricane Katrina, gave even more than most. He lent his character, he lent his optimism, and he lent his life to his country. If a nation, as President Kennedy suggests, reveals itself by the citizens it produces, then Corporal Brosh is America at our finest. He is a patriot and a hero.

To Benjamin Brosh's parents, James and Barbara, and to all his friends and family, our thoughts and prayers are with you. I hope that, in time, your grief will be assuaged by the pride you must feel in Benjamin's service and by the honor he bestowed upon his country. This Nation will never forget him.

SERGEANT DAVID ''DJ'' STELMAT

Mr. GREGG. Mr. President, I rise today to honor U.S. Army Sergeant David Stelmat of Littleton, NH. On March 22, 2008, Sergeant Stelmat was tragically taken from us, along with two fellow soldiers from the North Carolina Army National Guard's 1132 Military Police Company, when his humvee encountered an improvised explosive device in Bagdad, Iraq. At only 27 years old, SGT David Stelmat, or DJ as he was known to his friends and family, will always be remembered as an adventurous, fun-loving young man who enjoyed the outdoors.

The attacks of September 11, 2001, were the worst our Nation has ever experienced. Terrorists hijacked commercial airplanes, turned them into weapons, and brutally steered them into the World Trade Center Towers in New York, the Pentagon only miles from here, and the last plane lost on a field in Pennsylvania as a result of the heroic stance of the passengers aboard. It has become part of New Hampshire lore that in the wake of this tragedy, when our Nation was looking to heal itself, DJ, a 1998 graduate of Profile High School, along with a friend, climbed to the top of the Old Man of the Mountain and placed an American flag in the iconic profile. Pictures of DJ's action quickly spread and served as a patriotic symbol of our State and our country.

Upon returning home from military service to our Nation as part of the infantry in Afghanistan, DJ attended the New Hampshire Technical Institute in his ardent desire to become an emergency medical technician. I am sure that this patriotic need to help our Nation heal after September 11 came from the same source of motivation which led to his burning desire to achieve his goal of military service as a combat medic.

In January 2006, DJ joined the New Hampshire National Guard's 237th Military Police Company. In August of that year he completed training as a health care specialist. After receiving training, he deployed with the 1132nd Military Police Company. As a testament to his service, Sergeant Stelmat's awards include a Bronze Star, Purple Heart, Army Good Conduct Medal, National Defense Service Medal, Iraq Campaign Medal, Global War on Terrorism Service Medal, Armed Forces Reserve Medal with ''M'' device, Army Service Ribbon, Overseas Service Ribbon, Combat Action Badge, Expert Rifle Weapons Qualification Badge, and an Overseas Service Bar.

My deepest sympathy, condolences and prayers go out to DJ's loved ones, especially his parents. The service and sacrifice of Sergeant Stelmat remind me of the words of another son of New Hampshire, Daniel Webster, who said, ''What a man does for others, not what they do for him, gives him immortality.'' As combat medic, there is no doubt but that DJ put his country and his fellow soldiers before himself. For this selflessness, we are eternally grateful. May God bless U.S. Army Sergeant DJ Stelmat.

COMMEMORATION OF THE 265TH ANNIVERSARY OF THE BIRTH OF THOMAS JEFFERSON

Mr. WARNER. Mr. President, on April 13, 2008, America celebrated the 265th anniversary of the birth of Thomas Jefferson, who first served as Vice President and then subsequently was elected as the Nation's third President in 1801. He deemed his proudest achievement to be the ''Father of the University of Virginia.''

As part of the national celebration, President and Mrs. Bush invited distinguished scholars and others to pay tribute to the extraordinary achievements of this great American. I was privileged to attend along with John Casteen, current president of the University of Virginia, and many other invited guests from the Commonwealth of Virginia.

Given the importance of this occasion and the respectful tributes delivered by the President, the First Lady, and two eminent scholars, I wish to record this event for the American people.

TRIBUTE TO BARB HESS

Mr. GRASSLEY. Mr. President, I would like to take a few moments to pay tribute to a remarkable teacher who has touched the lives of countless students in Davenport, IA. Miss Barb Hess is retiring after 46 years teaching various social studies courses at Davenport Central High School.

Many of us can think back to one favorite teacher who stands out amongst all the rest; who because of a unique combination of personality and teaching skills, was able to spark an interest in a certain subject or learning in general. Miss Hess has been such a teacher

for an extraordinary number of students. Her profound impact on her students and on Central High is attested to by her colleagues who wrote me an impassioned letter recounting her impressive career, as well as by a great many of her former students, including a member of my staff.

In the classroom, Miss Hess commands respect and maintains discipline with only a few softly spoken but firm words, making clear that appropriate behavior is expected. She holds high academic expectations for her students, challenging them to achieve their potential. Her courses, many of which she developed herself, push students to think deeply and critically. Her students know that she expects papers to demonstrate clear writing with well reasoned arguments backed by solid research. In a time of much discussion about lack of rigor in high school coursework, Miss Hess's classes stand out as an example of rigorous preparation for higher education and other life-enriching opportunities.

Her high expectations for her students are a natural outgrowth of the high expectations she sets for herself. Although Miss Hess holds both a bachelor's and a master's degree from Drake University, she has never ceased to enhance her own knowledge of the subjects she teaches. She can always spot plagiarism, often because she is intimately familiar with the original source.

Outside the classroom, Miss Hess has been the adviser for the student council starting in 1974 and has advised numerous other student groups and organizations. In fact, she has organized, advised, or assisted with more functions at Davenport Central over the years than can be tallied. Barb Hess has been a loyal ''Blue Devil'' since her student days, consistently supporting sports teams, fine arts events, and other extracurricular activities over the years.

Barb Hess is a fixture at Davenport Central High School, having achieved near legendary status among those familiar with the school. Her imprint on the institution will continue to be felt very strongly. Her imprint on the lives of her students will be even more enduring. The best teachers combine extensive content knowledge with a certain intangible ability to connect with students and to inspire them to excel in school and life. Miss Hess's ability to care about each student as an individual, and unique talent for bringing out the best in students of all kinds, places her among the best of the best. She will be missed in her classroom at Central High, but her legacy of improving the lives of generations of students will last forever. I thank Barb Hess for her years of service to Iowa's youth and I wish her the very best in her retirement.

NORTH KOREA

Mr. BROWNBACK. Mr. President, the guard told the story of a father, a mother, a son, and a daughter who were stripped naked and led into a room together. The room was made of glass, ten feet wide, nine feet long, and seven feet high. Leading into the glass room where the family stood was a metal injection tube. Outside the room, a group of scientists waited with pens and note pads. The guard recalls that the gas began to flow through the tube into the glass room. At first, the gas collected along the floor. The family stood together in the middle of the room. Then, as the cloud of gas rose from the floor of the chamber, the son and the daughter began to vomit and then to die. The mother and father tried to save them. They stood as high as they could to gasp the last clean breaths of their lives, to breathe that air into the lungs of their children, and to preserve their lives for a few more moments. Soon, the parents, too, began to vomit and die. One by one, all four succumbed and collapsed into the cloud of gas. Eventually, the father, the mother, the son, and the daughter all lay dead on the floor of the gas chamber.

The story I have just told you did not happen decades ago in Nazi Germany. It happened recently, and there is every reason to believe that things just like it may continue to this day, perhaps at this very moment. They happened in a country with which our diplomats are talking about granting full diplomatic relations and all of the mercantile and diplomatic privileges of membership in the civilized world.

This story happened to forgotten people, in a forgotten part of a forgotten country. You have probably never heard of it, yet it is the scene of crimes against humanity whose scale and depravity rival those of Mauthausen, Tuol Sleng, or Srebrenica. The place is called ''Camp 22.'' It lies in the far northeastern corner of North Korea.

Camp 22 is not history than we can condemn from the safe distance of time. Yet too many of us refuse to confront it, perhaps because we are afraid that confronting the crimes of Camp 22 would also require us to confront its moral imperatives. We cannot say that we act according to our values when we invite mass murder into the community of civilization, with all of its diplomatic and mercantile privileges. It is to horrors like these that we must say ''never again,'' and mean it, and act.

It is a massive place, perhaps hundreds of square miles in area. Former guards say that 50,000 men, women, and children are confined there. Camp 22 is a killing field where guards murder children for scavenging garbage to eat, where prisoners are publicly stoned to death and disemboweled, and where entire families are slaughtered for no more reason than to serve as examples for other prisoners. It is a place where torture, starvation, and disease kill 20 percent of the prisoners every year, and where children die because their parents are accused of thought crimes.

Camp 22 is only one of an archipelago of concentration camps in North Korea. The U.S. Committee for Human Rights in North Korea estimates that 400,000 people have been murdered in these camps. Survivor Kang Chol Hwan describes spending ten years in another camp, Camp 15, where each spring brought a grim new harvest of deaths from starvation and disease.

The only people who have ever seen Camp 22 are its guards, its victims (none of whom has ever escaped), and the thousands of dead whose corpses and bones are strewn in its hills, fields, and ravines. Kim Jong Il's regime still denies that these camps exist. No foreigner has ever been permitted to go near them. Until North Korea allows us to go to the camps to prove or disprove these reports, we cannot know for certain what is happening there. Still, commercially available satellite imagery allows us to look upon Camp 22 for ourselves and verify what the survivors tell us in detail. Google Earth has made witnesses of us all. In these times, anyone with an Internet connection can look down into hell at Camp 22 and witness Holocaust Now.

I would like to thank the Rev. Chun Ki Won, whom many have dubbed the ''Schindler of the East.'' Reverend Chun himself has led hundreds to safety and himself spent nearly nine months in a Chinese prison when he was caught trying to get into Mongolia with a group of refugees. The floor charts of satellite photos I am about to show were vetted by refugees, both victims and guards, he is in touch with in Korea and elsewhere. They identified the details of these gulags and confirmed their existence.

I want to show you Camp 22 today. I want you to see its fence lines, its gates, and moats. I want you to see the huts where its prisoners live, the coal mines where men are worked to death, and the forests and fields where the dead are discarded. I want you to be haunted by these things when you consider how we should deal with Kim Jong Il's regime, and when you are deciding what kind of a country we will be. I ask that you hear what I have to say while there is still time to stop this, and before our government surrenders the last pressure it may have to stop it. In Camp 22, it is forbidden to mourn the dead. Mourning them will not bring them back, but it may save others who still suffer.

Using Google Earth's highest resolution, it is possible to trace the camp's circumference perhaps hundreds of square miles. Unfortunately, only the western half of the camp can be seen in publicly available high-resolution imagery. The alleged gas chamber is outside of this area.

Tracing the camp's boundaries is not difficult. The camp is surrounded by electrified barbed wire fences from which vegetation has been cleared away. The sharp corners in the fence lines make them impossible to confuse with roads. At regular intervals, there are guard towers or distinctive guard posts.

In North Korea, fence lines like these are the distinctive mark of concentration camps, with a few exceptions, such as Kim Jong Il's palaces, and certain nuclear sites. For example, there is the fence line of Camp 14, the so-called ''life imprisonment zone'' at the headwaters of the Taedong River, from which no prisoner is supposed to leave, dead or alive.

Another camp that can be identified by its fenceline is Camp 15, made infamous by Kang Chol Hwan in his gulag memoir, ''The Aquariums of Pyongyang.'' Kang was sent to that camp at the age of nine. It was not until his release 10 years later that he learned why he and his family were sent there. His grandfather had come under suspicion for having lived for many years in Japan. Kang and his family were arrested one night and taken to Camp 15 in accordance with the North Korean doctrine that class enemies must be rooted out for three generations.

Former guard Kwon Hyuk claims that the fences around Camp 22 are 2½ meters high, and electrified with 3,300 volts of electricity. He also says the camp is surrounded by spiked moats in places. Photographs from Google Earth also reveal trenches, railroad gates, and guard posts. In some pictures, you can even make out what appear to be clusters of people in the camps.

The farmers who live outside the gates of the camps cannot pretend not to know what goes on beyond the fence. One recent defector, who lived in this area, described living near Camp 22 to his English teacher, who wrote about them in the Washington Post. According to this young North Korean refugee, because food and alcohol are scarce in the countryside, the camp guards sometimes went to his house to drink, usually heavily. In their intoxication, the guards would confess to their sense of remorse.

When American soldiers and news cameras reached the gates of Dachau in 1945, we and millions of men and women of conscience throughout the world made a simple, solemn promise: ''never again.'' Who among us today questions the righteousness of that promise? And who among us doubts that much of its meaning lies buried in the mass graves of Tuol Sleng, Rwanda, and Darfur? Why have we not done better? Perhaps the civilized world erred by making a promise it could not keep. We cannot solve all of the world's problems or suppress the worst impulses of humanity. Still, ''never again'' was, and is, a promise worth keeping if we read it as a promise, first, to speak the truth; second, to do no harm; and third, to find ways within our means to stay the hand of the murderer.

We find ourselves in the possession of information not unlike that which was in our possession in 1943. Our government had aerial photographs of Auschwitz, Dachau, and Buchenwald, too, and the accounts of the survivors were there for us to act on or disbelieve. Perhaps all of the evils of Camp 22 and these other camps are fictions. If that is so, let Kim Jong Il open them to the eyes of the world. Let him refute me and all of us who believe that it is beneath our nation to collaborate with evil of this depth.

I am aware that some in Washington, including many in our State Department, would prefer to hear even less discussion of the atrocities in North Korea for the sake of a diplomatic process that has taken decades to get us nowhere. I was deeply ashamed this year when I read in the Washington Post of how our State Department's East Asia Bureau had tried to pressure the authors of this year's human rights country reports to airbrush the section on North Korea, invoking ''the Secretary's priority on the Six-Party talks'' and asking the authors to ''sacrifice a few adjectives for the cause.'' Perhaps this diplomat was guided by a sincere but mistaken belief that there will be time to deal with North Korea's atrocities when its disarmament is negotiated first. For those who are suffering and dying in these camps, this year, there may not be a next year.

With all due respect to Secretary Rice, I have come to doubt that our State Department is as serious about ending these atrocities as it is about pretending that we have progressed toward disarming North Korea. Why, more than 3 years after this Congress unanimously passed the North Korean Human Rights Act, are American consulates in China and other countries still refusing to let North Korean refugees in their gates? Under Assistant Secretary of State Christopher Hill, who tells us that he intends to make human rights one of many issues to be addressed through a ''normalization working group'' within the six-party talks, now says that America can raise its objections to these atrocities ''in the context of two states that have diplomatic relations.'' Some of us had observed years ago that Ambassador Lefkowitz, our Special Envoy for Human Rights in North Korea, has been sidelined and silenced. Recently, we watched with embarrassment how he was treated when he dared to make the obvious connection between Kim Jong Il's malice toward his own people and his malice toward us.

After all, the basis of any negotiated disarmament or peace must be a shared interest in the preservation of human life. What does it tell us that Kim Jong Il holds human life in such low regard as to run places like Camp 22, and then lie so flagrantly as to deny its very existence? What lessons can we take from the fact that he left two and a half million North Koreans to starve to death while he expended his nation's depleted resources on nuclear weapons and luxuries for himself and the elites? What does it tell us that, according to multiple witnesses, this regime kills newborn babies of refugee women returned from China in the name of protecting North Korea's racial purity? Does this regime value human life including North Korean life—as we value it? If not, isn't it reasonable to conclude that neither a desire for peace nor good faith will motive Kim Jong Il to keep this latest agreement?

And finally, what does it tell us that China, the guarantor of that agreement and host for the six-party talks, greenlighted North Korea's nuclear test in 2006? Or that it has just announced a new plan to undermine the U.N. sanctions that followed that test by letting the regime's officials hold accounts in Chinese banks, in Chinese currency? Or that it has flagrantly violated the U.N. Refugee Convention for years by offering bounties to people who catch and turn in North Korean refugees, so that it can string them together like fish on lines, with wires through their wrists and noses, as it leads them back to the death camps and firing squads? Or that it has bullied the UNHCR into refusing asylum to North Korean refugees? And what do we have to say about China's efforts to cleanse its territory of North Korean refugees to ensure that this year's Olympic games will be free of the wretched refuse of its tyrannical satellite?

Do not misunderstand my words. I am certainly not advocating war. After all, if we wish to rid the world of this repellent regime, we need only stop sustaining it. Kim Jong Il has already ruined North Korea's economy. He cannot sustain his misrule without the cash he receives from other nations, through aid, trade, and crime. Recent reports by economists and NGO's tell us that North Korea's regime has never been in greater economic distress, and that it has lost even the capacity to feed its elite. As Kim Jong Il shows stubborn contempt for our diplomatic efforts, we must relearn the lesson that diplomacy only influences evil men when it is backed by pressure. In the case of North Korea, the threat of economic pressure will gain power in the coming months . . . but only if we do not throw it away.

Nor do I fail to grasp that our idealism must sometimes find ways to conform to our immediate interests. But those who say that America should stand only for its pecuniary interests and abandon its values have forgotten how America built the treasures it now seeks to protect. We have always been a nation of ideas of values. What else unites us? We differ in our ethnicities, faiths, and even in the climates and cultures of our vast country's regions. If our values no longer guide us, we are nothing more than another color on the chessboard, and we have ceased to be a beacon for the world's hopes, a model for its development, and a magnet for its talents. What a tragedy that would be for a nation that, as De Tocqueville said, is great because it is good. I do not say that we are perfect; after all, our tendency to revel in our own imperfections has made our society far more just and good. And with

greatness, and with goodness, come obligations to conform the pursuit of our interests to the pursuit of our values.

Here is an occasion when our values and our interests both demand that Kim Jong Il be given a stark choice: transparency or extinction. Let us resolve that we will not allow Kim Jong Il to plunge North Korea into famine again this year. Let all nations of conscience join to deny the Kim Jong Il the means—through trade or unrestricted aid—to perpetuate his rule and his luxurious lifestyle while the North Korean people suffer and starve. America should stand ready to help the people of North Korea, if and only if we can verify that every last citizen, soldier, peasant, and prisoner—including the prisoners in Camp 22—can share equally in the aid we should offer generously. If Kim Jong Il refuses the just terms on which we must condition our assistance, then why should we extend the misery of his people by delaying his meeting with the ash heap of history? That is why I am resolved to oppose, to the last breath in my body, adding this country to the list of Kim Jong Il's benefactors and abettors until the prisoners of Camp 22 are fed, healed, housed, and freed.

ADDITIONAL STATEMENTS

COMMENDING HAWAII'S LEXUS ENVIRONMENTAL CHALLENGE CHAMPIONS

• Mr. AKAKA. Mr. President, I congratulate the Dream Team, a team of eight students from Farrington High School in Honolulu, HI, for winning the grand prize in the 2007 to 2008 Lexus Environmental Challenge. The Lexus Environmental Challenge is a multiphased national competition between 350 middle and high schools from across the country. The challenge addressed issues from global warming awareness to informing communities about the critical importance of water conservation.

Over the course of 7 months, the Dream Team competed against 350 middle and high school teams from across America in challenges addressing local environmental issues. The Dream Team was one of 55 teams invited to compete in the final global challenge where students were asked to develop a program that could potentially change the world. For their final global challenge, the Dream Team took advantage of Hawaii's ethnic diversity to educate people around the world about the benefits of clean renewable energy by creating a video message in 11 different languages ranging from French to Samoan to Tagalog and Arabic.

The members of Farrington High School's Dream Team include Genevieve Cagoan, Robin John Delim, Carmina Figuracion, Robin Monzano, Minh Trang Nguyen, Herald Nones, Maria Sheville Lee, and Princes Rosit. The team was led by Ms. Bebi Davis, a Farrington High School chemistry teacher who was the team's adviser.

The grand prize for the Lexus Environmental Challenge is $75,000. Ms. Davis will receive $7,000 for various classroom projects, Farrington High School will receive $15,000, and the remaining $53,000 will be split equally among the eight members of the Dream Team.

I congratulate the Farrington High School Dream Team for its great accomplishment in capturing the 2007 to 2008 Lexus Environmental Challenge grand prize. I wish all of them the best in their future endeavors, and I urge them to continue to set an example for future generations. I extend the same congratulations to all students and advisers who participated in the 2007 to 2008 Lexus Environmental Challenge.•

50TH ANNIVERSARY OF THE SOUTHEASTERN COLORADO WATER CONSERVATION DISTRICT

• Mr. ALLARD. Mr. President, on April 29, 1958, the District Court in Pueblo, CO, established the Southeastern Colorado Water Conservancy District. That action resulted in a firm water supply for the Arkansas River Basin, providing much-needed supplemental water to communities which are home to the wonderful people of this region.

The Arkansas River Basin includes communities whose livelihoods have always depended on water: farming, ranching, steel manufacturing, small businesses. The economic tide in this region has ebbed and flowed during that 50-year period, but its riches lie not in dollars but in its people.

The Southeastern Colorado Water Conservancy District has served the region and people honorably and with diligence. The district works hard to help the Arkansas Valley realize the importance and value of a well-managed water supply.

Currently, the district is spearheading a plan to at last construct the Arkansas Valley Conduit, originally authorized as part of the Fryingpan-Arkansas Project. The conduit was deemed necessary five decades ago, and the need for clean and safe water supplies for the people of the valley has only increased as water quality is threatened and federally acceptable standards have increased. But the Lower Arkansas Valley, which this project will serve, needs assistance in providing that safe water supply and in meeting those standards.

This Arkansas Valley Conduit is a top priority to me as I near the end of my tenure in the Senate. As one of the final components of the Fryingpan-Arkansas Project and as a major goal of the now 50-year-old Southeastern Colorado Water Conservancy District, I congratulate the district on their hard work to make this project feature a reality, and thank them for all they have accomplished in their half century of commitment to the Arkansas Valley.•

PRUDENTIAL SPIRIT OF COMMUNITY AWARD WINNERS

• Mr. CARPER. Mr. President, I wish today to honor this year's Delaware winners of the Prudential Spirit of Community Award in recognition of their exemplary volunteer service. Congratulations to Anna Schuck of Wilmington, Matthew Waldman of Delmar, Alexandra Browne of Wilmington, and Taylor Folt, also of Wilmington.

I strongly believe that volunteerism is one of the cornerstones of American society. As shown on numerous occasions, volunteering is not only good for the community; it is an enriching and rewarding experience for the volunteer, as well. Anna, Matthew, Alexandra and Taylor all exemplify this spirit of involvement and giving back to their communities. They serve as models of selflessness and examples of how rewarding volunteering can be both personally and to the community they serve.

The Prudential Spirit of Community Awards was created by Prudential Financial and the National Association of Secondary School Principals to inspire and encourage youth volunteerism. Since being founded in 1995, these awards have honored more than 80,000 young volunteers at the local, State and, national levels.

Delaware winner Anna Schuck founded the H.U.G. Club, for ''Helping the Underprivileged Globally,'' at her school, coordinating fundraising events including ''Rock Uganda,'' a series of seven concerts. Her efforts helped to raise $14,500 to provide necessities for a school in Uganda.

Middle school winner Matthew Waldman has participated in a variety of volunteer activities, including a charity antique show, bell ringing for the Salvation Army, and a Humane Society walk. Matthew has also organized dances instead of birthday parties, asking attendees to donate food and other items instead of bringing gifts.

High school Distinguished Finalist Alexandra Browne spent 2 years coordinating events and fundraisers, recruiting volunteers and overseeing other logistics as chair of her school's Relay for Life fundraising event. The event, which raised more than $60,000, donates to cancer research, education, and patient support.

Middle school Distinguished Finalist Taylor Folt spent a month of her summer vacation teaching English and American History to students in India, as well as helping them with maintenance tasks around their campus.

Congratulations to this year's honorees, Anna, Matthew, Alexandra, and Taylor, who personify the spirit of giving back. These outstanding young volunteers are an inspiration to me and, I hope, to many others throughout Delaware.•

CONGRATULATING DAVENPORT UNIVERSITY

• Mr. LEVIN. Mr. President, I congratulate Davenport on the recent successes of their Athletic Department and student athletes. The men's hockey team won their first American Collegiate Hockey Association, ACHA, Division II National Championship with a 5–2 victory over Indiana University. The women's basketball team won the Wolverine Hoosier Athletic Conference Championship, WHAC, and made it to the Sweet 16 of the National Association of Intercollegiate Athletics, NAIA, Division II National Tournament. These are both extraordinary feats considering the Athletic Department at Davenport University was formed only 6 years ago. Both programs were honored in a celebration at Davenport University on March 26, 2008. These accomplishments bring great joy and satisfaction to all those associated with Davenport University and across the State of Michigan.

The hockey team's National Championship came after a third consecutive appearance in the ACHA Division II Final Four. The championship game ended an exciting week in Fort Myers, FL. Outscoring their five opponents by a combined total of 40–7, the Panthers dominated with their strong offensive attack. Under the leadership of head coach Paul Lowden, the team finished the season with a 35–11–4 record and won their third straight Great Midwest Hockey League, GMHL, regular season and tournament titles.

Each player of the Davenport University team made significant contributions to the winning season, including Alex Mikla, Wes Baughman, Pat Collar, Justin Poorman, Bill McSween, Jon Stolarz, Jeremy Bultema, Justin Welker, Eric Troup, Will Collar, Rick Gadwa, Dayne Gluting, Chad Anguilm, Bobby Collar, Jeff Kraemer, Adam Tomacari, Kevin Doyle, Adam Thomas, Kevin Moodie, Chris Joswiak, Scott Knight, Chad Rutzel, Eddie Wheeler, Jared Mailloux, Chris Green, Brit Ouelette, Brett Hagen, Luke Bonnewell, Kenny Jacobs, Jason Kraemer, Jonah Rogowski, Ben Duthler, head coach Paul Lowden, and assistant coaches Phil Sweeney, Jamie Bradford, and Joe Messina.

After only six seasons at Davenport University, head coach Paul Lowden was named the 2008 ACHA Men's Division II Coach-of-the-Year. He was honored with this award at the American Hockey Coaches Association Coach-of-the-Year Celebration this past weekend. Coach Lowden was also selected by the ACHA as the inaugural head coach for the Men's Division II Select Team. The select team traveled to Europe this winter and finished with a perfect 5–0-0 record.

The Lady Panthers basketball team, under the leadership of head coach Mark Youngs, earned their second consecutive Wolverine Hoosier Athletic Conference title. Senior Jeanette Woodberry, who was named both the WHAC Player of the Year and a First Team All-American, led the team to victory. Sara Haverdink and Kristin Bergsma were both named to the NAIA Academic All-American team. The basketball team finished this outstanding season with a record of 28–6 overall and 13–1 in their conference.

Teamwork, determination and a commitment to excellence by each member of this basketball team led to their success. The members include Lyndsey Shepherd, Megan Peters, Sara Haverdink, Andrea Kimm, Brittany Lyman, Kristin Bergsma, Kristi Boehm, Lynne Blomberg, Kayla Chapman, Jeanette Woodberry, Emily Rosenzweig, Kallie Benike, Sylvia Welch, Shannon Slattery, Stephani Roles, along with head coach Mark Youngs, and assistant coaches Kelly Wandel, Shannon Callaghan, and Alicia Barczak.

I am proud to recognize the outstanding achievements of the Davenport University Athletic Department. Their student athletes compete admirably in athletics and in the classroom, and maintain an average GPA of 3.22. I extend my best wishes to the players, coaches, families, and the University community that supported them throughout this triumphant season.

I know my colleagues in the Senate join me in congratulating Coach Lowden, Coach Youngs, and the Davenport University Panthers.•

HONORING LEIGH ANNE GILBERT

• Mr. MARTINEZ. Mr. President, I wish to recognize the efforts of a Floridian who has worked to make a difference in an underserved part of our world. Leigh Anne Gilbert, who recently returned to her hometown of Orlando, has spent the past 3 years establishing the Rainbow Primary Neighborhood School in Masthan Nagar, Hyderabad, India.

After her husband's job relocated the couple to an undeveloped part of India, Leigh Anne recognized the need to serve her new community and began work on a school to serve the area's children. Through the support of charitable organizations, Leigh Anne raised the funds necessary to charter and construct the Rainbow Primary Neighborhood School, which now serves more than 300 impoverished children living in the small Indian village.

Leigh Anne was responsible for bringing together all those involved in building and operating the school—the designers, construction workers, local government, teachers, and staff. She even recruited the services of the Naandi Foundation—a worldwide charitable organization fighting poverty and malnourishment—which delivers meals to the school and provides the students health care. Work on the school began in early 2007 and it was completed in March of this year.

The effort tested Leigh Anne's physical and mental fortitude as she worked tirelessly for the past 3 years to bring all the partners to the table. The project required patience, persistence, and cooperation from government officials, community leaders, and charity organizations. On Web posts, Leigh Anne reflected on the project and offered words of advice to those pursuing similar ventures: ''The number one lesson learned: Get partners—rugged, go-to, and knowledgeable partners—then leverage the partnerships to meet needs. None of us can go it alone.''

On behalf of Florida and the people of the United States, I would like to honor Leigh Anne Gilbert for the tremendous example she has set and the good work she has accomplished.•

SOUTHEASTERN COLORADO WATER CONSERVANCY DISTRICT

• Mr. SALAZAR. Mr. President, today I wish to recognize the 50th anniversary of the establishment of the Southeastern Colorado Water Conservancy District.

In the post-World War II era, communities large and small in the United States envisioned a period of growth and prosperity. Enthusiasm in the Arkansas Valley of Colorado was also high, but one limitation loomed large: the water needed to build and sustain that growth was simply not available.

The regional water users' group decided to pursue a bold vision: the Fryingpan-Arkansas Project, a complex diversion, storage, and delivery system, would move water from the western slope of the Rockies to the growing population on the eastern slope. The project itself is as complex as the politics of water in the West. It features both western slope and eastern slope facilities, some of them at elevations above 14,000 feet, and multiple dams, reservoirs, tunnels, and conduits.

Fifty years ago today, on April 29, 1958, a Pueblo, CO, district court established under the provisions of Colorado law the Southeastern Colorado Water Conservancy District. This administrative organization embodied the goals of the regional water users' group, which had proven adept at promoting the Fryingpan-Arkansas Project through the memorable and highly visible sale of small golden frying pans.

The original supporters of the Fryingpan-Arkansas, many of whom eventually served as board members of the district, were committed to seeing its promise made true. Their stalwart efforts led to the authorization of the Fryingpan-Arkansas in 1962, and the Southeastern District has been managing the project continuously since that time. They fought year after year to see this multipurpose project appropriated and constructed. Their success brought the additional water that the valley and its people had hoped for, and many of them lived to see it provide benefits to the Arkansas Valley. President John F. Kennedy's visit to Pueblo in 1962 to commemorate the start of

construction of Pueblo Dam, the largest component of the Fry-Ark Project, remains one of the most memorable events in the history of southern Colorado.

Those of us in the West know that the development and responsible management of water is critical to people, to agriculture, to business and to the future. The Southeastern District has worked day in and day out for over five decades to ensure that the project's purpose is fulfilled. They work tirelessly in partnership with the people of the Arkansas Valley, with their Federal partner, the Bureau of Reclamation, and adroitly navigate the rules and regulations of Colorado water law to serve the people who depend on this water.

I commend the Southeastern Colorado Water Conservancy District for its diligence, and I commend the many distinguished people of the Arkansas Valley who have guided the district during its first 50 years as members of its board of directors. They established a tradition of vision, leadership, and distinction that will serve the people of southeastern Colorado well into their next 50 years.●

RECOGNIZING MIKE GEISEN

● Mr. SMITH. Mr. President, I wish to congratulate Mike Geisen for winning the National Teacher of the Year Award. The National Teacher of the Year Program was founded in 1952 by the Council of Chief State School Officers. By rewarding teachers who have affected their students and communities positively, the program focuses public attention on some of the philosophies, methods, and wisdom behind successful teaching. It has been delightful to learn of Mike's contributions, and I am thrilled that he will be traveling around the world to share his insights as Teacher of the Year.

Mike Geisen teaches seventh grade science at Crook County Middle School in Prineville, OR, but his colleagues and students would call that an understatement. Crook County Middle School principal Rocky Miner observed that before Mike assumed chairmanship of the school's science department, students' science test scores had stagnated, with about 55 percent of students meeting or exceeding State standards. Less than 2 years after Mike took the job, 72 percent of Crook County students were meeting or exceeding State standards.

It is clear that other educators have noticed Mike's successes and are starting to seek his advice. In October of last year, Oregon State superintendent Susan Castillo presented him with the Oregon Teacher of the Year Award. A month later, Mike spoke at the Oregon School Boards Association Conference in Portland about the need for schools to shift their attention to skills—such as collaboration, innovation, and adaptability that are more relevant in a globalized economy.

There is no question that Mike can teach and that he can raise test scores, but his focus is not directed at the statistical indications of success as a teacher. In his application for the National Teacher award, Mike wrote the following about America's youth: ''These young people are our equals. They are not simply numbers, conglomerations of hormones, or future products. All the latest programs, fads, and statistics are meaningless to a child who isn't cared for on a deeper level. Whether you are a teacher or parent, businessperson or retired, young or old: reach deep down into each child with humor, love, and compassion and they will learn from you. They will learn much more than just how to read and write; they will learn they are wonderfully human.''

Mike Geisen, or Mr. G, I thank you for your unique contributions. You are truly an inspiration to us all. As Henry Brooks Adams once remarked, ''A teacher affects eternity; he can never tell where his influence stops.'' Mr. G, your influence will no doubt continue for generations.●

HONORING LOUISIANA HONORAIR

● Mr. VITTER. Mr. President, today I acknowledge and honor a very special group, the Louisiana HonorAir. Louisiana HonorAir is a not-for-profit group that flies as many as 200 World War II veterans a year up to Washington, DC, free of charge. On May 3, 2008, a group of 95 veterans will reach Washington as part of this very special program.

I want to take a moment to thank all the brave veterans visiting our Capital City this trip:

Eldon L. Adams; Pat W. Aertker; Kent L. Babb; Luca Barbato; Brant Barnett; Lennie J. Benoit; Nesby J. Bergeron; Warren J. Bourgeois; Edward Breaux; Norman A. Briggs; Lloyd O. Bruchhaus; Edward G. Burleigh; Ralph D. Caillier; Norman W. Cameron; Robert T. Casanova; Viel P. Caswell; Reece J. Chenevert; Albert L. Clifton; William L. Clifton; Vincent C. Cuccio.

Thomas C. Darbonne; Charles W. Derbes, Sr.; Charles R. Doucet; Lloyd J. Doucet; Walter H. Duhon; Andrew V. Fontenot; Joseph F. Fontenot; James R. Gibson; Ernest J. Glavaz; Raphael I. Guidry; Clyde L. Hahn, Sr.; Marion T. Harmon; Didier J. Hebert, Jr.; Osburn Hebert; Herbert J. Hernandez; Richard M. Hollier; Hubert J. Hulin; Isaac Huval, Sr.; Edward B. Jennings; Norvell C. Johniken.

Raymond Kidder, Jr.; Ruth M. Kilgore; Percy J. Lalonde; John G. Lambousy; Isaac W. Lantz; Antoine C. LeBlance; Emile J. LeBlanc; Vealy J. Leger; Joseph H. LeGrand; Daniel J. Lejeune; Lionel Lejeune; James R. LeMaire; Bernard Libersat, Jr.; James C. Martien, Jr.; Robert McDaniel; Humer L. Miller; Eugene O. Munson; Francis Myers; James R. Odom.

Theodore R. Poynter; Joseph R. Prejean; Jack M. Proffitt; David R. Pulver; Johnny M. Rabalais; Aldon J. Richard; Erman L. Richard; Winson Richard; Roy J. Roberie; Arthur L. Rozas; Eddie E. Salassi; Joseph San Filippo; LeeRoy J. Savoie; Lawrence Schambaugh; Clanice J. Schexnyder; Gordon L. Sibille; Ellis Soileau; Louis Soileau; Wallace R. Stelly; Nolan J. Stephens.

Harold L. Stevens; Joe P. Stevens; George Stout; Clarence Tauzin, Sr.; George J. Tellifero; Edward A. Thistewaite; Dallas E. Thomason; Mitchelle Trahan; Idolphus C. Turnley, Jr.; Harris J. Veillon; Charles C. Verzwyvelt; Dudley Vice; Stanley R. Wall; Edward R. williams; Charles C. Willoughby; Richard G. Wilson.

While visiting Washington, DC, these veterans will tour Arlington National Cemetery, the Iwo Jima Memorial, the Vietnam Memorial, the Korean Memorial, and the World War II Memorial. This program provides many veterans with their only opportunity to see the great memorials dedicated to their service.

Thus, today, I ask my colleagues to join me in honoring these great Americans and thanking them for their devotion and service to our Nation. ●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mrs. Neiman, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 2:16 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 3196. An act to designate the facility of the United States Postal Service located at 20 Sussex Street in Port Jervis, New York, as the ''E. Arthur Gray Post Office Building''.

H.R. 3468. An act to designate the facility of the United States Postal Service located at 1704 Weeksville Road in Elizabeth City, North Carolina, as the ''Dr. Clifford Bell Jones, Sr. Post Office''.

H.R. 3532. An act to designate the facility of the United States Postal Service located at 5815 McLeod Street in Lula, Georgia, as the ''Private Johnathan Millican Lula Post Office''.

H.R. 3720. An act to designate the facility of the United States Postal Service located at 424 Clay Avenue in Waco, Texas, as the ''Army PFC Juan Alonso Covarrubias Post Office Building''.

H.R. 3803. An act to designate the facility of the United States Postal Service located at 3100 Cashwell Drive in Goldsboro, North Carolina, as the ''John Henry Wooten, Sr. Post Office Building''.

H.R. 3936. An act to designate the facility of the United States Postal Service located at 116 Helen Highway in Cleveland, Georgia, as the ''Sgt. Jason Harkins Post Office Building''.

H.R. 3988. An act to designate the facility of the United States Postal Service located at 3701 Altamesa Boulevard in Fort Worth, Texas, as the ''Master Sergeant Kenneth N. Mack Post Office Building''.

H.R. 4166. An act to designate the facility of the United States Postal Service located at 701 East Copeland Drive in Lebanon, Missouri, as the ''Steve W. Allee Carrier Annex''.

H.R. 4203. An act to designate the facility of the United States Postal Service located at 3035 Stone Mountain Street in Lithonia, Georgia, as the ''Specialist Jamaal RaShard Addison Post Office Building''.

H.R. 4211. An act to designate the facility of the United States Postal Service located at 725 Roanoke Avenue in Roanoke Rapids, North Carolina, as the ''Judge Richard B. Allsbrook Post Office''.

H.R. 4240. An act to designate the facility of the United States Postal Service located at 10799 West Alameda Avenue in Lakewood, Colorado, as the ''Felix Sparks Post Office Building''.

H.R. 4454. An act to designate the facility of the United States Postal Service located at 3050 Hunsinger Lane in Louisville, Kentucky, as the ''Iraq and Afghanistan Fallen Military Heroes of Louisville Memorial Post Office Building'', in honor of the servicemen and women from Louisville, Kentucky, who died in service during Operation Enduring Freedom and Operation Iraqi Freedom.

H.R. 5135. An act to designate the facility of the United States Postal Service located at 201 West Greenway Street in Derby, Kansas, as the ''Sergeant Jamie O. Maugans Post Office Building''.

H.R. 5220. An act to designate the facility of the United States Postal Service located at 3800 SW. 185th Avenue in Beaverton, Oregon, as the ''Major Arthur Chin Post Office Building''.

H.R. 5400. An act to designate the facility of the United States Postal Service located at 160 East Washington Street in Chagrin Falls, Ohio, as the ''Sgt. Michael M. Kashkoush Post Office Building''.

H.R. 5472. An act to designate the facility of the United States Postal Service located at 2650 Dr. Martin Luther King Jr. Street, Indianapolis, Indiana, as the ''Julia M. Carson Post Office Building''.

H.R. 5489. An act to designate the facility of the United States Postal Service located at 6892 Main Street in Gloucester, Virginia, as the ''Congresswoman Jo Ann S. Davis Post Office.''

At 5:12 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that in accordance with the request of the Senate, the bill (H.R. 493) to prohibit discrimination on the basis of genetic information with respect to health insurance and employment, and all accompanying papers are hereby returned to the Senate.

ENROLLED BILL SIGNED

At 7:30 p.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 4286. An act to award a congressional gold medal to Daw Aung San Suu Kyi in recognition of her courageous and unwavering commitment to peace, nonviolence, human rights, and democracy in Burma.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 4169. An act to authorize the placement in Arlington National Cemetery of an American Braille tactile flag in Arlington National Cemetery honoring blind members of the Armed Forces, veterans, and other Americans; to the Committee on Veterans' Affairs.

H.R. 5492. An act to authorize the Board of Regents of the Smithsonian Institution to construct a greenhouse facility at its museum support facility in Suitland, Maryland, and for other purposes; to the Committee on Rules and Administration.

H.R. 5493. An act to provide that the usual day for paying salaries in or under the House of Representatives may be established by regulations of the Committee on House Administration; to the Committee on Rules and Administration.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 209. Concurrent resolution expressing the sense of Congress that the Museum of the American Quilter's Society, located in Paducah, Kentucky, should be designated as the ''National Quilt Museum of the United States''; to the Committee on Energy and Natural Resources.

MEASURES DISCHARGED

The following measure was discharged from the Committee on Health, Education, Labor, and Pensions by unanimous consent, and referred as indicated:

S. 2902. A bill to ensure the independent operation of the Office of Advocacy of the Small Business Administration, ensure complete analysis of potential impacts on small entities of rules, and for other purposes; to the Committee on Small Business and Entrepreneurship.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 5715. An act to ensure continued availability of access to the Federal student loan program for students and families.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1922. To designate the Jupiter Inlet Lighthouse and the surrounding Federal land in the State of Florida as an Outstanding Natural Area and as a unit of the National Landscape Conservation System, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–6005. A communication from the Under Secretary of Defense (Comptroller), transmitting, pursuant to law, the report of a violation of the Antideficiency Act that has been identified as Navy case number 07–05; to the Committee on Appropriations.

EC–6006. A communication from the Under Secretary of Defense (Comptroller), transmitting, pursuant to law, the report of a violation of the Antideficiency Act that has been identified as case number 05–01; to the Committee on Appropriations.

EC–6007. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a six-month periodic report on the national emergency that was declared in Executive Order 13413 of October 27, 2006, relative to the Democratic Republic of the Congo; to the Committee on Banking, Housing, and Urban Affairs.

EC–6008. A communication from the Special Counsel, Office of the Comptroller of the Currency, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Regulatory Review Amendments'' (RIN1557–AC79) received on April 24, 2008; to the Committee on Banking, Housing, and Urban Affairs.

EC–6009. A communication from the Program Manager, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Grants to States for Operation of Qualified High Risk Pools'' (RIN0938–AO46) received on April 24, 2008; to the Committee on Finance.

EC–6010. A communication from the Assistant Secretary, Office of Legislative Affairs, Department of State, transmitting, pursuant to law, weekly reports relative to post-liberation Iraq for the period of February 15, 2008, through April 15, 2008; to the Committee on Foreign Relations.

EC–6011. A communication from the Assistant Administrator, Bureau for Legislative and Public Affairs, U.S. Agency for International Development, transmitting, pursuant to law, the report of action on a nomination for the position of Assistant Administrator, received on April 24, 2008; to the Committee on Foreign Relations.

EC–6012. A communication from the General Counsel, Federal Retirement Thrift Investment Board, transmitting, pursuant to law, the report of a rule entitled ''Participant's Choices of TSP Funds'' (5 CFR Part 1601) received on April 24, 2008; to the Committee on Homeland Security and Governmental Affairs.

EC–6013. A communication from the Director, Administrative Office of the U.S. Courts, transmitting, pursuant to law, a report relative to the applications for the interception of wire and other communications during fiscal year 2007; to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–322. A resolution adopted by the Board of County Commissioners of Miami-Dade County of the State of Florida urging the Florida Legislature to ensure that insurance companies comply with HB 1–A and pass savings on to policyholders; to the Committee on Banking, Housing, and Urban Affairs.

POM–323. A resolution adopted by the Board of County Commissioners of Miami-Dade County of the State of Florida urging the Florida Legislature to pass legislation allowing counties additional flexibility related to deferral of property taxes, to the Committee on Homeland Security and Governmental Affairs.

POM–324. A resolution adopted by the Board of County Commissioners of Miami-Dade County of the State of Florida urging the Florida Legislature to place a constitutional amendment on the statewide ballot

intended to strengthen the prohibition on unfunded mandates; to the Committee on Homeland Security and Governmental Affairs.

POM–325. A resolution adopted by the Board of County Commissioners of Miami-Dade County of the State of Florida urging the Florida Legislature to pass legislation increasing statutory fees for service of process; to the Committee on the Judiciary.

POM–326. A resolution adopted by the Commission of the City of Miami of the State of Florida urging Congress to support the re-enactment of the Federal Assault Weapons Ban; to the Committee on the Judiciary.

POM–327. A resolution adopted by the Coconut Creek City Commission of the State of Florida urging Congress to re-enact the Federal Assault Weapons Ban; to the Committee on the Judiciary.

POM–328. A resolution adopted by the Board of County Commissioners of Miami-Dade County of the State of Florida urging the Florida Legislature to strengthen laws related to assault weapons; to the Committee on the Judiciary.

POM–329. A concurrent resolution adopted by the Legislature of the State of Louisiana urging Congress to take actions necessary to call a constitutional convention to propose an amendment to include the Posse Comitatus Act as a constitutional prohibition; to the Committee on Armed Services.

HOUSE CONCURRENT RESOLUTION NO. 38

Whereas, the United States Constitution provides that, on the application of the legislatures of two-thirds of the several states, the congress shall call a convention for the purpose of proposing an amendment or amendments to the United States Constitution, which amendment or amendments when so proposed by such a convention must be ratified by the legislatures of, or conventions in, three-fourths of the states to become valid; and

Whereas, the Posse Comitatus Act, 18 U.S.C. 1385, was originally passed in 1878 to remove the Army from civilian law enforcement and to return it to its role of defending the borders of the United States; and

Whereas, the Posse Comitatus Act provides that whoever, except in cases and under circumstances expressly authorized by the constitution or act of congress, willfully uses any part of the Army or the Air Force as a posse comitatus or otherwise to execute the laws shall be fined or imprisoned. Therefore, be it

Resolved, That the Legislature of Louisiana does hereby memorialize the United States Congress to call a convention pursuant to Article V of the United States Constitution for the sole purpose of proposing an amendment to add the Posse Comitatus Act to the United States Constitution. Be it further

Resolved, That the Congress of the United States is hereby requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes and become a part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several states. Be it further

Resolved, That the Legislature of the Louisiana does hereby memorialize the presiding officers of the legislative bodies of the several states to apply to the Congress of the United States to call a convention for the sole purpose of proposing this amendment to the Constitution of the United States. Be it further

Resolved, That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America and to each member of the Louisiana congressional delegation and to the presiding officers of each house of the legislative bodies of the several states of the Union.

POM–330. A concurrent resolution adopted by the Senate of the State of Louisiana urging Congress to provide refundable credits received by Louisiana homeowners to offset Louisiana Citizens Property Insurance Assessments; to the Committee on Banking, Housing, and Urban Affairs.

SENATE CONCURRENT RESOLUTION NO. 11

Whereas, the Legislature of Louisiana in Act No. 4 of the Second Extraordinary Session of the Louisiana Legislature provided relief to Louisiana homeowners from the large assessments levied on their homeowner's insurance premiums by the Louisiana Citizens Property Insurance Corporation as provided by law; and

Whereas, the levy of such assessments was made necessary by the unprecedented and widespread damage and destruction caused to homes by hurricanes Katrina and Rita; and

Whereas, the assessments on all homeowners were necessary for them to provide protection and coverage for their neighbors; and

Whereas, the Internal Revenue Service is threatening to force these already burdened citizens to report the amounts received as credits as income for federal tax purposes, raising the possibility that they will likely owe significant federal taxes. Therefore, be it

Resolved, That the Legislature of Louisiana memorializes the commissioner of the Internal Revenue Service and the Congress of the United States to take every action to provide that the amounts received by Louisiana homeowners to offset Louisiana Citizens Property Insurance Assessments on their homeowner's insurance premiums because of the unprecedented damage and destruction of homes in the recent hurricanes shall not be considered as income for federal tax purposes. Be it Further

Resolved, That a copy of this Resolution shall be transmitted to the commissioner of the Internal Revenue Service, the secretary of the United States Senate, the clerk of the United States House of Representatives, and to each member of the Louisiana delegation to the United States Congress.

POM–331. A resolution adopted by the Legislature of the State of New York urging the New York State Congressional delegation to oppose S. 40/H.R. 3200; to the Committee on Banking, Housing, and Urban Affairs.

LEGISLATIVE RESOLUTION NO. 4858

Whereas, regulation, oversight, and consumer protection have traditionally and historically been powers reserved to state governments under the McCarran-Ferguson Act of 1945; and

Whereas, state legislatures are more responsive to the needs of their constituents and the need for insurance products and regulation to meet their state's unique market demands; and

Whereas, many states, including New York, have recently enacted and amended state insurance laws to modernize market regulation and provide insurers with greater ability to respond to changes in market conditions; and

Whereas, state legislatures, the National Conference of Insurance Legislators (NCOIL), the National Association of Insurance Commissioners (NAIC), and the National Conference of State Legislatures (NCSL) continue to address uniformity issues between states by the adoption of model laws that address market conduct, product approval, agent and company licensing, and rate deregulation; and

Whereas, initiatives are being contemplated by certain members of the United States Congress that have the potential to destroy the state system of insurance regulation and create an unwieldy and inaccessible federal bureaucracy—all without consumer and constituent demand; and

Whereas, such initiatives include S. 40/H.R. 3200—the National Insurance Act of 2007—proposed optional federal charter legislation that would bifurcate insurance regulation and result in a quagmire of federal and state directives that would promote ambiguity and confusion; and

Whereas, S. 40/H.R. 3200 would allow companies to opt out of state insurance regulatory oversight and evade important state consumer protections; and

Whereas, the mechanism set up under S. 40/H.R. 3200 does not, and cannot by its very nature, respond, as state regulation does, to states' individual and unique insurance markets and constituent concerns; and

Whereas, S. 40/H.R. 3200 has the potential to compromise state guaranty fund coverage, and employers could end up absorbing losses otherwise covered by these safety nets for businesses affected by insolvencies; and

Whereas, S. 40/H.R. 3200 would ultimately impose the costs of a new and needless federal bureaucracy upon businesses and the public; and

Whereas, many state governments derive general revenue dollars from the regulation of the business of insurance, including nearly $14 billion in premium taxes generated in 2006; in fiscal year 2005–06, insurance taxes generated $987 million in the State of New York: Now, therefore, be it

Resolved, That the Congress of the United States be and hereby is respectfully memorialized by this Legislative Body to express its strong opposition to S. 40/H.R. 3200 and any other such federal legislation that would threaten the power of state legislatures, governors, insurance commissioners, and attorneys general to oversee, regulate, and investigate the business of insurance, and to protect consumers; and be it further

Resolved, That copies of this Resolution, suitably engrossed, be transmitted to the President of the Senate of the United States, the Speaker of the House of Representatives, and to each member of the Congress of the United States from the State of New York.

POM–332. A joint resolution adopted by the Legislature of the State of Idaho urging Congress to take action to help stop children and employees from accessing Internet pornography; to the Committee on Commerce, Science, and Transportation.

HOUSE JOINT MEMORIAL NO. 7

Whereas, the Internet has been an extremely important means of exchanging information, and is relied upon in Idaho for business, education, recreation and other uses; and

Whereas, many Internet sites contain material that is pornographic, either obscene or inappropriate for children, and a majority of these sites originate within the United States but outside of the state of Idaho; and

Whereas, the availability of Internet pornography on the job costs Idaho employers significant numbers of work hours, strains employers' computer equipment, reduces productivity and leads to potentially hostile work environments for men and women; and

Whereas, while the custody, care and nurturing of children resides primarily with parents, the widespread availability of Internet pornography and the ability of children to circumvent existing filtering technology defeat the best attempts at parental supervision or control; and

Whereas, Internet pornographers are using evolving techniques to lure Idaho children

and others into viewing and purchasing pornographic material, defying existing technology designed to block adult content; and

Whereas, current methods for protecting computers and computer networks from unwanted Internet content are expensive, block more than the intended content and are easily circumvented; and

Whereas, because children, employees and others may seek out pornography, warnings and other labels meant to help avoid inadvertent hits on pornographic sites may simply increase the likelihood that these sites will be visited; and

Whereas, credit card verification systems burden credit card companies, are expensive and time consuming to establish and maintain and these systems inhibit legal speech, and other forms of age verification have not been practicable; and

Whereas, prior congressional attempts to address children's access to Internet pornography have been held unconstitutional or otherwise have not passed constitutional scrutiny and have not been based on technology that allows individual Internet users to select what kind of Internet content enters their homes and workplaces; and

Whereas, protecting the physical and psychological well-being of Idaho's children by shielding them from inappropriate materials is a compelling interest of the Legislature of the State of Idaho; and

Whereas, although the state of Idaho has taken rigorous action in an attempt to shield Idaho's children from obscenity and other inappropriate adult content, it cannot effectively curb the programs with Internet pornography within its borders without the support of the United States government; and

Whereas, the United States remains in control of the Internet through the Department of Commerce and the National Telecommunications and Information Association; and

Whereas, the United States has the ability to create appropriate policies and enforcement tools to effectively deal with these issues: Now, therefore, be it

Resolved, by the members of the Second Regular Session of the Fifty-ninth Idaho Legislature, the House of Representatives and the Senate concurring therein, that we strongly urge the United States Congress to take action to help stop children and employees from accessing Internet pornography and that legislation be enacted to facilitate a technology-based solution that allows parents and employers to subscribe to Internet access services that exclude adult content. Be it further

Resolved, That the Chief Clerk of the House of Representatives be, and she is hereby authorized and directed to forward a copy of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress, and the congressional delegation representing the State of Idaho in the Congress of the United States.

POM–333. A resolution adopted by the Senate of the State of New Jersey urging Congress to enact legislation concerning public disclosure of companies outsourcing jobs; to the Committee on Commerce, Science, and Transportation.

SENATE RESOLUTION NO. 24

Whereas, in recent years, a number of companies have replaced highly-skilled workers from New Jersey with lower-paid, foreign laborers, in a practice known as outsourcing; and

Whereas, these outsourcing trends coincide with the U.S. job market's longest slump since the 1930s; and

Whereas, many white-collar occupations, including technology and computer specialists, financial analysts, accountants, office support, and call-center employees are among the most vulnerable to outsourcing; and

Whereas, the preservation of jobs in New Jersey is of critical importance to the economic well-being of the State; and

Whereas, the economic dislocation caused by a company outsourcing jobs threatens the health, safety, and welfare of the people in this State; and

Whereas, Forrester Research, Inc. predicts that 3.3 million U.S. jobs will be sent offshore by 2015, accounting for 2 percent of the entire workforce and $136 billion in wages; and

Whereas, numerous citizens in the State of New Jersey are unaware that in many circumstances they are not conducting business with a U.S. company but are communicating with a third-party contractor in another country via telephone or Internet; and

Whereas, a public list disclosing companies which outsource or are planning to outsource, would help provide a public awareness to discourage outsourcing practices and enable local and state governments to prepare incentives for companies to retain essential U.S. jobs, now, therefore, be it

Resolved, by the Senate of the State of New Jersey:

1. The Congress of the United States is respectfully memorialized to enact legislation requiring annual publication of a list disclosing companies planning or currently in the practice of outsourcing U.S. jobs to other countries.

2. Duly authenticated copies of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the presiding officers of the United States Senate and the House of Representatives, and to each member of Congress elected from the State of New Jersey.

S. RES. 24

This resolution memorializes Congress to enact legislation requiring annual publication of a list disclosing companies planning or currently in the practice of outsourcing U.S. jobs to other countries.

A large number of companies across the nation and in New Jersey have replaced highly skilled and educated workers with lower-paid, foreign laborers. This practice is referred to as ''outsourcing'' or ''offshoring.'' Outsourcing U.S. jobs is growing at an alarming rate. Forrester Research, Inc. predicts that 3.3 million U.S. jobs will be sent offshore by 2015. The federal government does not maintain a list of companies that currently, or plan to, outsource jobs to other countries. Enacting legislation requiring publication of such a list not only raises public awareness, but also allows state and local governments to prepare initiatives targeted to keep companies from outsourcing critical U.S. jobs.

POM–334. A resolution adopted by the Senate of the State of New Jersey urging the establishment of a funding program for local communities establishing ''quiet zones'' along certain light rail lines; to the Committee on Commerce, Science, and Transportation.

SENATE RESOLUTION NO. 13

Whereas, the Federal Railroad Administration (FRA) in the United States Department of Transportation published a final rule on April 27, 2005, which was subsequently amended on August 17, 2006, concerning the use of locomotive horns at highway-rail grade crossings; and

Whereas, the final amended rule requires that locomotive horns be sounded at every public highway-rail grade crossing, with certain exceptions, including those areas designated ''quiet zones''; and

Whereas, certain light rail lines which operate on railroad freight tracks, such as the River LINE in southern New Jersey, must comply with the stringent requirements of the FRA regarding the establishment of ''quiet zones'' by implementing supplementary safety measures, such as the installation of four-quadrant gates and lights at all public crossings, and conduct a diagnostic team review, which may involve the expenditure of hundreds of thousands of dollars by local communities for the safety equipment and engineering studies required to qualify for a ''quiet zone'' designation; and

Whereas, the cost of these measures must be undertaken by local communities, rather than the State, without any funds specifically provided for this purpose by the federal government; and

Whereas, it is in the public interest for the Government of the United States to establish a funding program to defray the costs incurred by local communities to establish ''quiet zones'' along these light rail lines: Now, therefore, be it

Resolved, by the Senate of the State of New Jersey:

1. This House respectfully requests the Government of the United States to establish a funding program to defray the safety equipment and engineering costs incurred by local communities to establish ''quiet zones'' along light rail lines operating on railroad freight tracks.

2. Duly authenticated copies of this resolution, signed by the President of the Senate and attested by the Secretary thereof, shall be transmitted to the Vice-President of the United States, the Speaker of the United States House of Representatives, every member of Congress elected from this State, the Secretary of Transportation of the United States and the Administrator of the Federal Railroad Administration in the United States Department of Transportation.

POM–335. A concurrent resolution adopted by the Senate of the State of Mississippi urging Congress to support passage of the Secure Rural Schools and Community Self-Determination Act; to the Committee on Energy and Natural Resources.

SENATE CONCURRENT RESOLUTION 556

Whereas, in December 2000, the Secure Rural Schools and Community Self-Determination Act, a Federal act, was signed into law; and

Whereas, the Secure Rural Schools and Community Self-Determination Act provides federal funds to counties and school districts with national forest lands located within the county boundaries; and

Whereas, 33 counties have substantial tracts of land in public ownership which can neither be developed nor taxed to generate revenue from economic activity or taxation; and

Whereas, these counties have United States National Forests within its boundaries and have received critical funds for roads and schools based on revenues generated from these forests; and

Whereas, the payments provided to these counties have been a consistent and necessary source of funding for the schools, teachers and students; and

Whereas, in December 2007, the United States Congress removed the reauthorization of the Secure Rural Schools and Community Self-Determination Act from the Energy Legislation to which it was attached. This legislation was subsequently passed and signed into law without reauthorization for the Secure Rural Schools and Community Self-Determination Act; and

Whereas, the funding provided through the Secure Rural Schools and Community Self-

Determination Act will significantly contribute to the local economy of these counties by providing the necessary funds for schools and roads, which is vital for sustained economic development; and

Whereas, these counties depend on the funding from the Secure Rural Schools and Community Self-Determination Act and unless the funding is secured through legislation as deemed appropriate by the Mississippi congressional delegation, these counties will lose critical funding that it has received for decades; now, therefore, be it

Resolved, by the Senate of the State of Mississippi, the House of Representatives concurring therein, That we, the members of the Legislature of the State of Mississippi, respectfully request that the United States Congress pass the Secure Rural Schools and Community Self-Determination Act so that these Mississippi counties may continue to adequately maintain the roads and schools and sustain economic development in the state; and be it further

Resolved, That the Secretary of the Senate is directed to transmit copies of this resolution to President George W. Bush, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, the Governor of the State of Mississippi, each member of the Mississippi congressional delegation, and that copies be made available to members of the Capitol Press Corps.

POM–336. A resolution adopted by the California State Lands Commission urging the federal government to adopt policies that address climate change; to the Committee on Environment and Public Works.

RESOLUTION

Whereas, California's 1,100 mile coastline, with its beautiful beaches, wild cliffs, abundant fish stocks and fragile environment is a national treasure and a valuable state resource, which is at the heart of a tourist industry that generates nearly five billion dollars in state and local taxes each year; and is central to the state's forty-six billion dollar ocean economy; and

Whereas, the California State Lands Commission has jurisdiction over the state-owned tide and submerged lands from the shoreline out three nautical miles into the Pacific Ocean, as well as the lands underlying California's bays, lakes, and rivers; and

Whereas, the Commission is charged with managing these lands pursuant to the Public Trust Doctrine, a common law precept that requires these lands be protected for public use and needs involving commerce by means of navigation, fisheries, water related recreation and environmental protection; and

Whereas, the impacts of climate change will profoundly affect the public trust values of the lands under the Commission's jurisdiction and the utility of these lands to the public and the environment; and

Whereas, climate change is expected to cause oceans to rise by 18 to 59 centimeters by the end of this century according to a 2007 report by the United Nations Intergovernmental Panel on Climate Change (some other estimates are higher); and

Whereas, over the course of the 21st century, temperatures are projected to increase by 3 to 10 degrees Fahrenheit, causing ocean temperature to increase, which could cause more intense storms to hit California; and

Whereas, these climate change effects would dramatically alter the environment of the California ocean and coast, reducing beaches and wetlands and damaging important infrastructure, including the ports that contribute to California's role in the global economy; and

Whereas, of the world's annual human generated emissions of greenhouse gases, which are the cause of climate change, California emits 1.4%, and the United States emits almost 25%; and

Whereas, California has taken the lead nationally on the issue of climate change and passed AB 32 in 2006, which requires the California Air Resources Board to adopt regulations by 2011 to reduce greenhouse gas emissions in California to 1990 levels by 2020;

Whereas, while California has adopted the most innovative and proactive program in the United States for fighting climate change, the federal government has refused to take similar actions to control greenhouse gas emissions and has refused to ratify the Kyoto Treaty, a worldwide agreement to begin to reduce these harmful emissions; and

Whereas, on December 21, 2005, California displayed its leadership on the issue of climate change when the California Air Resources Board sent a request to the U.S. Environmental Protection Agency (U.S. EPA) for a waiver under the Clean Air Act that would allow California to adopt stricter vehicle greenhouse gas regulations on new vehicles than the regulations imposed by the federal government; and

Whereas, the Clean Air Act specifically allows California to request a waiver from the national emission standard for new motor vehicle engines and impose stricter emission standards than the federal government; and

Whereas, Congress granted California the ability to impose stricter emission standards under the Clean Air Act because it recognized the State's unique problems and pioneering efforts with regard to air emissions; and

Whereas, for the past 30 years the U.S. EPA has granted California more than 40 such waivers, while previously denying none; and

Whereas, on February 29, 2008, the U.S. EPA, for the first time in the history of the Clean Air Act, denied California's December 21, 2005 request to impose stricter emission standard for new motor vehicle engines than those imposed by the federal government; and

Whereas, the U.S. EPA denied California's request for waiver even though it recognized that ''global climate change is a serious challenge'' and that ''the conditions related to global climate change in California are substantial;'' and therefore be it

Resolved by the California State Lands Commission, That it encourages the U.S. EPA to reconsider and reverse its February 29, 2008 decision that denied California its request for a waiver under the Clean Air Act and precluded the State from imposing strict vehicle greenhouse gas regulations on new vehicles; and

Resolved, That the California State Lands Commission strongly supports federal policy making that follows the leadership of California in reducing greenhouse gas emissions to combat the causes of climate change; and be it further

Resolved, That the Commission's Executive Officer transmit copies of this resolution to the Administrator of the U.S. EPA, to the President and Vice President of the United States, to the Governor of California, to the Majority and Minority Leaders of the United States Senate, to the Speaker and Minority Leader of the United States House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

POM–337. A resolution adopted by the Legislature of the State of Louisiana urging Congress to take the actions necessary to provide the state of Louisiana with one-hundred-year flood protection; to the Committee on Environment and Public Works.

HOUSE CONCURRENT RESOLUTION NO. 39

Whereas, in the aftermath of the flooding and devastation caused by Hurricane Betsy in 1965, the Congress promised the citizens of southeast Louisiana Category 3 Hurricane Protection, for which the local citizenry contributed significant cost-share funding; and

Whereas, the United States Army Corps of Engineers before Hurricane Katrina informed Louisiana that it was protected against a hurricane likely to come no more frequently than once in two hundred years; and

Whereas, improvements along the entire Mississippi River system, including its tributaries, and the construction of flood protection reservoirs in states more than one thousand miles from the Gulf Coast deprived the Mississippi River of enormous amounts of sediment needed to sustain coastal lands in Louisiana; and

Whereas, southeast Louisiana has played a major role in the shipping and oil and gas industries, benefitting the quality of life and economy of the nation as a whole; and

Whereas, the activities of these industries along Louisiana's coast and the construction of the Mississippi River Gulf Outlet, in conjunction with the engineering of the entire Mississippi River system that provided economic benefit and flood protection hundreds of miles upriver from Louisiana which deprived Louisiana of the natural load of sediment, has led directly to the disappearance of two thousand one hundred square miles of Louisiana's coastal lands; and

Whereas, these benefits to the rest of the nation have substantially reduced natural barriers to storm surge and thus enormously increased the vulnerability of Louisiana to hurricanes far beyond what it would otherwise be; and

Whereas, on August 29, 2005, Hurricane Katrina devastated southeast Louisiana by overtopping levees and breaching floodwalls, with high winds, torrential rains, and flooding causing catastrophic damage to public and private properties in southeast Louisiana, severely impacting the population, local economy, and tax base of these parishes, and reducing the funding capabilities of their respective levee districts; and

Whereas, true one-hundred-year protection for southeast Louisiana must be approached from a regional perspective with a contiguous system that eliminates all gaps; and

Whereas, in the aftermath of Hurricane Katrina, one-hundred-year protection for southeast Louisiana was reevaluated by the United States Army Corps of Engineers and approved by Congress; however, the current local cost-share requirement for this protection is estimated to be a minimum of one billion six hundred million dollars for southeast Louisiana, and without payment of this substantial sum, this much-needed protection will not be constructed or will be substantially delayed, jeopardizing the safety and property of the people of southeast Louisiana; and

Whereas, since much of southeast Louisiana is still rebuilding and attempting to bring in new development, intervention is required on the federal level to address local cost-share and other local responsibilities in order to construct this much-needed protection; and

Whereas, the secretary of the United States Army Corps of Engineers has the discretion to allow local cost share to be paid over a thirty-year period, and this discretion has been applied in situations not as exigent as Louisiana's situation. Therefore, be it

Resolved, That the Legislature of Louisiana does hereby memorialize the Congress of the United States and the Louisiana congressional delegation to take such actions as are necessary to appropriate one hundred percent federal share for one-hundred-year flood protection for southeast Louisiana. Be it further

Resolved, That in the event one hundred percent federal cost participation is not authorized, the Congress is hereby urged and requested to take the following actions:

(1) Authorize one-hundred-year flood protection for southeast Louisiana at no greater than historic share percentages.

(2) Authorize local cost-share participation to be paid over a thirty-year period.

(3) Authorize credit for past contributions.

(4) Authorize credit for operations and maintenance expenses paid by local government prior to completion of projects by the United States Army Corps of Engineers.

(5) Authorize credit to local levee districts at fair market value for borrow materials provided to the United States Army Corps of Engineers; and be it further

Resolved, That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America and to each member of the Louisiana congressional delegation.

POM–338. A concurrent resolution adopted by the Legislature of the State of Louisiana urging Congress to appropriate sufficient funds to construct one-hundred-year flood protection for southeast Louisiana; to the Committee on Environment and Public Works.

HOUSE CONCURRENT RESOLUTION NO. 22

Whereas, in the aftermath of the flooding and devastation caused by Hurricane Betsy in 1965, the Congress of the United States promised the citizens of southeast Louisiana that they would have Category 3 hurricane protection, for which the local citizenry contributed significant cost-share funding; and

Whereas, the United States Army Corps of Engineers before Hurricane Katrina informed Louisiana that it was protected against a hurricane likely to come no more frequently than once in two hundred years; and

Whereas, levee improvements along the entire Mississippi River system, including its tributaries, and the construction of flood protection reservoirs in states more than one thousand miles from the Gulf Coast deprived the Mississippi River of enormous amounts of sediment needed to sustain coastal lands in Louisiana; and

Whereas, southeast Louisiana has played a major role in the shipping and oil and gas industries which provide benefits to enhance the quality of life and the stability of the economy of the nation as a whole; and

Whereas, the activities of these industries along Louisiana's coast in addition to the construction of the Mississippi River Gulf Outlet, in conjunction with the engineering of the entire Mississippi River, have led directly to the disappearance of well over two thousand one hundred square miles of Louisiana's coastal lands; and

Whereas, the benefits that have been derived by the rest of the nation from Louisiana's working coast and waterways have, in turn, substantially reduced Louisiana's natural barriers to storm surge and thus enormously increased the state's vulnerability to the impacts from hurricanes far beyond what it would otherwise have been; and

Whereas, on August 29, 2005, Hurricane Katrina devastated southeast Louisiana with high winds, torrential rains, and flooding which caused the overtopping of levees and breaching of floodwalls, causing catastrophic damage to public and private properties throughout southeast Louisiana, severely impacting the population, the local economy, and the tax base of these parishes, reducing the level of revenue collected by their respective levee districts; and

Whereas, true one-hundred-year protection for southeast Louisiana must be approached from a regional perspective with a contiguous system that eliminates all gaps; and

Whereas, in the aftermath of Hurricane Katrina, one-hundred-year flood and hurricane protection for southeast Louisiana was reevaluated by the United States Army Corps of Engineers and approved by Congress; however, the current local cost-share requirement for this protection is estimated to be a minimum of one billion six hundred million dollars for just the projects in southeast Louisiana, and without payment of this substantial sum this much-needed protection will not be constructed or will be substantially delayed, jeopardizing the safety and property of the people of southeast Louisiana; and

Whereas, since much of southeast Louisiana is still rebuilding and attempting to bring in new development, intervention is required on the federal level to address local cost-share and other local responsibilities in order to construct this much-needed protection; and

Whereas, the secretary of the Army has the discretion to allow local cost-share to be paid over a thirty-year period, and this discretion has been applied in situations not as exigent as Louisiana's: Now, therefore, be it

Resolved, That the Legislature of Louisiana does hereby memorialize the Congress of the United States and Louisiana's congressional delegation to ensure the appropriation of a one hundred percent federal share for one-hundred-year flood protection for southeast Louisiana; and be it further

Resolved, That in the event one hundred percent federal cost participation is not authorized, the Congress of the United States is hereby requested and urged to take the following actions:

(1) Authorize one-hundred-year flood protection for southeast Louisiana at a historic share percentage.

(2) Authorize that local cost-share participation may be paid over a thirty-year period.

(3) Authorize match credit for past expenditures and construction.

(4) Authorize cost-share credit for operations and maintenance expenses paid by local government prior to completion of projects by the United States Army Corps of Engineers.

(5) Authorize cost-share credit to local levee districts at fair market value for borrowed materials provided to the Corps; and be it further

Resolved, That a copy of this Resolution be transmitted to the presiding officers of the Senate and the House of Representatives of the Congress of the United States of America and to each member of the Louisiana congressional delegation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 1760. A bill to amend the Public Health Service Act with respect to the Healthy Start Initiative.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SCHUMER (for himself, Mrs. FEINSTEIN, Mrs. CLINTON, Mr. DURBIN, Mr. KERRY, and Mr. MENENDEZ):

S. 2928. A bill to ban bisphenol A in children's products; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY:

S. 2929. A bill to temporarily extend the programs under the Higher Education Act of 1965; considered and passed.

By Mr. CASEY:

S. 2930. A bill to amend title 37, United States Code, to extend to members with dependents the second basic allowance for housing for members of the National Guard and Reserve and retired members without dependents who are mobilized in support of a contingency operation, and for other purposes; to the Committee on Armed Services.

By Ms. SNOWE (for herself, Ms. STABENOW, and Mr. JOHNSON):

S. 2931. A bill to amend title XVIII of the Social Security Act to exempt complex rehabilitation products and assistive technology products from the Medicare competitive acquisition program; to the Committee on Finance.

By Mrs. MURRAY (for herself and Mr. BURR):

S. 2932. A bill to amend the Public Health Service Act to reauthorize the poison center national toll-free number, national media campaign, and grant program to provide assistance for poison prevention, sustain the funding of poison centers, and enhance the public health of people of the United States; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SMITH (for himself, Mr. CONRAD, and Mr. KOHL):

S. 2933. A bill to improve the employability of older Americans; to the Committee on Finance.

By Mr. MENENDEZ:

S. 2934. A bill to amend title 38, United States Code, to direct the Secretary of Veterans Affairs to provide a plot allowance for spouses and children of certain veterans who are buried in State cemeteries; to the Committee on Veterans' Affairs.

By Mr. LAUTENBERG (for himself, Mr. MENENDEZ, Mrs. FEINSTEIN, Mr. LEVIN, Mr. LIEBERMAN, Mr. WHITEHOUSE, Mr. REED, and Mr. SCHUMER):

S. 2935. A bill to prevent the destruction of terrorist and criminal national instant criminal background check system records; to the Committee on the Judiciary.

By Mrs. DOLE:

S. 2936. A bill to amend title XXI of the Social Security Act to reauthorize the State Children's Health Insurance Program, to limit income eligibility expansions under that program until the lowest income eligible individuals are enrolled, and for other purposes; to the Committee on Finance.

By Mr. TESTER:

S. 2937. A bill to provide permanent treatment authority for participants in Department of Defense chemical and biological testing conducted by Deseret Test Center and an expanded study of the health impact of Project Shipboard Hazard and Defense, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. GRAHAM (for himself, Mr. BURR, Mr. MCCAIN, Mr. CHAMBLISS, Mr. LIEBERMAN, Mr. CORNYN, Mr. ALEXANDER, Mrs. HUTCHISON, Mr. MARTINEZ, Mr. STEVENS, Mr. COCHRAN, Ms. COLLINS, Mr. BARRASSO, Mr. DOMENICI, Mrs. DOLE, Mr. WICKER, Mr. ISAKSON, and Mr. INHOFE):

S. 2938. A bill to amend titles 10 and 38, United States Code, to improve educational assistance for members of the Armed Forces and veterans in order to enhance recruitment and retention for the Armed Forces, and for other purposes; to the Committee on Veterans' Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. REID (for himself and Mr. MCCONNELL):

S. Res. 539. A resolution to authorize testimony and legal representation in State of Maine v. Douglas Rawlings, Jonathan Kreps, James Freeman, Henry Braun, Robert Shetterly, and Dudley Hendrick; considered and agreed to.

By Ms. MIKULSKI (for herself and Mr. CARDIN):

S. Res. 540. A resolution recognizing the historical significance of the sloop-of-war USS *Constellation* as a reminder of the participation of the United States in the transatlantic slave trade and of the efforts of the United States to end the slave trade; to the Committee on the Judiciary.

By Mr. FEINGOLD (for himself, Mr. COLEMAN, Mr. BROWN, Ms. KLOBUCHAR, and Mr. HAGEL):

S. Res. 541. A resolution supporting humanitarian assistance, protection of civilians, accountability for abuses in Somalia, and urging concrete progress in line with the Transitional Federal Charter of Somalia toward the establishment of a viable government of national unity; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. INHOFE, his name was withdrawn as a cosponsor of S. 22, a bill to amend title 38, United States Code, to establish a program of educational assistance for members of the Armed Forces who serve in the Armed Forces after September 11, 2001, and for other purposes.

S. 45

At the request of Mr. ENSIGN, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 45, a bill to amend title XVIII of the Social Security Act to make a technical correction in the definition of outpatient speech-language pathology services.

S. 211

At the request of Mrs. DOLE, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 211, a bill to facilitate nationwide availability of 2-1-1 telephone service for information and referral on human services, volunteer services, and for other purposes.

S. 579

At the request of Mr. REID, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 579, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 727

At the request of Mr. COCHRAN, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 727, a bill to improve and expand geographic literacy among kindergarten through grade 12 students in the United States by improving professional development programs for kindergarten through grade 12 teachers offered through institutions of higher education.

S. 911

At the request of Mr. REED, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 911, a bill to amend the Public Health Service Act to advance medical research and treatments into pediatric cancers, ensure patients and families have access to the current treatments and information regarding pediatric cancers, establish a population-based national childhood cancer database, and promote public awareness of pediatric cancers.

S. 994

At the request of Mr. TESTER, the name of the Senator from Tennessee (Mr. ALEXANDER) was added as a cosponsor of S. 994, a bill to amend title 38, United States Code, to eliminate the deductible and change the method of determining the mileage reimbursement rate under the beneficiary travel program administered by the Secretary of Veteran Affairs, and for other purposes.

S. 1075

At the request of Mrs. CLINTON, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1075, a bill to amend title XIX of the Social Security Act to expand access to contraceptive services for women and men under the Medicaid program, help low income women and couples prevent unintended pregnancies and reduce abortion, and for other purposes.

S. 1410

At the request of Mr. COLEMAN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1410, a bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for the purchase of hearing aids.

S. 1445

At the request of Mr. KENNEDY, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 1445, a bill to amend the Public Health Service Act to direct the Secretary of Health and Human Services to establish, promote, and support a comprehensive prevention, research, and medical management referral program for hepatitis C virus infection.

S. 1515

At the request of Mr. BIDEN, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 1515, a bill to establish a domestic violence volunteer attorney network to represent domestic violence victims.

S. 1743

At the request of Mr. HATCH, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1743, a bill to amend the Internal Revenue Code of 1986 to repeal the dollar limitation on contributions to funeral trusts.

S. 1760

At the request of Mr. BROWN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1760, a bill to amend the Public Health Service Act with respect to the Healthy Start Initiative.

S. 1779

At the request of Mr. TESTER, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1779, a bill to establish a program for tribal colleges and universities within the Department of Health and Human Services and to amend the Native American Programs Act of 1974 to authorize the provision of grants and cooperative agreements to tribal colleges and universities, and for other purposes.

S. 1838

At the request of Mr. CORNYN, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of S. 1838, a bill to provide for the health care needs of veterans in far South Texas.

S. 2002

At the request of Mr. HATCH, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 2002, a bill to amend the Internal Revenue Code of 1986 to simplify certain provisions applicable to real estate investment trusts, and for other purposes.

S. 2059

At the request of Mrs. CLINTON, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2059, a bill to amend the Family and Medical Leave Act of 1993 to clarify the eligibility requirements with respect to airline flight crews.

S. 2144

At the request of Mr. BARRASSO, his name was added as a cosponsor of S. 2144, a bill to require the Secretary of Energy to conduct a study of feasibility relating to the construction and operation of pipelines and carbon dioxide sequestration facilities, and for other purposes.

S. 2161

At the request of Mr. ISAKSON, the names of the Senator from Tennessee (Mr. CORKER) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 2161, a bill to ensure and foster continued patient safety and quality of care by making the antitrust laws apply to negotiations between groups of independent pharmacies and health plans and health insurance issuers (including health plans under parts C and D of the Medicare Program) in the same manner as such laws apply to protected activities under the National Labor Relations Act.

S. 2173

At the request of Mr. HARKIN, the name of the Senator from Maine (Ms.

COLLINS) was added as a cosponsor of S. 2173, a bill to amend the Elementary and Secondary Education Act of 1965 to improve standards for physical education.

S. 2209

At the request of Mr. HATCH, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 2209, a bill to amend the Internal Revenue Code of 1986 to provide incentives to improve America's research competitiveness, and for other purposes.

S. 2369

At the request of Mr. BAUCUS, the names of the Senator from New Jersey (Mr. LAUTENBERG) and the Senator from New Jersey (Mr. MENENDEZ) were added as cosponsors of S. 2369, a bill to amend title 35, United States Code, to provide that certain tax planning inventions are not patentable, and for other purposes.

S. 2465

At the request of Mr. KENNEDY, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Rhode Island (Mr. WHITEHOUSE) were added as cosponsors of S. 2465, a bill to amend title XIX of the Social Security Act to include all public clinics for the distribution of pediatric vaccines under the Medicaid program.

S. 2495

At the request of Mr. BIDEN, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 2495, a bill to amend title 18, United States Code, and the Federal Rules of Criminal Procedure with respect to bail bond forfeitures.

S. 2498

At the request of Mr. DOMENICI, the names of the Senator from Kentucky (Mr. MCCONNELL), the Senator from Alaska (Mr. STEVENS), the Senator from Utah (Mr. HATCH), the Senator from Texas (Mrs. HUTCHISON), the Senator from Idaho (Mr. CRAIG), the Senator from Alabama (Mr. SESSIONS), the Senator from Kansas (Mr. ROBERTS), the Senator from Idaho (Mr. CRAPO), the Senator from North Carolina (Mrs. DOLE), the Senator from Texas (Mr. CORNYN), the Senator from Maine (Ms. SNOWE), the Senator from Wyoming (Mr. BARRASSO), the Senator from Georgia (Mr. ISAKSON), the Senator from New Hampshire (Mr. GREGG), the Senator from Florida (Mr. MARTINEZ), the Senator from Colorado (Mr. ALLARD), the Senator from Tennessee (Mr. ALEXANDER), the Senator from Oregon (Mr. SMITH), the Senator from Wyoming (Mr. ENZI), the Senator from Missouri (Mr. BOND), the Senator from Mississippi (Mr. COCHRAN), the Senator from Nevada (Mr. ENSIGN), the Senator from Georgia (Mr. CHAMBLISS), the Senator from Maine (Ms. COLLINS), the Senator from Minnesota (Mr. COLEMAN), the Senator from Virginia (Mr. WARNER), the Senator from Alaska (Ms. MURKOWSKI), the Senator from South Dakota (Mr. THUNE), the Senator from Mississippi (Mr. WICKER), the Senator from North Carolina (Mr. BURR), the Senator from Indiana (Mr. LUGAR), the Senator from Ohio (Mr. VOINOVICH), the Senator from Oklahoma (Mr. INHOFE) and the Senator from Oklahoma (Mr. COBURN) were added as cosponsors of S. 2498, a bill to authorize the minting of a coin to commemorate the 400th anniversary of the founding of Santa Fe, New Mexico, to occur in 2010.

S. 2569

At the request of Mrs. BOXER, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2569, a bill to amend the Public Health Service Act to authorize the Director of the National Cancer Institute to make grants for the discovery and validation of biomarkers for use in risk stratification for, and the early detection and screening of, ovarian cancer.

S. 2598

At the request of Mr. DORGAN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 2598, a bill to increase the supply and lower the cost of petroleum by temporarily suspending the acquisition of petroleum for the Strategic Petroleum Reserve.

S. 2630

At the request of Mr. KENNEDY, the names of the Senator from Maryland (Mr. CARDIN) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 2630, a bill to amend the Public Health Service Act to establish a Federal grant program to provide increased health care coverage to and access for uninsured and underinsured workers and families in the commercial fishing industry, and for other purposes.

S. 2686

At the request of Mr. HARKIN, the names of the Senator from Illinois (Mr. DURBIN), the Senator from Vermont (Mr. SANDERS) and the Senator from Minnesota (Mr. COLEMAN) were added as cosponsors of S. 2686, a bill to ensure that all users of the transportation system, including pedestrians, bicyclists, and transit users as well as children, older individuals, and individuals with disabilities, are able to travel safely and conveniently on streets and highways.

S. 2689

At the request of Mr. SMITH, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 2689, a bill to amend section 411h of title 37, United States Code, to provide travel and transportation allowances for family members of members of the uniformed services with serious inpatient psychiatric conditions.

S. 2758

At the request of Ms. MURKOWSKI, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2758, a bill to authorize the exploration, leasing, development, production, and economically feasible and prudent transportation of oil and gas in and from the Coastal Plain in Alaska.

S. 2760

At the request of Mr. LEAHY, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 2760, a bill to amend title 10, United States Code, to enhance the national defense through empowerment of the National Guard, enhancement of the functions of the National Guard Bureau, and improvement of Federal-State military coordination in domestic emergency response, and for other purposes.

S. 2766

At the request of Mr. NELSON of Florida, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 2766, a bill to amend the Federal Water Pollution Control Act to address certain discharges incidental to the normal operation of a recreational vessel.

S. 2819

At the request of Mr. ROCKEFELLER, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Wisconsin (Mr. KOHL) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 2819, a bill to preserve access to Medicaid and the State Children's Health Insurance Program during an economic downturn, and for other purposes.

S. 2874

At the request of Mrs. FEINSTEIN, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 2874, a bill to amend titles 5, 10, 37, and 38, United States Code, to ensure the fair treatment of a member of the Armed Forces who is discharged from the Armed Forces, at the request of the member, pursuant to the Department of Defense policy permitting the early discharge of a member who is the only surviving child in a family in which the father or mother, or one or more siblings, served in the Armed Forces and, because of hazards incident to such service, was killed, died as a result of wounds, accident, or disease, is in a captured or missing in action status, or is permanently disabled, and for other purposes.

S. 2883

At the request of Mr. ROCKEFELLER, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 2883, a bill to require the Secretary of the Treasury to mint coins in commemoration of the centennial of the establishment of Mother's Day.

S. 2912

At the request of Mr. LAUTENBERG, the names of the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Washington (Mrs. MURRAY) and the Senator from Maryland (Mr. CARDIN) were added as cosponsors of S. 2912, a bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals.

S. 2917

At the request of Mr. CORNYN, the name of the Senator from Arizona (Mr.

KYL) was added as a cosponsor of S. 2917, a bill to strengthen sanctions against the Government of Syria, to enhance multilateral commitment to address the Government of Syria's threatening policies, to establish a program to support a transition to a democratically-elected government in Syria, and for other purposes.

S. 2927

At the request of Mr. BARRASSO, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 2927, a bill to increase the supply and lower the cost of petroleum by temporarily suspending the acquisition of petroleum for the Strategic Petroleum Reserve and to amend the Energy Policy and Conservation Act to include additional acquisition requirements for the Reserve.

S. RES. 537

At the request of Mr. LEAHY, the names of the Senator from Iowa (Mr. GRASSLEY), the Senator from New Jersey (Mr. MENENDEZ) and the Senator from Texas (Mr. CORNYN) were added as cosponsors of S. Res. 537, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. SNOWE (for herself, Ms. STABENOW, and Mr. JOHNSON):

S. 2931. A bill to amend title XVIII of the Social Security Act to exempt complex rehabilitation products and assistive technology products from the Medicare competitive acquisition program; to the Committee on Finance.

Ms. SNOWE. Mr. President, I rise to introduce the Medicare Access to Complex Rehabilitation and Assistive Technology Act of 2008. I am pleased to be joined by my colleague from Michigan, Senator STABENOW. Today, we unite to ensure access to medical equipment for severely disabled Medicare beneficiaries who seek to lead independent and productive lives.

In the 2003 Medicare Modernization Act, MMA, Congress directed the Centers for Medicare and Medicaid Services to proceed with a durable medical equipment competitive bidding demonstration project. The purpose of this demonstration was to determine whether competitive bidding can be used to provide quality medical equipment at prices below current Medicare Part B reimbursement rates. The bidding will result in a new fee schedule for some selected DME services, replacing Medicare's current fee schedule. In other words, competitive bidding will change how Medicare covers medical equipment and also determine which suppliers may participate in providing such equipment to beneficiaries.

It is critical to note that the Medicare competitive bidding program was designed to produce cost savings—both for Medicare and for beneficiaries in the form of lower copayments for medical equipment. The competitive process of submitting bids to supply particular services and products would reduce the price Medicare currently reimburses for these items.

Although competitive bidding may reduce the cost of some health services, this system will likely prove unworkable in certain circumstances. For example, many rural areas across the country may not have the health care infrastructure to support a competitive acquisition program. Small suppliers who service individuals residing in areas of low population density may be outbid by larger, distant providers, leading to limited access to medical equipment for Medicare beneficiaries living in these locations.

Another unique circumstance for which competitive bidding is inappropriate regards complex rehabilitation and assistive technology for individuals with significant and distinctive needs. Under the competitive acquisition program, thousands of individuals who require customized medical equipment may be forced to use ill-fitting products that will inevitably increase discomfort, further limit functional ability, and may even cause loss of function for these individuals who seek independence and mobility in their lives.

Let me give an example of how the competitive bidding program will hamper the ability of Medicare beneficiaries to access necessary rehabilitative and assistive technology. If a Medicare beneficiary has been diagnosed with muscular dystrophy and uses a power wheelchair due to the loss of muscle tone in the body, a wheelchair that is tailored to the individual is imperative for several reasons. Power wheelchairs that are not adapted to the particular needs of the individual lead to more than mere discomfort, but also can further worsening health. For instance, individuals with muscular dystrophy may have wheelchairs that allow them to change positioning in order to breathe more comfortably. In addition, these wheelchairs may also be adapted to accommodate other necessary medical equipment, such as breathing ventilators. Yet with Medicare competitive bidding, the process will likely yield more uniform wheelchairs, leaving severely impaired beneficiaries with limited options to meet their needs.

Our bill will remove complex rehabilitation and assistive technology products from the Medicare competitive bidding program. In a program intended to reduce costs through competition among suppliers providing medical products, it is simply untenable to include such sophisticated and personalized equipment. We all agree that we must address Medicare spending, but restricting access to necessary products for the beneficiaries that most require them is not the way to approach this issue—and may in fact increase costs.

I urge my colleagues to join with Senator STABENOW and myself in supporting the Medicare Access to Complex Rehabilitation and Assistive Technology Act of 2008 to support Medicare beneficiaries in receiving the specialized medical equipment they so critically need.

Ms. STABENOW. Mr. President, I am pleased to join my colleague, Senator OLYMPIA SNOWE, in introducing the Medicare Access to Complex Rehabilitation and Assistive Technology Act. This legislation will ensure Medicare beneficiaries who need complex rehabilitation and assistive technology will continue to receive the highest level of service and support necessary to maintain their independence. I am also pleased to be joined by my good friend, Senator TIM JOHNSON, in this effort.

Competitive bidding, while well-intentioned, does not work well for items that must be customized for individuals with complex and specialized needs. Unlike some of the items being considered by CMS for competitive bidding, complex rehab technologies are not the sort of products that are easily interchangeable. For example, individuals with neuromuscular diseases—such as multiple sclerosis, ALS, cerebral palsy, or Parkinson's disease—or conditions such as spinal cord injuries may require specialized services because of the profound and sometimes progressive nature of these conditions. Patients' access to assistive technology products for their unique needs could be in jeopardy.

I am pleased that our legislation has the support of numerous patient advocacy organizations. As co-chair of the Senate Parkinson's Caucus, I have seen firsthand how assistive technology can make a difference in helping a loved one achieve independence over a disease or disability. The legislation we are introducing today will ensure that the wonders of medical technology will continue to be available to the Medicare beneficiaries who need them the most.

By Mr. SMITH (for himself, Mr. CONRAD, and Mr. KOHL):

S. 2933. A bill to improve the employability of older Americans; to the Committee on Finance.

Mr. SMITH. Mr. President, on behalf of Senators CONRAD and KOHL, I introduce the Incentives for Older Workers Act of 2008.

The United States is about to experience an unprecedented demographic shift with the aging of the baby boomer generation. According to the U.S. Census Bureau, in 1980, individuals age 50 and older represented 26 percent of the population. By 2050, this is expected to rise to 37 percent. In my home State of Oregon, residents age 65 and older are expected to comprise 25 percent of the State population by 2025. This will make Oregon the fourth oldest State in the country.

The aging of our population will have a significant impact on many aspects

of our society, including our labor market. A 2007 Conference Board study reports that current retirement trends could create a U.S. labor shortage of 4.8 million workers in 10 years. According to Dr. Preston Pulliams of Portland Community College, 53 percent of Oregon businesses report that it is extremely or very likely that their organization will face a shortage of qualified workers during the next 5 years as a result of the retirement of baby boomers.

The Incentives for Older Workers Act will help mitigate the effects of our aging workforce by providing incentives to older Americans to stay in the workforce longer, encouraging employers to recruit and retain older workers, and eliminating barriers to working longer. For example, the current Work Opportunity Tax Credit allows employers credits against wages for hiring individuals from one or more of nine targeted groups, such as recipients of public assistance and high risk youth. Our bill would extend that credit for employers that hire older workers.

In addition, Social Security benefits are increased if retirement is delayed beyond full retirement age. Increases based on delaying retirement no longer apply when people reach age 70, even if they continue to delay taking benefits. Our bill would allow people to earn delayed retirement credits up until age 72, instead of age 70.

To collect, organize and disseminate information on older worker issues, the bill also would create a National Resource Center on Aging and the Workforce within the U.S. Department of Labor. This center would act as a national information clearinghouse on workforce issues, challenges and solutions for older workers.

The bipartisan Incentives for Older Workers Act will provide seniors with the flexibility and opportunity to continue working in retirement if they choose to. I look forward to working with my colleagues to enact these important reforms. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Incentives for Older Workers Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Prohibition of benefit reduction due to phased retirement.
Sec. 3. Allowance of delayed retirement social security credits until age 72.
Sec. 4. Reduction in social security benefit offset resulting from certain earnings.
Sec. 5. National Resource Center on Aging and the Workforce.
Sec. 6. Civil service retirement system computation for part-time service.
Sec. 7. Workforce investment activities for older workers.
Sec. 8. Eligibility of older workers for the work opportunity credit.
Sec. 9. Normal retirement age.

SEC. 2. PROHIBITION OF BENEFIT REDUCTION DUE TO PHASED RETIREMENT.

(a) PROHIBITION OF BENEFIT REDUCTION DUE TO PHASED RETIREMENT.—

(1) AMENDMENT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 204(b)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(b)(1)) is amended by adding at the end the following:

''(I)(i) Notwithstanding the preceding subparagraphs, in the case of a participant who——

''(I) begins a period of phased retirement, and

''(II) was employed on a substantially full-time basis during the 12-month period preceding the period of phased retirement,

a defined benefit plan shall be treated as meeting the requirements of this paragraph with respect to the participant only if the participant's compensation or average compensation taken into account under the plan with respect to the years of service before the period of phased retirement is not, for purposes of determining the accrued benefit for such years of service, reduced due to such phased retirement

''(ii) For purposes of this subparagraph, a period of phased retirement is a period during which an employee is employed on substantially less than a full-time basis or with substantially reduced responsibilities, but only if the period begins after the participant reaches age 50 or has completed 30 years of service creditable under the plan.''.

(2) AMENDMENT TO THE INTERNAL REVENUE CODE OF 1986.—Section 411(b)(1) of the Internal Revenue Code of 1986 (relating to accrued benefits) is amended by adding at the end the following:

''(I) ACCRUED BENEFIT MAY NOT DECREASE ON ACCOUNT OF PHASED RETIREMENT.—

''(i) IN GENERAL.—Notwithstanding the preceding subparagraphs, in the case of a participant who—

''(I) begins a period of phased retirement, and

''(II) was employed on a substantially full-time basis during the 12-month period preceding the period of phased retirement,

a defined benefit plan shall be treated as meeting the requirements of this paragraph with respect to the participant only if the participant's compensation or average compensation taken into account under the plan with respect to the years of service before the period of phased retirement is not, for purposes of determining the accrued benefit for such years of service, reduced due to such phased retirement.

''(ii) PERIOD OF PHASED RETIREMENT.—For purposes of this subparagraph, a period of phased retirement is a period during which an employee is employed on substantially less than a full-time basis or with substantially reduced responsibilities, but only if the period begins after the participant reaches age 50 or has completed 30 years of service creditable under the plan.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to benefits payable after the date of enactment of this Act.

SEC. 3. ALLOWANCE OF DELAYED RETIREMENT SOCIAL SECURITY CREDITS UNTIL AGE 72.

(a) IN GENERAL.—Paragraphs (2) and (3) of section 202(w) of the Social Security Act (42 U.S.C. 402(w)) are each amended by striking ''age 70'' and inserting ''age 72''.

(b) EFFECTIVE DATES.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 4. REDUCTION IN SOCIAL SECURITY BENEFIT OFFSET RESULTING FROM CERTAIN EARNINGS.

(a) IN GENERAL.—Section 203(f)(3) of the Social Security Act (42 U.S.C. 403(f)(3)) is amended by striking ''in the case of any individual'' and all that follows through ''in the case of any other individual''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 5. NATIONAL RESOURCE CENTER ON AGING AND THE WORKFORCE.

(a) ESTABLISHMENT.—The Secretary of Labor shall award a grant for the establishment and operation of a National Resource Center on Aging and the Workforce to address issues on age and the workforce and to collect, organize, and disseminate information on older workers.

(b) ACTIVITIES.—The Center established under subsection (a) shall—

(1) serve as a national information clearinghouse on workforce issues, challenges, and solutions planning for older workers that would serve employers, local communities, and State and local government organizations, as well as other public and private agencies, including providing for the cataloging, organization, and summarizing of existing research, resources, and scholarship relating to older workforce issues;

(2) identify best or most-promising practices across the United States that have enjoyed success in productively engaging older Americans in the workforce;

(3) create toolkits for employers, trade associations, labor organizations, and nonprofit employers that would feature a series of issue papers outlining specific tasks and activities for engaging older individuals in select industries;

(4) distribute information to government planners and policymakers, employers, organizations representing and serving older adults, and other appropriate entities through the establishment of an interactive Internet website, the publications of articles in periodicals, pamphlets, brochures, and reports, as well as through national and international conferences and events; and

(5) provide targeted and ongoing technical assistance to select units of government, private corporations, and nonprofit organizations.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be available in each fiscal year to carry out this section.

SEC. 6. CIVIL SERVICE RETIREMENT SYSTEM COMPUTATION FOR PART-TIME SERVICE.

Section 8339(p) of title 5, United States Code, is amended by adding at the end the following:

''(3)(A) In the administration of paragraph (1)—

''(i) subparagraph (A) of such paragraph shall apply to any service performed before, on, or after April 7, 1986;

''(ii) subparagraph (B) of such paragraph shall apply to all service performed on a part-time or full-time basis on or after April 7, 1986; and

''(iii) any service performed on a part-time basis before April 7, 1986, shall be credited as service performed on a full-time basis.

''(B) This paragraph shall be effective with respect to any annuity entitlement to which is based on a separation from service occurring on or after the date of the enactment of this paragraph.''.

SEC. 7. WORKFORCE INVESTMENT ACTIVITIES FOR OLDER WORKERS.

(a) STATE BOARDS.—Section 111(b)(1)(C) of the Workforce Investment Act of 1998 (29 U.S.C. 2821(b)(1)(C)) is amended—

(1) in clause (vi), by striking ''and'' at the end;

(2) by redesignating clause (vii) as clause (viii); and

(3) by inserting after clause (vi) the following:

''(vii) representatives of older individuals, who shall be representatives from the State agency (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)) in the State or recipients of grants under title V of such Act (42 U.S.C. 3056 et seq.) in the State; and''.

(b) LOCAL BOARDS.—Section 117(b)(2)(A) of such Act (29 U.S.C. 2832(b)(2)(A)) is amended—

(1) in clause (v), by striking ''and'' at the end; and

(2) by adding at the end the following:

''(vii) representatives of older individuals, who shall be representatives from an area agency on aging (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)) in the local area or recipients of grants under title V of such Act (42 U.S.C. 3056 et seq.) in the local area; and''.

(c) RESERVATION OF FUNDS FOR OLDER INDIVIDUALS.—Section 134 of such Act (29 U.S.C. 2864) is amended by adding at the end the following:

''(f) RESERVATION FOR OLDER INDIVIDUALS FROM FUNDS ALLOCATED FOR ADULTS.—

''(1) DEFINITION.—In this subsection, the term 'allocated funds' means the funds allocated to a local area under paragraph (2)(A) or (3) of section 133(b).

''(2) RESERVATION.—The local area shall ensure that 5 percent of the allocated funds that are used to provide services under subsection (d) or (e) are reserved for services for older individuals.''.

SEC. 8. ELIGIBILITY OF OLDER WORKERS FOR THE WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Section 51(d)(1) of the Internal Revenue Code of 1986 (relating to members of targeted groups) is amended—

(1) by striking ''or'' at the end of subparagraph (H),

(2) by striking the period at the end of subparagraph (I) and inserting '', or'', and

(3) by adding at the end the following new subparagraph:

''(J) a qualified older worker.''.

(b) QUALIFIED OLDER WORKER.—Section 51(d) of the Internal Revenue Code of 1986 is amended—

(1) by redesignating paragraphs (11), (12), and (13) as paragraphs (12), (13), and (14), respectively, and

(2) by inserting after paragraph (10) the following new paragraph:

''(11) QUALIFIED OLDER WORKER.—The term 'qualified older worker' means any individual who is certified by the designated local agency as being an individual who is age 55 or older and whose income is not more than 125 percent of the poverty line (as defined by the Office of Management and Budget), excluding any income that is unemployment compensation, a benefit received under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), a payment made to or on behalf of veterans or former members of the Armed Forces under the laws administered by the Secretary of Veterans Affairs, or 25 percent of a benefit received under title II of the Social Security Act (42 U.S.C. 401 et seq.).''.

(c) EFFECTIVE DATE.—The amendments made this section shall apply to amounts paid or incurred after the date of the enactment of this Act to individuals who begin work for the employer after such date.

SEC. 9. NORMAL RETIREMENT AGE.

(a) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 411of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(f) SPECIAL RULE FOR DETERMINING NORMAL RETIREMENT AGE FOR CERTAIN EXISTING DEFINED BENEFIT PLANS.—

''(1) IN GENERAL.—For purposes of subsection (a)(8)(A), an applicable plan shall not be treated as failing to meet any requirement of this subchapter, or as failing to have a uniform normal retirement age for purposes of this subchapter, solely because the plan has adopted the normal retirement age described in paragraph (2).

''(2) APPLICABLE PLAN.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'applicable plan' means a defined benefit plan that, on the date of the introduction of the Incentives for Older Workers Act, has adopted a normal retirement age which is the earlier of—

''(i) an age otherwise permitted under subsection (a)(8)(A), or

''(ii) the age at which a participant completes the number of years (not less than 30 years) of benefit accrual service specified by the plan.

A plan shall not fail to be treated as an applicable plan solely because, as of such date, the normal retirement age described in the preceding sentence only applied to certain participants or to certain employers participating in the plan.

''(B) EXPANDED APPLICATION.—If, after the date described in subparagraph (A), an applicable plan expands the application of the normal retirement age described in subparagraph (A) to additional participants or participating employers, such plan shall also be treated as an applicable plan with respect to such participants or participating employers.''.

(b) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 204 of the Employee Retirement Income Security Act of 1974 is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

''(k) SPECIAL RULE FOR DETERMINING NORMAL RETIREMENT AGE FOR CERTAIN EXISTING DEFINED BENEFIT PLANS.—

''(1) IN GENERAL.—For purposes of section 3(24), an applicable plan shall not be treated as failing to meet any requirement of this title, or as failing to have a uniform normal retirement age for purposes of this title, solely because the plan has adopted the normal retirement age described in paragraph (2).

''(2) APPLICABLE PLAN.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'applicable plan' means a defined benefit plan that, on the date of the introduction of the Incentives for Older Workers Act, has adopted a normal retirement age which is the earlier of—

''(i) an age otherwise permitted under section 2(24), or

''(ii) the age at which a participant completes the number of years (not less than 30 years) of benefit accrual service specified by the plan.

A plan shall not fail to be treated as an applicable plan solely because, as of such date, the normal retirement age described in the preceding sentence only applied to certain participants or to certain employers participating in the plan.

''(B) EXPANDED APPLICATION.—If, after the date described in subparagraph (A), an applicable plan expands the application of the normal retirement age described in subparagraph (A) to additional participants or participating employers, such plan shall also be treated as an applicable plan with respect to such participants or participating employers.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning before, on, or after the date of the enactment of this Act.

By Mr. LAUTENBERG (for himself, Mr. MENENDEZ, Mrs. FEINSTEIN, Mr. LEVIN, Mr. LIEBERMAN, Mr. WHITEHOUSE, Mr. REED, and Mr. SCHUMER):

S. 2935. A bill to prevent the destruction of terrorist and criminal national instant criminal background check system records; to the Committee on the Judiciary.

Mr. LAUTENBERG. Mr. President, I rise to introduce the Preserving Records of Terrorist and Criminal Transactions, or PROTECT Act of 2008. I am proud to be joined by cosponsors Senators FEINSTEIN, LEVIN, LIEBERMAN, MENENDEZ, REED, SCHUMER, and WHITEHOUSE.

In 1994, we passed the Brady Law, which requires criminal background checks for all guns sold by licensed firearm dealers. In the 14 years since it was enacted, the Brady law has prevented more than 1.5 million felons and other dangerous individuals from buying guns. I am proud to say that more than 150,000 of those denials have been to convicted domestic abusers because of a law I wrote in 1996.

Every time a Brady background check is conducted, the FBI's National Instant Criminal Background Check System—or NICS—creates an audit log. The audit log includes information about the purchaser, the weapon, and the seller.

The information could be extremely valuable to the FBI. The agency could use it to help determine whether gun dealers are complying with the background check requirements, to help law enforcement fight crime by figuring out whether a criminal has been able to buy a gun, or even to help prevent terrorist attacks.

Yet, despite this information's value in fighting crime and terrorism, the FBI destroys the background check data.

In most cases, the audit log is destroyed within 24 hours after the sale is allowed to go through. That's because every year since 2004, a rider has been attached to appropriations bills mandating that the FBI destroy the background check record within 24 hours of allowing the gun sale to proceed. That means that the purchaser's name, social security number, and all other personally identifying information are purged from the system within 24 hours.

Once this information is destroyed, the FBI can no longer run searches using a person's name. So if a local law enforcement agency were to call the FBI to see if a criminal on the loose had purchased any guns recently, the FBI would not be able to search its database using the suspect's name if the gun was purchased two months, two weeks, or even two days earlier.

This destruction requirement hinders the FBI's ability to help the Bureau of Alcohol, Tobacco, Firearms, and Explosives verify that gun dealers are conducting background checks properly.

Before the destruction requirement, ATF could compare the NICS records to the paper records that gun dealers are required to keep on file to determine whether the dealers were submitting all the required information.

The destruction requirement also prevents the FBI from determining whether a felon, fugitive, or other person who is prohibited from having a gun was able to purchase one in violation of the law, and to retrieve guns from people who are prohibited from having them. The FBI has only three days to conduct background checks, and sometimes receives information after already approving a sale that the purchaser was legally prohibited from having a firearm. But without the background check information at hand, the FBI has no way of retrieving guns from these dangerous people who never should have been allowed to purchase them in the first place.

Prior to the 24–hour destruction requirement, the Government Accountability Office found that over a 6-month period the FBI used retained Brady background check records to initiate 235 actions to retrieve illegally possessed guns. According to GAO, 228—97 percent—of those retrieval actions would not have been possible under a 24-hour destruction policy. Those are hundreds of guns in the hands of felons, fugitives and other dangerous people. We have the power to stop them, and we should use it.

Up until now, I have been talking about dangerous people who are prohibited from having guns under current federal law, such as felons, fugitives, and convicted domestic abusers. But there is one category of very dangerous people who are allowed to purchase firearms under current federal law-known and suspected terrorists. It is hard to believe, but nothing in our federal gun laws prevents known and suspected terrorists from purchasing guns.

And we know that terrorists exploit this Terror Gap in our gun laws. In a 2005 report that Senator Biden and I requested, GAO found that during a four-month period in 2004, a total of 44 firearm purchase attempts were made by known or suspected terrorists. In 35 of those cases, the FBI authorized the transactions to proceed because FBI field agents were unable to find any disqualifying information within the federally prescribed three-day background check period. I have introduced another bill—the Denying Firearms and Explosives to Dangerous Terrorists Act S. 1237—to close this Terror Gap, and I urge my colleagues to support that bill as well.

Not only do our current laws allow terrorists to buy guns, but the FBI also destroys the background check records from terrorist gun purchases within 90 days. That means that a joint terrorism task force conducting a terror investigation over the course of months or even years cannot call the FBI to find out if the target of the investigation—someone who is on the terror watch list—purchased firearms last year.

The PROTECT Act would address both of these record retention problems by preserving records that are critical to effective background checks, law enforcement, and terrorism prevention. Specifically, it would:

(1) require the FBI to retain for 10 years all background check records involving a valid match to a terror watch list; and

(2) require the FBI to retain for at least 180 days all other background check records.

This is a common-sense public safety measure. At a time when 32 people are murdered as a result of gun violence every day in the United States and we are fighting against terrorism, the last thing we should be doing is prematurely destroying a valuable anti-crime and anti-terrorism tool that we have at our fingertips.

At a Commerce, Justice, Science and Related Agencies Appropriations Subcommittee hearing last year, I asked FBI Director Robert Mueller if he thought that background check records should be retained for more than 24 hours. He replied, ''[T]here is a substantial argument in my mind for retaining records for a substantial period of time.'' That's what this bill would do, and I hope my Senate colleagues will join me in passing it swiftly.

By Mr. GRAHAM (for himself, Mr. BURR, Mr. MCCAIN, Mr. CHAMBLISS, Mr. LIEBERMAN, Mr. CORNYN, Mr. ALEXANDER, Mrs. HUTCHISON, Mr. MARTINEZ, Mr. STEVENS, Mr. COCHRAN, Ms. COLLINS, Mr. BARRASSO, Mr. DOMENICI, Mrs. DOLE, Mr. WICKER, Mr. ISAKSON, and Mr. INHOFE):

S. 2938. A bill to amend titles 10 and 38, United States Code, to improve educational assistance for members of the Armed Forces and veterans in order to enhance recruitment and retention for the Armed Forces, and for other purposes; to the Committee on Veterans' Affairs.

Mr. MCCAIN. Mr. President, I am very pleased to join today with Senator LINDSEY GRAHAM, the Ranking Member of the Personnel Subcommittee of the Senate Armed Services Committee, and Senator RICHARD BURR, the Ranking Member of the Senate Veterans Committee, in introducing the Enhancement of Recruitment, Retention, and Readjustment Through Education Act. This legislation, which is designed to greatly enhance veterans' education benefits, is also cosponsored by Senators CHAMBLISS, LIEBERMAN, CORNYN, ALEXANDER, HUTCHISON, MARTINEZ, STEVENS, COCHRAN, COLLINS, BARRASSO, DOMENICI, DOLE, WICKER, and ISAKSON.

Mr. President, America has an obligation to provide unwavering support to America's veterans, servicemembers, and retirees. Men and women who have served their country deserve the best education benefits we are able to give them, and they deserve to receive them as quickly as possible. And that is what our legislation is designed to accomplish.

The Enhancement of Recruitment, Retention, and Readjustment Through Education Act would increase education benefits for servicemembers, veterans, and members of the Guard and Reserve. It would help facilitate successful recruitment efforts and, importantly, encourage continued service in the military by granting a higher education payment for longer service. It also provides a transferability feature to allow the serviceman and woman to have the option of transferring education benefits to their children and spouses. In developing this legislation, the one theme we heard from almost every veterans' services organization is the need for such a transferability provision.

As my colleagues know, our proposal is not the only measure that has been offered to increase GI education benefits, and I want to commend the efforts of Senators WEBB, HAGEL, WARNER and others on their work to bring this important issue to the forefront in the Senate, by the introduction of S. 22. Each of us supports a revitalized GI program. While I don't think anyone disagrees with the overall intent of S. 22, I believe we can and should do more to promote recruitment and retention of servicemen and women and to ensure that veterans and their families receive the education benefits they deserve, and in a timely manner. But I remain very hopeful that we can all work together in a bipartisan manner to ensure that Congress enacts meaningful legislation that will be signed into law as soon as possible.

Unlike S. 22, our legislation builds on the existing Montgomery GI Bill educational benefits to ensure rapid implementation. Unlike S. 22, our bill focuses on the entire spectrum of military members who make up the All Volunteer Force, from the newest recruit to the career NCOs, officers, reservists and National Guardsmen, to veterans who have completed their service and retirees, as well as the families of all of these individuals.

The legislation would immediately increase education benefits for active duty personnel from $1100 to $1500 a month. To encourage careers in the military, the education benefits would increase to $2000 a month after 12 or more years of service. Further, it would allow a servicemember to transfer 50 percent of benefits to a spouse or child starting after 6 years of service, and after 12 years of service, 100 percent may be transferred to a spouse or dependent children. This is a key pro-retention provision. In addition, our bill would provide $500 annually for college books and supplies while our servicemembers are going to school.

The bill also would increase from $880 to $1200 per month the education benefits for Guard and Reserve members called to active duty since September

11, 2001. Further, it would gradually increase benefits to $1600 per month for those members of the Guard and Reserves who serve in the Selected Reserve for 12 years or more and who continue serving in the Selected Reserve.

Servicemembers who enlist after they have already received post-secondary education degrees should also be allowed to benefit under an improved GI Bill and be allowed to use their education benefits to repay Federal student loans. Under our bill, servicemembers could use up to $6,000 per year of Montgomery G.I. Bill education benefits to repay Federal student loans. And, it doubles from $317 to $634 the education benefits for other members of the Guard and Reserves.

Our bill also recognizes the sacrifice of all who have served in the Global War on Terror, including members of the Guard and Reserve who are serving on active duty and deploying at historic rates by doubling the educational assistance for members of the Selected Reserve and, again, making the educational benefits transferable to family members.

Finally, I do think it is important that the Administration's views on this important issue are taken into account. That is why earlier this month, Senator LEVIN and I wrote to the Department of Defense seeking views on proposals to modernize the GI Bill.

Again, it is my hope that the proponents of the pending veteran's education benefits measures can join together to ensure that Congress enacts meaningful legislation that the President will sign. Such legislation should address the entire spectrum of the All Volunteer Force. It must be easily understood and implemented and responsive to the needs not only of veterans, but also of those who are serving in the active duty forces, the Guard and Reserve, and their families. Their exemplary service to our nation, and the sacrifice of their families, deserves no less.

Mr. President, I ask unanimous consent that a letter of support be printed in the RECORD.

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

THE SECRETARY OF DEFENSE,
Washington, DC, April 29, 2008.

Hon. JOHN MCCAIN,
Ranking Member, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: you earlier asked for my views on S. 22. Since your request, two other bills have been introduced (H.R. 5684 and, in the Senate, the Enhancement of Recruitment, Retention, and Readjustment Through Education Act of 2008). I welcome the opportunity to outline the criteria the Department has established to evaluate specific proposals, with the ultimate objective of strengthening the All-Volunteer Force, as well as properly recognizing our veterans' service.

Our first objective is to strengthen the All-Volunteer force. Accordingly, it is essential to permit transferability of unused education benefits from service members to family. This is the highest priority set by the Service Chiefs and the Chairman of the Joint Chiefs of Staff, reflecting the strong interest from the field and fleet. Transferability supports military families, thereby enhancing retention. Second, any enhancement of the education benefit, whether used in service or after retirement, must serve to enhance recruiting and not undercut retention.

Third, significant benefit increases need to be focused on those willing to commit to longer periods of service—hence the Department's interest in at least six years of service to be eligible for transferability. Re-enlistments (and longer service) are critical to the success of the All-Volunteer Force. Fourth, the program should provide participants with benefits tailored to their unique situation, thereby broadening the population from which we retain and recruit. This includes those whose past educational achievements have resulted in education debt through student loans, and those seeking advanced degrees and who may have earned undergraduate degrees with Department of Defense support.

As you may well appreciate, a key issue is the determination of the benefit level for the basic GI bill program. The Department estimates that serious retention issues could arise if the benefit were expanded beyond the level sufficient to offset average monthly costs for a public four-year institution (tuition, room, board, and fees). These costs are presently estimated at about $1,500 according to the National Center for Education Statistics. This would still entail a substantial increase to the present benefit value of $1,100.

An important corollary to the GI Bill is the recognition that today, remaining in the military is entirely consistent with the attainment of education goals. Unlike the past, our nation now encourages the fulfillment of college aspirations while serving, thus dealing with readjustment through up front programs, rather than only after discharge. DoD invests about $700 million annually to offer funded, education tuition assistance for our servicemen and women while serving. More than 400,000 members of the armed forces took advantage of such tuition assistance last year.

In conclusion, for all these reasons, the Department does not support S. 22. This legislation does not meet, and, in some respects, is in direct variance to the Department's above-stated objectives and supporting criteria.

Thank you for the opportunity to comment. We look forward to working closely with the Congress to strengthen the All-Volunteer force through a balanced program of recruiting, retention and education benefits, and to recognize the service of our veterans.

Sincerely,

ROBERT M. GATES

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 539—TO AUTHORIZE TESTIMONY AND LEGAL REPRESENTATION IN STATE OF MAINE V. DOUGLAS RAWLINGS, JONATHAN KREPS, JAMES FREEMAN, HENRY BRAUN, ROBERT SHETTERLY, AND DUDLEY HENDRICK

Mr. REID (for himself and Mr. MCCONNELL) submitted the following resolution; which was considered and agreed to:

S. RES. 539

Whereas, in the cases of State of Maine v. Douglas Rawlings (CR 09–2007–441), Jonathan Kreps (CR–2007–442), James Freeman (CR–2007–443), Henry Braun (CR–2007–444), Robert Shetterly (CR–2007–445), and Dudley Hendrick (CR–2007–467), pending in Penobscot County Court in Bangor, Maine, a defendant has subpoenaed testimony from Carol Woodcock, an employee in the office of Senator Susan Collins;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved That Carol Woodcock is authorized to testify in the cases of State of Maine v. Douglas Rawlings, Jonathan Kreps James Freeman, Henry Braun, Robert Shetterly, and Dudley Hendrick, except concerning matters for which a privilege should he asserted.

SEC. 2. The Senate Legal Counsel is authorized to represent Carol Woodcock, and any other employee of the Senator from whom evidence may be sought, in the actions referenced in section one of this resolution.

SENATE RESOLUTION 540—RECOGNIZING THE HISTORICAL SIGNIFICANCE OF THE SLOOP-OF-WAR USS ''CONSTELLATION'' AS A REMINDER OF THE PARTICIPATION OF THE UNITED STATES IN THE TRANSATLANTIC SLAVE TRADE AND OF THE EFFORTS OF THE UNITED STATES TO END THE SLAVE TRADE

Ms. MIKULSKI (for herself and Mr. CARDIN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 540

Whereas, on September 17, 1787, the Constitution of the United States was adopted, and article I, section 9 declared that Congress could prohibit the importation of slaves into the United States in the year 1808;

Whereas, in 1794, the United States Congress passed ''An Act to prohibit the carrying on the Slave Trade from the United States to any foreign place or country'', approved March 22, 1794 (1 Stat. 347), thus beginning the efforts of the United States to halt the slave trade;

Whereas, on May 10, 1800, Congress enacted a law that outlawed all participation by people in the United States in the international trafficking of slaves and authorized the United States Navy to seize vessels flying the flag of the United States engaged in the slave trade;

Whereas, on March 2, 1807, President Thomas Jefferson signed into law ''An Act to prohibit the importation of slaves into any port or place within the jurisdiction of the United States, from and after the first of January, in the year of our Lord one thousand eight hundred and eight'' (2 Stat. 426);

Whereas, on January 1, 1808, the prohibition on the importation of slaves into the United States took effect;

Whereas, on March 3, 1819, Congress authorized the Navy to cruise the coast of Africa to suppress the slave trade, declaring that Africans on captured ships be placed under Federal jurisdiction and authorizing the President to appoint an agent in Africa to facilitate the return of captured Africans to the continent;

Whereas, in 1819, the Royal Navy of Great Britain established the West Coast of Africa as a separate naval station and actively plied the waters in pursuit of slave ships, and Great Britain negotiated with many other countries to obtain the right to search vessels suspected of engaging in the slave trade;

Whereas, on May 15, 1820, Congress declared the trading of slaves to be an act of piracy and that those convicted of trading slaves were subject to the death penalty;

Whereas the Webster-Ashburton Treaty between Great Britain and the United States, signed August 9, 1842, provided that both countries would maintain separate naval squadrons on the coast of Africa to enforce their respective laws against the slave trade;

Whereas, in 1843, the newly formed United States African Squadron sailed for Africa and remained in operation until the Civil War erupted in 1861;

Whereas, in 1859, the USS *Constellation*, the last all-sail vessel designed and built by the United States Navy, sailed to West Africa as the flagship of the United States African Squadron, which consisted of 8 ships, including 4 steam-powered vessels suitable for chasing down and capturing slave ships;

Whereas, on December 21, 1859, the USS *Constellation* captured the brig *Delicia* after a 10-hour chase, and although the *Delicia* had no human cargo on board upon capture, the crew had been preparing the ship to take on slaves;

Whereas, on the night of September 25, 1860, the USS *Constellation* spotted the barque *Cora* near the mouth of the Congo River and, after a dramatic moonlit chase, captured the slave ship with 705 Africans crammed into her permanent ''slave deck'';

Whereas after capturing the *Cora*, a detachment of the *Constellation*'s crew sailed the surviving Africans to Monrovia, Liberia, a colony founded for the settlement of free African Americans, which became the destination for all Africans freed on slave ships captured by the United States Navy;

Whereas, on May 21, 1861, the USS *Constellation* captured the brig *Triton*, and although the *Triton* did not have Africans captured for slavery on board when intercepted by the *Constellation*, a search confirmed that the ship had been prepared to take on slaves;

Whereas the *Triton*, registered in Charleston, South Carolina, was one of the first Union naval captures of the Civil War;

Whereas, from 1859 to 1861, the USS *Constellation* and the United States African Squadron captured 14 slave ships and liberated nearly 4,000 Africans destined for a life of servitude in the Americas, a record unsurpassed by the squadron under previous commanders; and

Whereas, on September 25, 2008, the USS *Constellation* Museum will hold a ceremony to commemorate the bicentennial of the abolition of the transatlantic slave trade aboard the same ship that, 148 years before, forced the capitulation of the slave ship *Cora* and freed the 705 Africans confined within: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the historical and educational significance of the USS *Constellation*, a 153-year-old warship berthed in Baltimore, Maryland, as a reminder of both the participation of the United States in the slave trade and the efforts of the United States Government to suppress the inhumane practice;

(2) applauds the preservation of the historic vessel and the efforts of the USS *Constellation* Museum to engage people from all over the world with this vital part of our history; and

(3) supports the USS *Constellation* as an appropriate site for the Nation to commemorate the bicentennial of the abolition of the transatlantic slave trade in 2008.

SENATE RESOLUTION 541—SUPPORTING HUMANITARIAN ASSISTANCE, PROTECTION OF CIVILIANS, ACCOUNTABILITY FOR ABUSES IN SOMALIA, AND URGING CONCRETE PROGRESS IN LINE WITH THE TRANSITIONAL FEDERAL CHARTER OF SOMALIA TOWARD THE ESTABLISHMENT OF A VIABLE GOVERNMENT OF NATIONAL UNITY

Mr. FEINGOLD (for himself, Mr. COLEMAN, Mr. BROWN, Ms. KLOBUCHAR, and Mr. HAGEL) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 541

Whereas, despite the formation of the internationally recognized Transitional Federal Government (TFG) in 2004, there has been little improvement in the governance or stability of southern and central Somalia, and stability in the northern region of Puntland has deteriorated;

Whereas governance failures in Somalia have permitted and contributed to escalating violence, egregious human rights abuses, and violations of international humanitarian law, which occur with impunity and have led to an independent system of roadblocks, checkpoints, and extortion that hinders trade, business, and the delivery of desperately needed humanitarian assistance;

Whereas the Government of Ethiopia intervened in Somalia in December 2006 against the Islamic Courts Union (ICU) and continues to serve as the primary security force for the TFG in Somalia;

Whereas a United Nations Monitoring Group on Somalia report presented to the United Nations Security Council on July 20, 2007, alleged that Eritreans have provided arms to insurgents in Somalia as part of a long-standing dispute between Ethiopia and Eritrea that includes a series of interlocking proxy wars in the Horn of Africa;

Whereas the United Nations estimates that, as of April 2008, 2,000,000 people in Somalia need humanitarian assistance or livelihood support for at least the next 6 months, including 745,000 people who have fled ongoing insecurity and sporadic violence in Mogadishu over the past 16 months, adding to more than 275,000 long-term internally displaced Somalis;

Whereas, despite Prime Minister Nur Hassan Hussein's public commitment to humanitarian operations, local and international aid agencies remain hindered by extortion, harassment, and administrative obstructions;

Whereas, in March 2008, United Nations Secretary-General Ban Ki-moon presented his report on Somalia based on recent strategic assessments and fact-finding missions, which offered recommendations for increasing United Nations engagement while decreasing the presence of foreign troops, including the establishment of a maritime task force to deter piracy and support the 1992 international arms embargo;

Whereas the United States Government has allocated nearly $50,000,000 to support the African Union Mission in Somalia (AMISOM) and continues to be the leading contributor of humanitarian assistance in Somalia, with approximately $140,000,000 provided in fiscal year 2007 and fiscal year 2008 to date, but still lacks a comprehensive strategy to build a sustainable peace;

Whereas, over the last 5 years, the Senate has repeatedly called upon the President through resolutions, amendments, bills, oversight letters, and hearings to develop and implement a comprehensive strategy to contribute to lasting peace and security throughout the Horn of Africa by helping to establish a legitimate, stable central government in Somalia capable of maintaining the rule of law and preventing Somalia from becoming a safe haven for terrorists;

Whereas a February 2008 Government Accountability Office (GAO) report entitled, ''Somalia: Several Challenges Limit U.S. and International Stabilization, Humanitarian, and Development Efforts'', found that United States and international ''efforts have been limited by lack of security, access to vulnerable populations, and effective government institutions'' as well as the fact that the ''U.S. strategy for Somalia, outlined in the Administration's 2007 report to Congress on its Comprehensive Regional Strategy on Somalia, is incomplete'';

Whereas the recent designation by the Department of State of Somali's al Shabaab militia as a foreign terrorist organization under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189) and as a specially designated global terrorist under section 1(b) of Executive Order 13224 (September 23, 2001) highlights the growing need for a strategic, multifaceted, and coordinated approach to Somalia; and

Whereas it is in the interest of the United States, the people of Somalia, and the citizens and governments of neighboring and other interested countries to work towards a legitimate peace and a sustainable resolution to the crisis in Somalia that includes civilian protection and access to services, upholds the rule of law, and promotes accountability: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the United States remains committed to the people of Somalia and to helping build the institutions necessary for a stable nation free from civil war and violent extremism;

(2) the President, in partnership with the African Union, the United Nations, and the international community, should—

(A) provide sufficient humanitarian assistance to those most seriously affected by armed conflict, drought, and flooding throughout Somalia, and call on the Transitional Federal Government to actively facilitate the dispersal of such assistance;

(B) ensure accountability for all state, non-state, and external parties responsible for violations of human rights and international humanitarian law in Somalia, including through the deployment of United Nations human rights monitors and the establishment of a United Nations Commission of Inquiry to investigate abuses;

(C) call on all parties to recommit to an inclusive dialogue, with international support, in the interest of promoting sustainable peace and security in Somalia and across the Horn of Africa;

(D) urge the Government of Ethiopia, in coordination with the United Nations Political Office in Somalia, to develop a clear timeline for the responsible withdrawal of its

armed forces from Somalia, to honor its obligation under the Geneva Conventions to ensure protection of civilians under its control, and to observe the distinction between civilians and military combatants and their assets;

(E) urge the Government of Eritrea to play a productive role in helping to bring about stability to Somalia, including ceasing to provide any financial and material support, such as arms and ammunition, to insurgent groups in and around Mogadishu and throughout the region; and

(F) call on all countries in the region and wider international community to provide increased support for AMISOM and ensure a robust civilian protection mandate;

(3) to achieve sustainable peace in the region, the Transitional Federal Government, including the newly appointed Prime Minister and his Cabinet, should—

(A) take necessary steps to protect civilians from dangers related to military operations, investigate and prosecute human rights abuses, provide basic services to all the people of Somalia, and ensure that humanitarian organizations have full access to vulnerable populations;

(B) recommit to the Transitional Federal Charter;

(C) set a detailed timeline and demonstrate observable progress for completing the political transition laid out in the Transitional Federal Charter by 2009, including concrete and immediate steps toward scheduling elections as a means of establishing a democratically elected government that represents the people of Somalia; and

(D) agree to participate in an inclusive and transparent political process, with international support, towards the formation of a government of national unity based on the principles of democracy, accountability, and the rule of law.

Mr. FEINGOLD. Mr. President, one month ago I urged greater U.S. and international action to end the horrific violence plaguing Somalia and to press for a political solution that will lead to a sustainable peace in this war-torn country and stability for the volatile Horn of Africa region. Today, relentless violence in Somalia's capital, Mogadishu, is worsening the humanitarian and human rights crisis faced by hundreds of thousands of Somali civilians, while Islamist militias have gained substantial territorial control in south and central Somalia and Somali pirates are wreaking havoc off the country's coast. In the past few days, a range of actors from the UN's Under Secretary-General for Humanitarian Affairs to Human Rights Watch, and even Pope Benedict, have issued urgent appeals for an end to the lawless violence in Somalia.

Today, I am introducing a resolution that will add the U.S. Senate to the list of those calling for the protection of civilians and a recommitment to the ideals and implementation of the 2004 Transitional Federal Charter. The resolution I am introducing—along with Senators COLEMAN, BROWN, and KLOBUCHAR—acknowledges the good work the U.S. has done, including the allocation of nearly $50 million to support the African Union peacekeepers in Somalia. The U.S. continues to be the leading humanitarian contributor, with more than $140 million in humanitarian assistance since the Ethiopians went into Somalia in December 2006.

This most recent ''emergency'' response to the situation in Somalia has now gone on for sixteen months and yet conditions on the ground have deteriorated significantly, with some experts claiming Mogadishu is worse now than it has been since the civil war began in the early 1990s. It is clear our current policy towards Somalia is not working—and we can no longer rely on temporary measures to stitch the crisis together.

This new Senate resolution aims to refocus U.S. and international attention on the medium- and long-term priorities, namely, our commitment to helping Somalis build the institutions and conditions necessary for a stable nation free from civil war and violent extremism. The resolution reflects information gleaned from a hearing I held last month in the Senate Subcommittee on African Affairs, in which expert witnesses stressed the need for an inclusive regional political process that facilitates dialogue and accountability.

I will continue to demand a U.S. and international strategy to bring stability and security to Somalia until there is evidence that an effective plan exists and is being implemented in a consistent and coordinated fashion. For the sake of the people of Somalia and the reputation of the U.S. and the international community—not to mention our own national security—it is vital to reinvigorate a political process and stimulate legitimate progress towards that end. Given our historic role on the Horn of Africa and the critical national security concerns emanating from this part of the world, I encourage my colleagues to join me in calling upon the U.S. administration, other foreign donors, the Transitional Federal Government of Somalia, and other leaders in the region to end Somalia's descent into instability by facilitating political negotiations to address the need for accountability and the rule of law, and to prevent future suffering.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4579. Mr. WYDEN (for himself and Mr. SCHUMER) submitted an amendment intended to be proposed by him to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes; which was ordered to lie on the table.

SA 4580. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill H.R. 2881, supra; which was ordered to lie on the table.

SA 4581. Ms. KLOBUCHAR submitted an amendment intended to be proposed by her to the bill H.R. 2881, supra; which was ordered to lie on the table.

SA 4582. Mr. SCHUMER (for himself, Mrs. CLINTON, Mr. LAUTENBERG, Mr. MENENDEZ, Mrs. MURRAY, and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill H.R. 2881, supra; which was ordered to lie on the table.

SA 4583. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 2881, supra; which was ordered to lie on the table.

SA 4584. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 2881, supra; which was ordered to lie on the table.

SA 4585. Mr. ROCKEFELLER (for himself, Mr. INOUYE, Mr. BAUCUS, and Mr. GRASSLEY) proposed an amendment to the bill H.R. 2881, supra.

SA 4586. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 2881, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4579. Mr. WYDEN (for himself and Mr. SCHUMER) submitted an amendment intended to be proposed by him to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. AIR CARRIERS REQUIRED TO HONOR TICKETS FOR SUSPENDED SERVICE.

(a) IN GENERAL.—Each air carrier that provides scheduled air transportation on a route shall provide, to the extent practicable, air transportation to passengers ticketed for air transportation on that route by any other air carrier that suspends, interrupts, or discontinues air passenger service on the route by reason of insolvency or bankruptcy of the other air carrier.

(b) PASSENGER OBLIGATION.—An air carrier is not required to provide air transportation under subsection (a) to a passenger unless that passenger makes alternative arrangements with the air carrier for such transportation not later than 60 days after the date on which that passenger's air transportation was suspended, interrupted, or discontinued (without regard to the originally scheduled travel date on the ticket).

SA 4580. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. DEFINITION OF FABRICATED.

As used in section 21.191(g) of title 14, Code of Federal Regulations, the term ''fabricated'' means ''to assemble from parts''.

SA 4581. Ms. KLOBUCHAR submitted an amendment intended to be proposed by her to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable

funding for the national aviation system, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC, ———. GAO STUDY OF AIR CARRIER FUELS AND FUEL-EFFICIENCY.

(a) IN GENERAL.—Within 30 days after the date of enactment of the Aviation Investment and Modernization Act of 2008, the Comptroller General shall initiate an investigation of—

(1) the prospects for using alternative fuels for jet aircraft in the United States air carrier fleet;

(2) the prospects for increasing the fuel efficiency for the United States air carrier fleet; and

(3) the effect of crude oil prices on the U.S. air carrier industry.

(b) REPORT.—No later than July 1, 2009, the Comptroller General shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure containing the Comptroller General's findings and recommendations.

SA 4582. Mr. SCHUMER (for himself, Mrs. CLINTON, Mr. LAUTENBERG, Mr. MENENDEZ, Mrs. MURRAY, and Ms. CANTWELL) submitted an amendment intended to be proposed by him to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 834 and insert the following:

SEC. 834. EXEMPTION OF CERTAIN COMMERCIAL CARGO FROM THE HARBOR MAINTENANCE TAX.

(a) IN GENERAL.—Section 4462 is amended by redesignating subsection (i) as subjection (j) and by inserting after subsection (h) the following new subsection:

''(i) EXEMPTION FOR CERTAIN SHORT SEA SHIPPING CARGO.—

''(1) IN GENERAL.—No tax shall be imposed under section 4461(a) with respect to commercial cargo contained in intermodal cargo containers and loaded by crane on a vessel, or commercial cargo loaded on a vessel by means of wheeled technology—

''(A) that is loaded at a port in the United States mainland and unloaded at another port in the United States mainland after transport solely by coastal route or river or unloaded at a port in Canada located in the Great Lakes Saint Lawrence Seaway System, or

''(B) that is loaded at a port in Canada located in the Great Lakes Saint Lawrence Seaway System and unloaded at a port in the United States mainland.

''(2) UNITED STATES MAINLAND.—For purposes of this subsection, the term 'United States mainland' has the meaning given such term in subsection (b).

''(3) GREAT LAKES SAINT LAWRENCE SEAWAY SYSTEM.—For the purposes of this subsection, the term 'Great Lakes Saint Lawrence Seaway System' means the waterway between Duluth, Minnesota and Sept. Iles, Quebec, encompassing the five Great Lakes, their connecting channels, and the Saint Lawrence River.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act.

SA 4583. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. SPECIAL RULE FOR NEW ORLEANS AND LAKE CHARLES AIRPORTS.

(a) IN GENERAL.—Section 40117 is amended by adding at the end the following:

''(o) SPECIAL RULE FOR NEW ORLEANS AND LAKE CHARLES AIRPORTS.—

''(1) AUTHORITY TO RECOVER LOSSES RESULTING FROM HURRICANES KATRINA AND RITA.—Subject to the requirements of this subsection, for Louis Armstrong New Orleans International Airport and Lake Charles Regional Airport, the recovery of covered losses shall be treated as an eligible airport-related project under subsection (a)(3).

''(2) COVERED LOSSES DEFINED.—In this subsection, the term 'covered losses' means losses, including operating expenses, that—

''(A) are incurred by an airport referred to in paragraph (1) in the period beginning August 29, 2005, and ending December 31, 2008;

''(B) are directly and substantially related to the continued operation of the airport following Hurricanes Katrina and Rita; and

''(C) have not been recovered from another source.

''(3) AMOUNT AND DURATION OF CHARGES.—The Secretary may approve an application that an eligible agency has submitted under subsection (c) for authority to use not more than ½ of the collected passenger facility charge to finance the recovery of covered losses.

''(4) LIMITATION.—Notwithstanding any other provision of this subsection, the Secretary shall not approve an application that an eligible agency has submitted under subsection (c) for authority to use not more than ½ of the collected passenger facility charges to finance the recovery of covered losses by an airport if the Secretary and the eligible agency agree that covered losses incurred by the airport have been or will be recovered from another source.

''(5) REPORTING REQUIREMENTS.—As part of an application that an eligible agency submits under subsection (c) for authority to use not more than ½ of the collected passenger facility charge to finance the recovery of covered losses, the Secretary may require the submission of such information as the Secretary considers necessary—

''(A) to verify the covered losses;

''(B) to ensure the covered losses are directly and substantially related to the continued operation of the airport following Hurricanes Katrina and Rita; and

''(C) to ensure that the covered losses have not been recovered from any other funding source.

''(6) COMMUNITY DISASTER LOAN REPAYMENTS.—A passenger facility charge collected pursuant to this subsection shall not be treated as revenue of a local government for purposes of cancellation of repayment of all or any part of a community disaster loan made to the local government under section 417(c) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184(c)).''.

(b) SPECIAL RULE RELATING TO COMMUNITY DISASTER LOANS.—A passenger facility charge collected under section 40117 of title 49, United States Code, and any amounts borrowed from the Federal Aviation Administration using passenger facility revenues as collateral shall not be treated as revenue of a local government for purposes of cancellation of repayment of all or any part of a community disaster loan made to the local government under section 417(c) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184(c)).

SA 4584. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. POLLOCK MUNICIPAL AIRPORT, LOUISIANA.

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

(1) Pollock Municipal Airport located in Pollock, Louisiana (in this section referred to as the ''airport''), has never been included in the National Plan of Integrated Airport Systems pursuant to section 47103 of title 49, United States Code, and is therefore not considered necessary to meet the current or future needs of the national aviation system.

(2) Closing the airport will not adversely affect aviation safety, aviation capacity, or air commerce.

(b) REQUEST FOR CLOSURE.—

(1) APPROVAL.—Notwithstanding any other provision of law, requirement, or agreement and subject to the requirements of this section, the Administrator of the Federal Aviation Administration shall—

(A) approve a request from the town of Pollock, Louisiana, to close the airport as a public airport; and

(B) release the town from any term, condition, reservation, or restriction contained in a surplus property conveyance or transfer document, and from any order or finding by the Department of Transportation on the use and repayment of airport revenue applicable to the airport, that would otherwise prevent the closure of the airport and redevelopment of the facilities to nonaeronautical uses.

(2) CONTINUED AIRPORT OPERATION PRIOR TO APPROVAL.—The town of Pollock shall continue to operate and maintain the airport until the Administrator grants the town's request for closure of the airport.

(3) USE OF PROCEEDS FROM SALE OF AIRPORT.—Upon the approval of the request to close the airport, the town of Pollock shall obtain fair market value for the sale of the airport property and shall immediately upon receipt transfer all such proceeds from the sale of the airport property to the sponsor of a public airport designated by the Administrator to be used for the development or improvement of such airport.

(4) RELOCATION OF AIRCRAFT.—Before closure of the airport, the town of Pollock shall provide adequate time for any airport-based aircraft to relocate.

SA 4585. Mr. ROCKEFELLER (for himself, Mr. INOUYE, Mr. BAUCUS, and Mr. GRASSLEY) proposed an amendment to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008

through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes; as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Aviation Investment and Modernization Act of 2008''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Amendments to title 49, United States Code.
Sec. 3. Effective date.

TITLE I—AUTHORIZATIONS AND FINANCING

Sec. 101. Operations.
Sec. 102. Air navigation facilities and equipment.
Sec. 103. Research and development.
Sec. 104. Airport planning and development and noise compatibility planning and programs.
Sec. 105. Other aviation programs.
Sec. 106. Delineation of next generation air transportation system projects.
Sec. 107. Funding for administrative expenses for airport programs.

TITLE II—AIRPORT IMPROVEMENTS

Sec. 201. Reform of passenger facility charge authority.
Sec. 202. Passenger facility charge pilot program.
Sec. 203. Amendments to grant assurances.
Sec. 204. Government share of project costs.
Sec. 205. Amendments to allowable costs.
Sec. 206. Sale of private airport to public sponsor.
Sec. 207. Pilot program for airport takeover of air navigation facilities.
Sec. 208. Government share of certain air project costs.
Sec. 209. Miscellaneous amendments.
Sec. 210. State block grant program.
Sec. 211. Airport funding of special studies or reviews.
Sec. 212. Grant eligibility for assessment of flight procedures.
Sec. 213. Safety-critical airports.
Sec. 214. Expanded passenger facility charge eligibility for noise compatibility projects.
Sec. 215. Environmental mitigation demonstration pilot program.
Sec. 216. Allowable project costs for airport development program.
Sec. 217. Glycol recovery vehicles.
Sec. 218. Research improvement for aircraft.

TITLE III—FAA ORGANIZATION AND REFORM

Sec. 301. Air Traffic Control Modernization Oversight Board.
Sec. 302. ADS–B support pilot program.
Sec. 303. Facilitation of next generation air traffic services.
Sec. 304. Clarification of authority to enter into reimbursable agreements.
Sec. 305. Clarification to acquisition reform authority.
Sec. 306. Assistance to other aviation authorities.
Sec. 307. Presidential rank award program.
Sec. 308. Next generation facilities needs assessment.
Sec. 309. Next generation air transportation system planning office.
Sec. 310. Definition of air navigation facility.
Sec. 311. Improved management of property inventory.
Sec. 312. Educational requirements.
Sec. 313. FAA personnel management system.
Sec. 314. Rulemaking and report on ADS-B implementation.
Sec. 315. FAA task force on air traffic control facility conditions.
Sec. 316. State ADS-B equipage bank pilot program.

TITLE IV—AIRLINE SERVICE AND SMALL COMMUNITY AIR SERVICE IMPROVEMENTS

Sec. 401. Airline contingency service requirements.
Sec. 402. Publication of customer service data and flight delay history.
Sec. 403. EAS connectivity program.
Sec. 404. Extension of final order establishing mileage adjustment eligibility.
Sec. 405. EAS contract guidelines.
Sec. 406. Conversion of former EAS airports.
Sec. 407. EAS reform.
Sec. 408. Clarification of air carrier fee disputes.
Sec. 409. Small community air service.
Sec. 410. Contract tower program.
Sec. 411. Airfares for members of the armed forces.
Sec. 412. Expansion of DOT airline consumer complaint investigations.
Sec. 413. EAS marketing.
Sec. 414. Extraperimetal and intraperimetal slots at Ronald Reagan Washington National Airport.
Sec. 415. Establishment of advisory committee for aviation consumer protection.
Sec. 416. Rural aviation improvement.

TITLE V—AVIATION SAFETY

Sec. 501. Runway safety equipment plan.
Sec. 502. Aircraft fuel tank safety improvement.
Sec. 503. Judicial review of denial of airman certificates.
Sec. 504. Release of data relating to abandoned type certificates and supplemental type certificates.
Sec. 505. Design organization certificates.
Sec. 506. FAA access to criminal history records or database systems.
Sec. 507. Flight crew fatigue.
Sec. 508. Increasing safety for helicopter emergency medical service operators.
Sec. 509. Cabin crew communication.
Sec. 510. Clarification of memorandum of understanding with osha.
Sec. 511. Acceleration of development and implementation of required navigation performance approach procedures.
Sec. 512. Enhanced safety for airport operations.
Sec. 513. Improved safety information.
Sec. 514. Voluntary disclosure reporting process improvements.
Sec. 515. Procedural improvements for inspections.
Sec. 516. Independent review of safety issues.
Sec. 517. National review team.
Sec. 518. FAA Academy improvements.
Sec. 519. Reduction of runway incursions and operational errors.

TITLE VI—AVIATION RESEARCH

Sec. 601. Airport cooperative research program.
Sec. 602. Reduction of noise, emissions, and energy consumption from civilian aircraft.
Sec. 603. Production of clean coal fuel technology for civilian aircraft.
Sec. 604. Advisory committee on future of aeronautics.
Sec. 605. Research program to improve airfield pavements.
Sec. 606. Wake turbulence, volcanic ash, and weather research.
Sec. 607. Incorporation of unmanned aerial systems into FAA plans and policies.
Sec. 608. Reauthorization of center of excellence in applied research and training in the use of advanced materials in transport aircraft.
Sec. 609. Pilot program for zero emission airport vehicles.
Sec. 610. Reduction of emissions from airport power sources.

TITLE VII—MISCELLANEOUS

Sec. 701. General authority.
Sec. 702. Human intervention management study.
Sec. 703. Airport program modifications.
Sec. 704. Miscellaneous program extensions.
Sec. 705. Extension of competitive access reports.
Sec. 706. Update on overflights.
Sec. 707. Technical corrections.
Sec. 708. FAA technical training and staffing.
Sec. 709. Commercial air tour operators in national parks.
Sec. 710. Phaseout of stage 1 and 2 aircraft.
Sec. 711. Weight restrictions at teterboro airport.
Sec. 712. Pilot program for redevelopment of airport properties.
Sec. 713. Air carriage of international mail.
Sec. 714. Transporting musical instruments.
Sec. 715. Recycling plans for airports.
Sec. 716. Consumer information pamphlet.

TITLE VIII—AMERICAN INFRASTRUCTURE INVESTMENT AND IMPROVEMENT

Sec. 800. Short title, etc.

Subtitle A—Airport and Airway Trust Fund Provisions and Related Taxes

Sec. 801. Extension of taxes funding Airport and Airway Trust Fund.
Sec. 802. Extension of Airport and Airway Trust Fund expenditure authority.
Sec. 803. Modification of excise tax on kerosene used in aviation .
Sec. 804. Air Traffic Control System Modernization Account.
Sec. 805. Treatment of fractional aircraft ownership programs.
Sec. 806. Termination of exemption for small aircraft on nonestablished lines.
Sec. 807. Transparency in passenger tax disclosures.
Sec. 808. Required funding of new accruals under air carrier pension plans.

Subtitle B—Increased Funding for Highway Trust Fund

Sec. 811. Replenish emergency spending from Highway Trust Fund.
Sec. 812. Suspension of transfers from highway trust fund for certain repayments and credit.
Sec. 813. Taxation of taxable fuels in foreign trade zones.
Sec. 814. Clarification of penalty for sale of fuel failing to meet EPA regulations.
Sec. 815. Treatment of qualified alcohol fuel mixtures and qualified biodiesel fuel mixtures as taxable fuels.
Sec. 816. Calculation of volume of alcohol for fuel credits.
Sec. 817. Bulk transfer exception not to apply to finished gasoline.
Sec. 818. Increase and extension of Oil Spill Liability Trust Fund tax.
Sec. 819. Application of rules treating inverted corporations as domestic corporations to certain transactions occurring after March 20, 2002.
Sec. 820. Denial of deduction for punitive damages.
Sec. 821. Motor fuel tax enforcement advisory commission.
Sec. 822. Highway Trust Fund conforming expenditure amendment.

Subtitle C—Additional Infrastructure Modifications and Revenue Provisions
Sec. 831. Restructuring of New York Liberty Zone tax credits.
Sec. 832. Participants in government section 457 plans allowed to treat elective deferrals as Roth contributions.
Sec. 833. Increased information return penalties.
Sec. 834. Exemption of certain commercial cargo from harbor maintenance tax.
Sec. 835. Credit to holders of qualified rail infrastructure bonds.
Sec. 836. Repeal of suspension of certain penalties and interest.
Sec. 837. Denial of deduction for certain fines, penalties, and other amounts.
Sec. 838. Revision of tax rules on expatriation.

SEC. 2. AMENDMENTS TO TITLE 49, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 3. EFFECTIVE DATE.

Except as otherwise expressly provided, this Act and the amendments made by this Act shall take effect on the date of enactment.

TITLE I—AUTHORIZATIONS AND FINANCING

SEC. 101. OPERATIONS.

(a) IN GENERAL.—Section 106(k)(1) is amended by striking subparagraphs (A) through (D) and inserting the following:

''(A) $8,726,000,000 for fiscal year 2008;

''(B) $8,990,000,000 for fiscal year 2009;

''(C) $9,330,000,000 for fiscal year 2010; and

''(D) $9,620,000,000 for fiscal year 2011.''.

(b) SAFETY PROJECT.—Section 106(k)(2)(F) is amended by striking ''2007'' and inserting ''2011''.

SEC. 102. AIR NAVIGATION FACILITIES AND EQUIPMENT.

Section 48101(a) is amended by striking paragraphs (1) through (4) and inserting the following:

''(1) $2,572,000,000 for fiscal year 2008;

''(2) $2,923,000,000 for fiscal year 2009, of which $400,000,000 is derived from the Air Traffic Control System Modernization Account of the Airport and Airways Trust Fund;

''(3) $3,079,000,000 for fiscal year 2010, of which $400,000,000 is derived from the Air Traffic Control System Modernization Account of the Airport and Airways Trust Fund; and

''(4) $3,317,000,000 for fiscal year 2011, of which $400,000,000 is derived from the Air Traffic Control System Modernization Account of the Airport and Airways Trust Fund.''.

SEC. 103. RESEARCH AND DEVELOPMENT.

Section 48102 is amended—

(1) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—Not more than the following amounts may be appropriated to the Secretary of Transportation out of the Airport and Airway Trust Fund established under section 9502 of the Internal Revenue Code of 1986 (26 U.S.C. 9502) for conducting civil aviation research and development under sections 44504, 44505, 44507, 44509, and 44511 through 44513 of this title:

''(1) $140,000,000 for fiscal year 2008.

''(2) $191,000,000 for fiscal year 2009.

''(3) $191,000,000 for fiscal year 2010.

''(4) $194,000,000 for fiscal year 2011.'';

(2) by striking subsections (c) through (h); and

(3) by adding at the end the following:

''(c) RESEARCH GRANTS PROGRAM INVOLVING UNDERGRADUATE STUDENTS.—The Administrator of the Federal Aviation Administration shall establish a program to utilize undergraduate and technical colleges, including Historically Black Colleges and Universities, Hispanic Serving Institutions, tribally controlled colleges and universities, and Alaska Native and Native Hawaiian serving institutions in research on subjects of relevance to the Federal Aviation Administration. Grants may be awarded under this subsection for—

''(1) research projects to be carried out at primarily undergraduate institutions and technical colleges;

''(2) research projects that combine research at primarily undergraduate institutions and technical colleges with other research supported by the Federal Aviation Administration;

''(3) research on future training requirements on projected changes in regulatory requirements for aircraft maintenance and power plant licensees; or

''(4) research on the impact of new technologies and procedures, particularly those related to aircraft flight deck and air traffic management functions, and on training requirements for pilots and air traffic controllers.''.

SEC. 104. AIRPORT PLANNING AND DEVELOPMENT AND NOISE COMPATIBILITY PLANNING AND PROGRAMS.

Section 48103 is amended by striking paragraphs (1) through (4) and inserting the following:

''(1) $3,800,000,000 for fiscal year 2008;

''(2) $3,900,000,000 for fiscal year 2009;

''(3) $4,000,000,000 for fiscal year 2010; and

''(4) $4,100,000,000 for fiscal year 2011.''.

SEC. 105. OTHER AVIATION PROGRAMS.

Section 48114 is amended—

(1) by striking ''2007'' in subsection (a)(1)(A) and inserting ''2011'';

(2) by striking ''2007,'' in subsection (a)(2) and inserting ''2011,''; and

(3) by striking ''2007'' in subsection (c)(2) and inserting ''2011''.

SEC. 106. DELINEATION OF NEXT GENERATION AIR TRANSPORTATION SYSTEM PROJECTS.

Section 44501(b) is amended—

(1) by striking ''and'' after the semicolon in paragraph (3);

(2) by striking ''defense.'' in paragraph (4) and inserting ''defense; and''; and

(3) by adding at the end thereof the following:

''(5) a list of projects that are part of the Next Generation Air Transportation System and do not have as a primary purpose to operate or maintain the current air traffic control system.''.

SEC. 107. FUNDING FOR ADMINISTRATIVE EXPENSES FOR AIRPORT PROGRAMS.

(a) IN GENERAL.—Section 48105 is amended to read as follows:

''§ 48105. Airport programs administrative expenses

''Of the amount made available under section 48103 of this title, the following may be available for administrative expenses relating to the Airport Improvement Program, passenger facility charge approval and oversight, national airport system planning, airport standards development and enforcement, airport certification, airport-related environmental activities (including legal services), and other airport-related activities (including airport technology research), to remain available until expended—

''(1) for fiscal year 2008, $80,676,000;

''(2) for fiscal year 2009, $85,000,000;

''(3) for fiscal year 2010, $89,000,000; and

''(4) for fiscal year 2011, $93,000,000.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 481 is amended by striking the item relating to section 48105 and inserting the following:

''48105. Airport programs administrative expenses.''.

TITLE II—AIRPORT IMPROVEMENTS

SEC. 201. REFORM OF PASSENGER FACILITY CHARGE AUTHORITY.

(a) PASSENGER FACILITY CHARGE STREAMLINING.—Section 40117(c) is amended to read as follows:

''(c) PROCEDURAL REQUIREMENTS FOR IMPOSITION OF PASSENGER FACILITY CHARGE.—

''(1) IN GENERAL.—An eligible agency must submit to those air carriers and foreign air carriers operating at the airport with a significant business interest, as defined in paragraph (3), and to the Secretary and make available to the public annually a report, in the form required by the Secretary, on the status of the eligible agency's passenger facility charge program, including—

''(A) the total amount of program revenue held by the agency at the beginning of the 12 months covered by the report;

''(B) the total amount of program revenue collected by the agency during the period covered by the report;

''(C) the amount of expenditures with program revenue made by the agency on each eligible airport-related project during the period covered by the report;

''(D) each airport-related project for which the agency plans to collect and use program revenue during the next 12-month period covered by the report, including the amount of revenue projected to be used for such project;

''(E) the level of program revenue the agency plans to collect during the next 12-month period covered by the report;

''(F) a description of the notice and consultation process with air carriers and foreign air carriers under paragraph (3), and with the public under paragraph (4), including a copy of any adverse comments received and how the agency responded; and

''(G) any other information on the program that the Secretary may require.

''(2) IMPLEMENTATION.—Subject to the requirements of paragraphs (3), (4), (5), and (6), the eligible agency may implement the planned collection and use of passenger facility charges in accordance with its report upon filing the report as required in paragraph (1).

''(3) CONSULTATION WITH CARRIERS FOR NEW PROJECTS.—

''(A) An eligible agency proposing to collect or use passenger facility charge revenue for a project not previously approved by the Secretary or not included in a report required by paragraph (1) that was submitted in a prior year shall provide to air carriers and foreign air carriers operating at the airport reasonable notice, and an opportunity to comment on the planned collection and use of program revenue before providing the report required under paragraph (1). The Secretary shall prescribe by regulation what constitutes reasonable notice under this paragraph, which shall at a minimum include—

''(i) that the eligible agency provide to air carriers and foreign air carriers operating at the airport written notice of the planned collection and use of passenger facility charge revenue;

''(ii) that the notice include a full description and justification for a proposed project;

''(iii) that the notice include a detailed financial plan for the proposed project; and

''(iv) that the notice include the proposed level for the passenger facility charge.

''(B) An eligible agency providing notice and an opportunity for comment shall be deemed to have satisfied the requirements of this paragraph if the eligible agency provides such notice to air carriers and foreign air carriers that have a significant business interest at the airport. For purposes of this subparagraph, the term 'significant business interest' means an air carrier or foreign air carrier that—

''(i) had not less than 1.0 percent of passenger boardings at the airport in the prior calendar year;

''(ii) had at least 25,000 passenger boardings at the airport in the prior calendar year; or

''(iii) provides scheduled service at the airport.

''(C) Not later than 45 days after written notice is provided under subparagraph (A), each air carrier and foreign air carrier may provide written comments to the eligible agency indicating its agreement or disagreement with the project or, if applicable, the proposed level for a passenger facility charge.

''(D) The eligible agency may include, as part of the notice and comment process, a consultation meeting to discuss the proposed project or, if applicable, the proposed level for a passenger facility charge. If the agency provides a consultation meeting, the written comments specified in subparagraph (C) shall be due not later than 30 days after the meeting.

''(4) PUBLIC NOTICE AND COMMENT.—

''(A) An eligible agency proposing to collect or use passenger facility charge revenue for a project not previously approved by the Secretary or not included in a report required by paragraph (1) that was filed in a prior year shall provide reasonable notice and an opportunity for public comment on the planned collection and use of program revenue before providing the report required in paragraph (1).

''(B) The Secretary shall prescribe by regulation what constitutes reasonable notice under this paragraph, which shall at a minimum require—

''(i) that the eligible agency provide public notice of intent to collect a passenger facility charge so as to inform those interested persons and agencies that may be affected;

''(ii) appropriate methods of publication, which may include notice in local newspapers of general circulation or other local media, or posting of the notice on the agency's Internet website; and

''(iii) submission of public comments no later than 45 days after the date of the publication of the notice.

''(5) OBJECTIONS.—

''(A) Any interested person may file with the Secretary a written objection to a proposed project included in a notice under this paragraph provided that the filing is made within 30 days after submission of the report specified in paragraph (1).

''(B) The Secretary shall provide not less than 30 days for the eligible agency to respond to any filed objection.

''(C) Not later than 90 days after receiving the eligible agency's response to a filed objection, the Secretary shall make a determination whether or not to terminate authority to collect the passenger facility charge for the project, based on the filed objection. The Secretary shall state the reasons for any determination. The Secretary may only terminate authority if—

''(i) the project is not an eligible airport related project;

''(ii) the eligible agency has not complied with the requirements of this section or the Secretary's implementing regulations in proposing the project;

''(iii) the eligible agency has been found to be in violation of section 47107(b) of this title and has failed to take corrective action, prior to the filing of the objection; or

''(iv) in the case of a proposed increase in the passenger facility charge level, the level is not authorized by this section.

''(D) Upon issuance of a decision terminating authority, the public agency shall prepare an accounting of passenger facility revenue collected under the terminated authority and restore the funds for use on other authorized projects.

''(E) Except as provided in subparagraph (C), the eligible agency may implement the planned collection and use of a passenger facility charge in accordance with its report upon filing the report as specified in paragraph (1)(A).

''(6) APPROVAL REQUIREMENT FOR INCREASED PASSENGER FACILITY CHARGE OR INTERMODAL GROUND ACCESS PROJECT.—

''(A) An eligible agency may not collect or use a passenger facility charge to finance an intermodal ground access project, or increase a passenger facility charge, unless the project is first approved by the Secretary in accordance with this paragraph.

''(B) The eligible agency may submit to the Secretary an application for authority to impose a passenger facility charge for an intermodal ground access project or to increase a passenger facility charge. The application shall contain information and be in the form that the Secretary may require by regulation but, at a minimum, must include copies of any comments received by the agency during the comment period described by subparagraph (C).

''(C) Before submitting an application under this paragraph, an eligible agency must provide air carriers and foreign air carriers operating at the airport, and the public, reasonable notice of and an opportunity to comment on a proposed intermodal ground access project or the increased passenger facility charge. Such notice and opportunity to comment shall conform to the requirements of paragraphs (3) and (4).

''(D) After receiving an application, the Secretary may provide air carriers, foreign air carriers and other interested persons notice and an opportunity to comment on the application. The Secretary shall make a final decision on the application not later than 120 days after receiving it.''.

(b) CONFORMING AMENDMENTS.—

(1) REFERENCES.—

(A) Section 40117(a) is amended—

(i) by striking ''FEE'' in the heading for paragraph (5) and inserting ''CHARGE''; and

(ii) by striking ''fee'' each place it appears in paragraphs (5) and (6) and inserting ''charge''.

(B) Subsections (b), and subsections (d) through (m), of section 40117 are amended—

(i) by striking ''fee'' or ''fees'' each place either appears and inserting ''charge'' or ''charges'', respectively; and

(ii) by striking ''FEE'' in the subsection caption for subsection (l), and ''FEES'' in the subsection captions for subsections (e) and (m), and inserting ''CHARGE'' and ''CHARGES'', respectively.

(C) The caption for section 40117 is amended to read as follows:

''§ 40117. Passenger facility charges''.

(D) The chapter analysis for chapter 401 is amended by striking the item relating to section 40117 and inserting the following:

''40117. Passenger facility charges.''.

(2) LIMITATIONS ON APPROVING APPLICATIONS.—Section 40117(d) is amended—

(A) by striking ''subsection (c) of this section to finance a specific'' and inserting ''subsection (c)(6) of this section to finance an intermodal ground access'';

(B) by striking ''specific'' in paragraph (1);

(C) by striking paragraph (2) and inserting the following:

''(2) the project is an eligible airport-related project; and'';

(D) by striking ''each of the specific projects; and'' in paragraph (3) and inserting ''the project.''; and

(E) by striking paragraph (4).

(3) LIMITATIONS ON IMPOSING CHARGES.—Section 40117(e)(1) is amended to read as follows: ''(1) An eligible agency may impose a passenger facility charge only subject to terms the Secretary may prescribe to carry out the objectives of this section.''.

(4) LIMITATIONS ON CONTRACTS, LEASES, AND USE AGREEMENTS.—Section 40117(f)(2) is amended by striking ''long-term''.

(5) COMPLIANCE.—Section 40117(h) is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following:

''(3) The Secretary may, on complaint of an interested person or on the Secretary's own initiative, conduct an investigation into an eligible agency's collection and use of passenger facility charge revenue to determine whether a passenger facility charge is excessive or that passenger facility revenue is not being used as provided in this section. The Secretary shall prescribe regulations establishing procedures for complaints and investigations. The regulations may provide for the issuance of a final agency decision without resort to an oral evidentiary hearing. The Secretary shall not accept complaints filed under this paragraph until after the issuance of regulations establishing complaint procedures.''.

(6) PILOT PROGRAM FOR PFC AT NONHUB AIRPORTS.—Section 40117(l) is amended—

(A) by striking ''(c)(2)'' in paragraph (2) and inserting ''(c)(3)''; and

(B) by striking ''date that is 3 years after the date of issuance of regulations to carry out this subsection.'' in paragraph (7) and inserting ''date of issuance of regulations to carry out subsection (c) of this section, as amended by the Aviation Investment and Modernization Act of 2008.''.

(7) PROHIBITION ON APPROVING PFC APPLICATIONS FOR AIRPORT REVENUE DIVERSION.—Section 47111(e) is amended by striking ''sponsor'' the second place it appears in the first sentence and all that follows and inserting ''sponsor. A sponsor shall not propose collection or use of passenger facility charges for any new projects under paragraphs (3) through (6) of section 40117(c) unless the Secretary determines that the sponsor has taken corrective action to address the violation and the violation no longer exists.''.

SEC. 202. PASSENGER FACILITY CHARGE PILOT PROGRAM.

Section 40117 is amended by adding at the end thereof the following:

''(n) ALTERNATIVE PASSENGER FACILITY CHARGE COLLECTION PILOT PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish and conduct a pilot program at not more than 6 airports under which an eligible agency may impose a passenger facility charge under this section without regard to the dollar amount limitations set forth in paragraph (1) or (4) of subsection (b) if the participating eligible agency meets the requirements of paragraph (2).

''(2) COLLECTION REQUIREMENTS.—

''(A) DIRECT COLLECTION.—An eligible agency participating in the pilot program—

''(i) may collect the charge from the passenger at the facility, via the Internet, or in any other reasonable manner; but

''(ii) may not require or permit the charge to be collected by an air carrier or foreign air carrier for the flight segment.

''(B) PFC COLLECTION REQUIREMENT NOT TO APPLY.—Subpart C of part 158 of title 14, Code of Federal Regulations, does not apply to the collection of the passenger facility charge imposed by an eligible agency participating in the pilot program.''.

SEC. 203. AMENDMENTS TO GRANT ASSURANCES.

Section 47107 is amended—

(1) by striking ''made;'' in subsection (a)(16)(D)(ii) and inserting ''made, except that, if there is a change in airport design standards that the Secretary determines is beyond the owner or operator's control that requires the relocation or replacement of an existing airport facility, the Secretary, upon the request of the owner or operator, may grant funds available under section 47114 to pay the cost of relocating or replacing such facility;'';

(2) by striking ''purpose;'' in subsection (c)(2)(A)(i) and inserting ''purpose, which includes serving as noise buffer land;'';

(3) by striking ''paid to the Secretary for deposit in the Fund if another eligible project does not exist.'' in subsection (c)(2)(B)(iii) and inserting ''reinvested in another project at the airport or transferred to another airport as the Secretary prescribes.''; and

(4) by redesignating paragraph (3) of subsection (c) as paragraph (4) and inserting after paragraph (2) the following:

''(3) In approving the reinvestment or transfer of proceeds under paragraph (2)(C)(iii), the Secretary shall give preference, in descending order, to—

''(i) reinvestment in an approved noise compatibility project;

''(ii) reinvestment in an approved project that is eligible for funding under section 47117(e);

''(iii) reinvestment in an airport development project that is eligible for funding under section 47114, 47115, or 47117 and meets the requirements of this chapter;

''(iv) transfer to the sponsor of another public airport to be reinvested in an approved noise compatibility project at such airport; and

''(v) payment to the Secretary for deposit in the Airport and Airway Trust Fund established under section 9502 of the Internal Revenue Code of 1986 (26 U.S.C. 9502).''.

SEC. 204. GOVERNMENT SHARE OF PROJECT COSTS.

(a) FEDERAL SHARE.—Section 47109 is amended—

(1) by striking ''subsection (b) or subsection (c)'' in subsection (a) and inserting ''subsection (b), (c), or (e)''; and

(2) by adding at the end the following:

''(e) SPECIAL RULE FOR TRANSITION FROM SMALL HUB TO MEDIUM HUB STATUS.—If the status of a small hub primary airport changes to a medium hub primary airport, the United States Government's share of allowable project costs for the airport may not exceed 95 percent for 2 fiscal years following such change in hub status.''.

(b) TRANSITIONING AIRPORTS.—Section 47114(f)(3)(B) is amended by striking ''year 2004.'' and inserting ''years 2008, 2009, 2010, and 2011.''.

SEC. 205. AMENDMENTS TO ALLOWABLE COSTS.

Section 47110 is amended—

(1) by striking subsection (d) and inserting the following:

''(d) RELOCATION OF AIRPORT-OWNED FACILITIES.—The Secretary may determine that the costs of relocating or replacing an airport-owned facility are allowable for an airport development project at an airport only if—

''(1) the Government's share of such costs is paid with funds apportioned to the airport sponsor under sections 47114(c)(1) or 47114(d)(2);

''(2) the Secretary determines that the relocation or replacement is required due to a change in the Secretary's design standards; and

''(3) the Secretary determines that the change is beyond the control of the airport sponsor.''; and

(2) by striking ''facilities, including fuel farms and hangars,'' in subsection (h) and inserting ''facilities, as defined by section 47102,''.

SEC. 206. SALE OF PRIVATE AIRPORT TO PUBLIC SPONSOR.

Section 47133(b) is amended—

(1) by resetting the text of the subsection as an indented paragraph 2 ems from the left margin;

(2) by inserting ''(1)'' before ''Subsection''; and

(3) by adding at the end thereof the following:

''(2) In the case of a privately owned airport, subsection (a) shall not apply to the proceeds from the sale of the airport to a public sponsor if—

''(A) the sale is approved by the Secretary;

''(B) funding is provided under this title for the public sponsor's acquisition; and

''(C) an amount equal to the remaining unamortized portion of the original grant, amortized over a 20-year period, is repaid to the Secretary by the private owner for deposit in the Trust Fund for airport acquisitions.

''(3) This subsection shall apply to grants issued on or after October 1, 1996.''.

SEC. 207. PILOT PROGRAM FOR AIRPORT TAKEOVER OF AIR NAVIGATION FACILITIES.

(a) IN GENERAL.—Chapter 445 is amended by adding at the end the following new section:

''§ 44518. Pilot program for airport takeover of terminal area air navigation equipment

''(a) IN GENERAL.—Subject to the requirements of this section, the Administrator of the Federal Aviation Administrator may carry out a pilot program under which the Administrator may transfer ownership, operating, and maintenance responsibilities for airport terminal area air navigation equipment to sponsors of not more than 10 airports.

''(b) TERMS AND CONDITIONS OF TRANSFER FOR AIRPORT SPONSORS.—As a condition of participating in this pilot program the sponsor shall agree that the sponsor will—

''(1) operate and maintain all of the air navigation equipment that is subject to this section at the airport in accordance with standards established by the Administrator;

''(2) permit the Administrator or a person designated by the Administrator to conduct inspections of the air navigation equipment under a schedule established by the Administrator; and

''(3) acquire and maintain new air navigation equipment as needed to replace facilities that have to be replaced at the end of their useful life or to meet new standards established by the Administrator.

''(c) TERMS AND CONDITIONS OF TRANSFER FOR THE ADMINISTRATOR.—When the Administrator approves a sponsor's participation in this pilot program, the Administrator shall—

''(1) transfer, at no cost to the sponsor, the title and ownership of the air navigation equipment facilities approved for transfer under this program; and

''(2) transfer, at no cost to the sponsor, the government's property interest in the land on which the air navigation facilities transferred under paragraph (1) are located.

''(d) TREATMENT OF AIRPORT COSTS UNDER PILOT PROGRAM.—Upon transfer by the Administrator, any costs incurred by the airport for ownership and maintenance of the equipment transferred under this section shall be considered a cost of providing airfield facilities and services under standards and guidelines issued by the Secretary under section 47129(b)(2) and may be recovered in rates and charges assessed for use of the airfield.

''(e) DEFINITIONS.—In this section:

''(1) SPONSOR.—The term 'sponsor' has the meaning given that term in section 40102.

''(2) TERMINAL AREA AIR NAVIGATION EQUIPMENT.—The term 'terminal area air navigation equipment' means an air navigation facility under section 40102, other than buildings used for air traffic control functions, that exists to provide approach and landing guidance to aircraft.

''(f) GUIDELINES.—The Administrator shall issue advisory guidelines on the implementation of the program. The guidelines shall not be subject to administrative rulemaking requirements under subchapter II of chapter 5 of title 5.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 445 is amended by inserting after the item relating to section 44517 the following:

''44518. Pilot program for airport takeover of terminal area air navigation equipment.''.

SEC. 208. GOVERNMENT SHARE OF CERTAIN AIR PROJECT COSTS.

Notwithstanding section 47109(a) of title 49, United States Code, the Federal government's share of allowable project costs for a grant made in fiscal year 2008, 2009, 2010, or 2011 under chapter 471 of that title for a project described in paragraph (2) or (3) of that section shall be 95 percent.

SEC. 209. MISCELLANEOUS AMENDMENTS.

(a) TECHNICAL CHANGES TO NATIONAL PLAN OF INTEGRATED AIRPORT SYSTEMS.—Section 47103 is amended—

(1) by striking ''each airport to—'' in subsection (a) and inserting ''the airport system to—'';

(2) by striking ''system in the particular area;'' in subsection (a)(1) and inserting ''system, including connection to the surface transportation network; and'';

(3) by striking ''aeronautics; and'' in subsection (a)(2) and inserting ''aeronautics.'';

(4) by striking subsection (a)(3);

(5) by striking paragraph (2) of subsection (b) and redesignating paragraph (3) as paragraph (2);

(6) by striking ''operations, Short Takeoff and Landing/Very Short Takeoff and Landing aircraft operations,'' in subsection (b)(2), as redesignated, and inserting ''operations''; and

(7) by striking ''status of the'' in subsection (d).

(b) UPDATE VETERANS PREFERENCE DEFINITION.—Section 47112(c) is amended—

(1) by striking ''separated from'' in paragraph (1)(B) and inserting ''discharged or released from active duty in'';

(2) by adding at the end of paragraph (1) the following:

''(C) 'Afghanistan-Iraq war veteran' means an individual who served on active duty, as defined by section 101(21) of title 38, at any time in the armed forces for a period of more than 180 consecutive days, any part of which occurred during the period beginning on September 11, 2001, and ending on the date prescribed by Presidential proclamation or by law as the last date of Operation Iraqi Freedom.''; and

(3) by striking ''veterans and'' in paragraph (2) and inserting ''veterans, Afghanistan-Iraq war veterans, and''.

(c) ANNUAL REPORT.—Section 47131(a) is amended—

(1) by striking ''April 1'' and inserting ''June 1''; and

(2) by striking paragraphs (1) through (4) and inserting the following:

''(1) a summary of airport development and planning completed;

''(2) a summary of individual grants issued;

''(3) an accounting of discretionary and apportioned funds allocated;

''(4) the allocation of appropriations; and''.

(d) SUNSET OF PROGRAM.—Section 47137 is repealed effective September 30, 2008.

(e) CORRECTION TO EMISSION CREDITS PROVISION.—Section 47139 is amended—

(1) by striking ''47102(3)(F),'' in subsection (a);

(2) by striking ''47102(3)(F),'' in subsection (b);

(3) by striking ''47102(3)(L), or 47140'' in subsection (b) and inserting ''or 47102(3)(L),'';

(4) by striking ''47103(3)(F), in subsection (b);

(5) by striking ''47102(3)(L), or 47140,'' in subsection (b) and inserting ''or 47102(3)(L),''.

(f) CORRECTION TO SURPLUS PROPERTY AUTHORITY.—Section 47151(e) is amended by striking ''(other than real property that is subject to section 2687 of title 10, section 201 of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note), or section 2905 of the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. 2687 note),''.

(g) AIRPORT CAPACITY BENCHMARK REPORTS; DEFINITION OF JOINT USE AIRPORT.—Section 47175 is amended—

(1) by striking ''Airport Capacity Benchmark Report 2001.'' in paragraph (2) and inserting ''2001 and 2004 Airport Capacity Benchmark Reports or of the most recent Benchmark report.''; and

(2) by adding at the end thereof the following:

''(7) JOINT USE AIRPORT.—The term 'joint use airport' means an airport owned by the United States Department of Defense, at which both military and civilian aircraft make shared use of the airfield.''.

(h) CARGO AIRPORTS.—Section 47114(c)(2)(A) is amended by striking ''3.5 percent'' and inserting ''4.0 percent''.

(i) USE OF APPORTIONED AMOUNTS.—Section 47117(e)(1)(A) is amended—

(1) by striking ''35 percent'' in the first sentence and inserting ''$300,000,000'';

(2) by striking ''and'' after ''47141,'';

(3) by striking ''et seq.).'' and inserting ''et seq.), and for water quality mitigation projects to comply with the Act of June 30, 1948 (33 U.S.C. 1251 et seq.) approved in an environmental record of decision for an airport development project under this title.''; and

(4) by striking ''such 35 percent requirement is'' in the second sentence and inserting ''the requirements of the preceding sentence are''.

(j) USE OF APPORTIONED AMOUNTS.—An amount apportioned under section 47114 of title 49, United States Code, or made available under section 47115 of that title, to the sponsor of a reliever airport the crosswind runway of which was closed as a result of a Record of Decision dated September 3, 2004, shall be available for project costs associated with the establishment of a new crosswind runway.

(k) USE OF PREVIOUS FISCAL YEAR'S APPORTIONMENT.—Section 47114(c)(1) is amended—

(1) by striking ''airport due to an employment action, natural disaster, or other event unrelated to the demand for air transportation at the affected airport.'' in subparagraph (E)(iii) and inserting ''airport—

''(I) if it is included in the essential air service program in the calendar year in which the passenger boardings fall below 9,700;

''(II) if at the airport the total passenger boardings from large certificated air carriers (as defined in part 241 of title 14, Code of Federal Regulations) conducting scheduled plus nonscheduled service totals 10,000 or more in the calendar year in which the airport does not meet the criteria for a primary airport under section 47102 of this title; or

''(III) if the documented interruption to scheduled service at the airport was equal to 4 percent of the scheduled flights in calendar year 2006, exclusive of cancellations due to severe weather conditions, and the airport is served by a single air carrier.'';

(2) by redesignating subparagraphs (F) and (G) as (G) and (H), respectively, and inserting after subparagraph (E) the following:

''(F) For fiscal years 2009 through 2012, with regard to an airport that meets the criteria described in paragraph (E)(iii), if the calendar year passenger boardings for the calculation of apportionments under this section fall below 10,000 passenger boardings, the Secretary may use the passenger boardings for the last fiscal year in which passenger boardings exceeded 10,000 for calculating apportionments.''.

(l) Section 47102(3) is amended by adding at the end the following:

''(M) construction of mobile refueler parking within a fuel farm at a nonprimary airport meeting the requirements of section 112.8 of title 40, Code of Federal Regulations.''.

(m) Section 47115(g)(1) is amended by striking ''of—'' and all that follows and inserting ''of $520,000,000. The amount credited is exclusive of amounts that have been apportioned in a prior fiscal year under section 47114 of this title and that remain available for obligation.''.

(n) Section 47114(c) is amended by adding at the end thereof the following:

''(3) AIRPORTS SERVED BY LARGE CERTIFICATED CARRIERS.—

''(A) APPORTIONMENT.—The Secretary shall apportion to the sponsor of an airport that received scheduled air service from a large certificated air carrier (as defined in part 241 of title 14, Code of Federal Regulations) an amount equal to the minimum apportionment specified in paragraph (1) of this subsection.

''(B) LIMITATION.—The apportionment under subparagraph (A) shall be made available to an airport sponsor only if—

''(i) the large certificated air carrier began scheduled air service at the airport in May 2006 and ceased scheduled air service at the airport in October 2006; and

''(ii) the Secretary determines that the airport had more than 10,000 passenger boardings in the preceding calendar year, based on data submitted to the Secretary under part 241 of title 14, Code of Federal Regulations.''.

(o) Subparagraph (H) of section 47114(c)(1), as redesignated by subsection (k)(2) of this section, is amended—

(1) by striking ''FISCAL YEAR 2006'' in the subparagraph heading and inserting ''FISCAL YEARS 2008 THROUGH 2011.—'';

(2) by striking ''fiscal year 2006'' and inserting ''each of fiscal years 2008 through 2011''; and

(3) by striking clause (i) and inserting the following:

''(i) the average annual passenger boardings at the airport for calendar years 2004 through 2006 were below 10,000 per year;''; and

(4) by striking ''2000 or 2001;'' in clause (ii) and inserting ''2003''.

(p) Section 47114 is amended by adding at the end thereof the following:

''(g) APPROACH LIGHTING SYSTEM.—Any amount apportioned for airport 03-02-0133 under the National Plan of Integrated Airport Systems may be utilized in any fiscal year for approach lighting systems including a medium intensity approach lighting system with runway alignment lights.''.

SEC. 210. STATE BLOCK GRANT PROGRAM.

Section 47128 is amended—

(1) by striking ''regulations'' each place it appears in subsection (a) and inserting ''guidance'';

(2) by striking ''grant;'' in subsection (b)(4) and inserting ''grant, including Federal environmental requirements or an agreed upon equivalent;'';

(3) by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following:

''(c) PROJECT ANALYSIS AND COORDINATION REQUIREMENTS.—Any Federal agency that must approve, license, or permit a proposed action by a participating State shall coordinate and consult with the State. The agency shall utilize the environmental analysis prepared by the State, provided it is adequate, or supplement that analysis as necessary to meet applicable Federal requirements.''; and

(4) by adding at the end the following:

''(e) PILOT PROGRAM.—The Secretary shall establish a pilot program for up to 3 States that do not participate in the program established under subsection (a) that is consistent with the program under subsection (a).''.

SEC. 211. AIRPORT FUNDING OF SPECIAL STUDIES OR REVIEWS.

Section 47173(a) is amended by striking ''project.'' and inserting ''project, or to conduct special environmental studies related to a federally funded airport project or for special studies or reviews to support approved noise compatibility measures in a Part 150 program or environmental mitigation in a Federal Aviation Administration Record of Decision or Finding of No Significant Impact.''.

SEC. 212. GRANT ELIGIBILITY FOR ASSESSMENT OF FLIGHT PROCEDURES.

Section 47504 is amended by adding at the end the following:

''(e) GRANTS FOR ASSESSMENT OF FLIGHT PROCEDURES.—

''(1) The Secretary is authorized in accordance with subsection (c)(1) to make a grant to an airport operator to assist in completing environmental review and assessment activities for proposals to implement flight procedures that have been approved for airport noise compatibility planning purposes under subsection (b).

''(2) The Administrator of the Federal Aviation Administration may accept funds from an airport sponsor, including funds provided to the sponsor under paragraph (1), to hire additional staff or obtain the services of consultants in order to facilitate the timely processing, review and completion of environmental activities associated with proposals to implement flight procedures submitted and approved for airport noise compatibility planning purposes in accordance with this section. Funds received under this authority shall not be subject to the procedures applicable to the receipt of gifts by the Administrator.''.

SEC. 213. SAFETY-CRITICAL AIRPORTS.

Section 47118(c) is amended—

(1) by striking ''or'' after the semicolon in paragraph (1);

(2) by striking ''delays.'' in paragraph (2) and inserting ''delays; or''; and

(3) by adding at the end the following:

''(3) be critical to the safety of commercial, military, or general aviation in transoceanic flights.''.

SEC. 214. EXPANDED PASSENGER FACILITY CHARGE ELIGIBILITY FOR NOISE COMPATIBILITY PROJECTS.

Section 40117(b) is amended by adding at the end the following:

''(7) NOISE MITIGATION FOR CERTAIN SCHOOLS.—

''(A) IN GENERAL.—In addition to the uses specified in paragraphs (1), (4), and (6), the

Secretary may authorize a passenger facility charge imposed under paragraph (1) or (4) at a large hub airport that is the subject of an amended judgment and final order in condemnation filed on January 7, 1980, by the Superior Court of the State of California for the county of Los Angeles, to be used for a project to carry out noise mitigation for a building, or for the replacement of a relocatable building with a permanent building, in the noise impacted area surrounding the airport at which such building is used primarily for educational purposes, notwithstanding the air easement granted or any terms to the contrary in such judgment and final order, if—

''(i) the Secretary determines that the building is adversely affected by airport noise;

''(ii) the building is owned or chartered by the school district that was the plaintiff in case number 986,442 or 986,446, which was resolved by such judgment and final order;

''(iii) the project is for a school identified in 1 of the settlement agreements effective February 16, 2005, between the airport and each of the school districts;

''(iv) in the case of a project to replace a relocatable building with a permanent building, the eligible project costs are limited to the actual structural construction costs necessary to mitigate aircraft noise in instructional classrooms to an interior noise level meeting current standards of the Federal Aviation Administration; and

''(v) the project otherwise meets the requirements of this section for authorization of a passenger facility charge.

''(B) ELIGIBLE PROJECT COSTS.—In subparagraph (A)(iv), the term 'eligible project costs' means the difference between the cost of standard school construction and the cost of construction necessary to mitigate classroom noise to the standards of the Federal Aviation Administration.''.

SEC. 215. ENVIRONMENTAL MITIGATION DEMONSTRATION PILOT PROGRAM.

(a) PILOT PROGRAM.—Subchapter I of chapter 471 is amended by adding at the end thereof the following:

''§ 47143. Environmental mitigation demonstration pilot program

''(a) IN GENERAL.—The Secretary of Transportation shall carry out a pilot program involving not more than 6 projects at public-use airports under which the Secretary may make grants to sponsors of such airports from funds apportioned under paragraph 47117(e)(1)(A) for use at such airports for environmental mitigation demonstration projects that will measurably reduce or mitigate aviation impacts on noise, air quality or water quality in the vicinity of the airport. Notwithstanding any other provision of this subchapter, an environmental mitigation demonstration project approved under this section shall be treated as eligible for assistance under this subchapter.

''(b) PARTICIPATION IN PILOT PROGRAM.—A public-use airport shall be eligible for participation in the pilot.

''(c) SELECTION CRITERIA.—In selecting from among applicants for participation in the pilot program, the Secretary may give priority consideration to environmental mitigation demonstration projects that—

''(1) will achieve the greatest reductions in aircraft noise, airport emissions, or airport water quality impacts either on an absolute basis, or on a per-dollar-of-funds expended basis; and

''(2) will be implemented by an eligible consortium.

''(d) FEDERAL SHARE.—Notwithstanding any other provision of this subchapter, the United States Government's share of the costs of a project carried out under this section shall be 50 percent.

''(e) MAXIMUM AMOUNT.—Not more than $2,500,000 may be made available by the Secretary in grants under this section for any single project.

''(f) IDENTIFYING BEST PRACTICES.—The Administrator may develop and publish information identifying best practices for reducing or mitigating aviation impacts on noise, air quality, or water quality in the vicinity of airports, based on the projects carried out under the pilot program.

''(g) DEFINITIONS.—In this section:

''(1) ELIGIBLE CONSORTIUM.—The term 'eligible consortium' means a consortium that comprises 2 or more of the following entities:

''(A) Businesses incorporated in the United States.

''(B) Public or private educational or research organizations located in the United States.

''(C) Entities of State or local governments in the United States.

''(D) Federal laboratories.

''(2) ENVIRONMENTAL MITIGATION DEMONSTRATION PROJECT.—The term 'environmental mitigation demonstration project' means a project that—

''(A) introduces new conceptual environmental mitigation techniques or technology with associated benefits, which have already been proven in laboratory demonstrations;

''(B) proposes methods for efficient adaptation or integration of new concepts to airport operations; and

''(C) will demonstrate whether new techniques or technology for environmental mitigation identified in research are—

''(i) practical to implement at or near multiple public use airports; and

''(ii) capable of reducing noise, airport emissions, or water quality impacts in measurably significant amounts.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47142 the following:

''47143. Environmental mitigation demonstration pilot program''.

SEC. 216. ALLOWABLE PROJECT COSTS FOR AIRPORT DEVELOPMENT PROGRAM.

Section 47110(c) of title 49, United States Code, is amended—

(1) by striking ''; or'' in paragraph (1) and inserting a semicolon;

(2) by striking ''project.'' in paragraph (2) and inserting ''project; or''; and

(3) by adding at the end the following:

''(3) necessarily incurred in anticipation of severe weather.''.

SEC. 217. GLYCOL RECOVERY VEHICLES.

Section 47102(3)(G) is amended by inserting ''including acquiring glycol recovery vehicles,'' after ''aircraft,''.

SEC. 218. RESEARCH IMPROVEMENT FOR AIRCRAFT.

Section 44504(b) is amended—

(1) by striking ''and'' after the semicolon in paragraph (6);

(2) by striking ''aircraft.'' in paragraph (7) and inserting ''aircraft; and''; and

(3) by adding at the end thereof the following:

''(8) to conduct research to support programs designed to reduce gases and particulates emitted.''.

TITLE III—FAA ORGANIZATION AND REFORM

SEC. 301. AIR TRAFFIC CONTROL MODERNIZATION OVERSIGHT BOARD.

Section 106(p) is amended to read as follows:

''(p) AIR TRAFFIC CONTROL MODERNIZATION OVERSIGHT BOARD.—

''(1) ESTABLISHMENT.—Within 90 days after the date of enactment of the Aviation Investment and Modernization Act of 2008, the Secretary shall establish and appoint the members of an advisory Board which shall be known as the Air Traffic Control Modernization Oversight Board.

''(2) MEMBERSHIP.—The Board shall be comprised of 7 members, who shall consist of—

''(A) the Administrator of the Federal Aviation Administration and a representative from the Department of Defense;

''(B) 1 member who shall have a fiduciary responsibility to represent the public interest; and

''(C) 4 members representing aviation interests, as follows:

''(i) 1 representative that is the chief executive officer of an airport.

''(ii) 1 representative that is the chief executive officer of a passenger or cargo air carrier.

''(iii) 1 representative of a labor organization representing employees at the Federal Aviation Administration that are involved with the operation, maintenance or procurement of the air traffic control system.

''(iv) 1 representative with extensive operational experience in the general aviation community.

''(3) APPOINTMENT AND QUALIFICATIONS.—

''(A) Members of the Board appointed under paragraphs (2)(B) and (2)(C) shall be appointed by the President, by and with the advice and consent of the Senate.

''(B) Members of the Board appointed under paragraph (2)(B) shall be citizens of the United States and shall be appointed without regard to political affiliation and solely on the basis of their professional experience and expertise in one or more of the following areas and, in the aggregate, should collectively bring to bear expertise in—

''(i) management of large service organizations;

''(ii) customer service;

''(iii) management of large procurements;

''(iv) information and communications technology;

''(v) organizational development; and

''(vi) labor relations.

''(4) FUNCTIONS.—

''(A) IN GENERAL.—The Board shall—

''(i) review and provide advice on the Administration's modernization programs, budget, and cost accounting system;

''(ii) review the Administration's strategic plan and make recommendations on the nonsafety program portions of the plan, and provide advice on the safety programs of the plan;

''(iii) review the operational efficiency of the air traffic control system and make recommendations on the operational and performance metrics for that system;

''(iv) approve procurements of air traffic control equipment in excess of $100,000,000;

''(v) approve by July 31 of each year the Administrator's budget request for facilities and equipment prior to its submission to the Office of Management and budget, including which programs are proposed to be funded from the Air Traffic control system Modernization Account of the Airport and Airway Trust Fund;

''(vi) approve the Federal Aviation Administration's Capital Investment Plan prior to its submission to the Congress;

''(vii) annually approve the Operational Evolution Plan;

''(viii) approve the Administrator's selection of a Chief Operating Officer for the Air Traffic Organization and on the appointment and compensation of its managers; and

''(ix) approve the selection of the head of the Joint Planning Development Office.

''(B) MEETINGS.—The Board shall meet on a regular and periodic basis or at the call of the Chairman or of the Administrator.

''(C) ACCESS TO DOCUMENTS AND STAFF.—The Administration may give the Board appropriate access to relevant documents and personnel of the Administration, and the Administrator shall make available, consistent with the authority to withhold commercial and other proprietary information under section 552 of title 5, cost data associated with the acquisition and operation of air traffic control systems. Any member of the Board who receives commercial or other proprietary data from the Administrator shall be subject to the provisions of section 1905 of title 18, pertaining to unauthorized disclosure of such information.

''(5) FEDERAL ADVISORY COMMITTEE ACT NOT TO APPLY.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board or such rulemaking committees as the Administrator shall designate.

''(6) ADMINISTRATIVE MATTERS.—

''(A) TERMS OF MEMBERS.—Members of the Board appointed under paragraph (2)(B) and (2)(C) shall be appointed for a term of 4 years.

''(B) REAPPOINTMENT.—No individual may be appointed to the Board for more than 8 years total.

''(C) VACANCY.—Any vacancy on the Board shall be filled in the same manner as the original position. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for a term of 4 years.

''(D) CONTINUATION IN OFFICE.—A member of the Board whose term expires shall continue to serve until the date on which the member's successor takes office.

''(E) REMOVAL.—Any member of the Board appointed under paragraph (2)(B) or (2)(C) may be removed by the President for cause.

''(F) CLAIMS AGAINST MEMBERS OF THE BOARD.—

''(i) IN GENERAL.—A member appointed to the Board shall have no personal liability under State or Federal law with respect to any claim arising out of or resulting from an act or omission by such member within the scope of service as a member of the Board.

''(ii) EFFECT ON OTHER LAW.—This subparagraph shall not be construed—

''(I) to affect any other immunity or protection that may be available to a member of the Board under applicable law with respect to such transactions;

''(II) to affect any other right or remedy against the United States under applicable law; or

''(III) to limit or alter in any way the immunities that are available under applicable law for Federal officers and employees.

''(G) ETHICAL CONSIDERATIONS.—Each member of the Board appointed under paragraph (2)(B) must certify that he or she—

''(i) does not have a pecuniary interest in, or own stock in or bonds of, an aviation or aeronautical enterprise, except an interest in a diversified mutual fund or an interest that is exempt from the application of section 208 of title 18;

''(ii) does not engage in another business related to aviation or aeronautics; and

''(iii) is not a member of any organization that engages, as a substantial part of its activities, in activities to influence aviation-related legislation.

''(H) CHAIRMAN; VICE CHAIRMAN.—The Board shall elect a chair and a vice chair from among its members, each of whom shall serve for a term of 2 years. The vice chair shall perform the duties of the chairman in the absence of the chairman.

''(I) COMPENSATON.—No member shall receive any compensation or other benefits from the Federal Government for serving on the Board, except for compensation benefits for injuries under subchapter I of chapter 81 of title 5 and except as provided under subparagraph (J).

''(J) EXPENSES.—Each member of the Board shall be paid actual travel expenses and per diem in lieu of subsistence expenses when away from his or her usual place of residence, in accordance with section 5703 of title 5.

''(K) BOARD RESOURCES.—From resources otherwise available to the Administrator, the Chairman shall appoint such staff to assist the board and provide impartial analysis, and the Administrator shall make available to the Board such information and administrative services and assistance, as may reasonably be required to enable the Board to carry out its responsibilities under this subsection.

''(L) QUORUM AND VOTING.—A simple majority of members of the Board duly appointed shall constitute a quorum. A majority vote of members present and voting shall be required for the Committee to take action.

''(7) AIR TRAFFIC CONTROL SYSTEM DEFINED.—In this subsection, the term 'air traffic control system' has the meaning given that term in section 40102(a).''.

SEC. 302. ADS–B SUPPORT PILOT PROGRAM.

(a) IN GENERAL.—Chapter 445, as amended by section 207, is amended by adding at the end the following:

''§ 44519. ADS–B support pilot program

''(a) IN GENERAL.—The Secretary may carry out a pilot program to support non-Federal acquisition of National Airspace System compliant Automatic Dependent Surveillance-Broadcast (ADS–B) ground stations if—

''(1) the Secretary determines that acquisition of the ground stations benefits the improvement of safety or capacity in the National Airspace System;

''(2) the ground stations provide the required transmit and receive data formats consistent with the National Airspace System architecture at the appropriate service delivery point; and

''(3) the ground stations acquired under this program are supplemental to ground stations established under programs administered by the Administrator of the Federal Aviation Administration.

''(b) PROJECT GRANTS.—

''(1) For purposes of carrying out the pilot program and notwithstanding the requirements of section 47114(d), the Secretary may make a project grant out of funds apportioned under section 47114(d)(2) to not more than 10 eligible sponsors to acquire and install ADS–B ground stations in order to serve any public-use airport.

''(2) The Secretary shall establish procurement procedures applicable to grants issued under this section. The procedures shall permit the sponsor to carry out the project using Federal Aviation Administration contracts. The procedures established by the Secretary may provide for the direct reimbursement (including administrative costs) of the Administrator by the sponsor using grant funds under this section, for the ordering of such equipment and its installation, or for the direct ordering of such equipment and its installation by the sponsor, using such grant funds, from the suppliers with which the Administrator has contracted.

''(c) MATCHING REQUIREMENT.—The amount of a grant to an eligible sponsor under subsection (b) may not exceed 90 percent of the costs of the acquisition and installation of the ground support equipment.

''(d) DEFINITIONS.—In this section:

''(1) ADS–B GROUND STATION.—The term 'ADS–B ground station' means electronic equipment that provides for ADS–B reception and broadcast services.

''(2) ELIGIBLE SPONSOR.—The term 'eligible sponsor' means a State or any consortium of 2 or more State or local governments meeting the definition of a sponsor under section 47102 of this title.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 445 is amended by inserting after the item relating to section 44518 the following:

''44519. ADS–B support pilot program.''.

SEC. 303. FACILITATION OF NEXT GENERATION AIR TRAFFIC SERVICES.

Section 106(l) is amended by adding at the end the following:

''(7) AIR TRAFFIC SERVICES.—In determining what actions to take, by rule or through an agreement or transaction under paragraph (6) or under section 44502, to permit non-government providers of communications, navigation, surveillance or other services to provide such services in the National Airspace System, or to require the usage of such services, the Administrator shall consider whether such actions would—

''(A) promote the safety of life and property;

''(B) improve the efficiency of the National Airspace System and reduce the regulatory burden upon National Airspace System users, based upon sound engineering principles, user operational requirements, and marketplace demands;

''(C) encourage competition and provide services to the largest feasible number of users; and

''(D) take into account the unique role served by general aviation.''.

SEC. 304. CLARIFICATION OF AUTHORITY TO ENTER INTO REIMBURSABLE AGREEMENTS.

Section 106(m) is amended by striking ''without'' in the last sentence and inserting ''with or without''.

SEC. 305. CLARIFICATION TO ACQUISITION REFORM AUTHORITY.

Section 40110(c) is amended—

(1) by inserting ''and'' after the semicolon in paragraph (3);

(2) by striking paragraph (4); and

(3) by redesignating paragraph (5) as paragraph (4).

SEC. 306. ASSISTANCE TO OTHER AVIATION AUTHORITIES.

Section 40113(e) is amended—

(1) by inserting ''(whether public or private)'' in paragraph (1) after ''authorities'';

(2) by striking ''safety.'' in paragraph (1) and inserting ''safety or efficiency. The Administrator is authorized to participate in, and submit offers in response to, competitions to provide these services, and to contract with foreign aviation authorities to provide these services consistent with the provisions under section 106(l)(6) of this title. The Administrator is also authorized, notwithstanding any other provision of law or policy, to accept payments in arrears.''; and

(3) by striking ''appropriation from which expenses were incurred in providing such services.'' in paragraph (3) and inserting ''appropriation current when the expenditures are or were paid, or the appropriation current when the amount is received.''.

SEC. 307. PRESIDENTIAL RANK AWARD PROGRAM.

Section 40122(g)(2) is amended—

(1) by striking ''and'' after the semicolon in subparagraph (G);

(2) by striking ''Board.'' in subparagraph (H) and inserting ''Board;''; and

(3) by inserting at the end the following new subparagraph:

''(I) subsections (b), (c), and (d) of section 4507 (relating to Meritorious Executive or Distinguished Executive rank awards), and section subsections (b) and (c) of section 4507a (relating to Meritorious Senior Professional or Distinguished Senior Professional rank-awards), except that—

''(i) for purposes of applying such provisions to the personnel management system—

''(I) the term 'agency' means the Department of Transportation;

''(II) the term 'senior executive' means an Federal Aviation Administration executive;

''(III) the term 'career appointee' means an Federal Aviation Administration career executive; and

''(IV) the term 'senior career employee' means an Federal Aviation Administration career senior professional;

''(ii) receipt by a career appointee of the rank of Meritorious Executive or Meritorious Senior Professional entitles such individual to a lump-sum payment of an amount equal to 20 percent of annual basic pay, which shall be in addition to the basic pay paid under the Federal Aviation Administration Executive Compensation Plan; and

''(iii) receipt by a career appointee of the rank of Distinguished Executive or Distinguished Senior Professional entitles the individual to a lump-sum payment of an amount equal to 35 percent of annual basic pay, which shall be in addition to the basic pay paid under the Federal Aviation Administration Executive Compensation Plan.''.

SEC. 308. NEXT GENERATION FACILITIES NEEDS ASSESSMENT.

(a) FAA CRITERIA FOR FACILITIES REALIGNMENT.—Within 9 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration, after providing an opportunity for public comment, shall publish final criteria to be used in making the Administrator's recommendations for the realignment of services and facilities to assist in the transition to next generation facilities and help reduce capital, operating, maintenance, and administrative costs with no adverse effect on safety.

(b) REALIGNMENT RECOMMENDATIONS.—Within 9 months after publication of the criteria, the Administrator shall publish a list of the services and facilities that the Administrator recommends for realignment, including a justification for each recommendation, and a description of the costs and savings of such transition.

(c) REALIGNMENT DEFINED.—As used in this section, the term ''realignment'' includes any action which relocates or reorganizes functions, services, and personnel positions but does not include a reduction in personnel resulting from workload adjustments.

(d) STUDY BY BOARD.—The Air Traffic Control Modernization Oversight Board established by section 106(p) of title 49, United States Code, shall study the Administrator's recommendations for realignment and the opportunities, risks, and benefits of realigning services and facilities of the Federal Aviation Administration to help reduce capital, operating, maintenance, and administrative costs with no adverse effect on safety.

(e) REVIEW AND RECOMMENDATIONS.—

(1) After receiving the recommendations from the Administrator pursuant to subsection (b), the Board shall provide opportunity for public comment on such recommendations.

(2) Based on its review and analysis of the Administrator's recommendations and any public comment it may receive, the Board shall make its independent recommendations for realignment of aviation services or facilities and submit its recommendations in a report to the President, the Senate Committee on Commerce, Science, and Transportation, and the House of Representatives Committee on Transportation and Infrastructure.

(3) The Board shall explain and justify in its report any recommendation made by the Board that is different from the recommendations made by the Administrator pursuant to subsection (b).

(4) The Administrator may not consolidate any additional approach control facilities into the Southern California TRACON, or the Memphis TRACON until the Board's recommendations are completed.

SEC. 309. NEXT GENERATION AIR TRANSPORTATION SYSTEM PLANNING OFFICE.

(a) IMPROVED COOPERATION AND COORDINATION AMONG PARTICIPATING AGENCIES.—Section 709 of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 40101 note) is amended—

(1) by inserting ''(A)'' after ''(3)'' in subsection (a)(3);

(2) by inserting after subsection (a)(3) the following:

''(B) The Administrator of the Federal Aviation Administration, the Secretary of Defense, the Administrator of the National Aeronautics and Space Administration, the Secretary of Commerce, the Secretary of Homeland Security, and the head of any other Department or Federal agency from which the Secretary of Transportation requests assistance under subparagraph (A) shall designate an implementation office to be responsible for—

''(i) carrying out the Department or agency's Next Generation Air Transportation System implementation activities with the Office; and

''(ii) liaison and coordination with other Departments and agencies involved in Next Generation Air Transportation System activities; and

''(iii) managing all Next Generation Air Transportation System programs for the Department or agency, including necessary budgetary and staff resources, including, for the Federal Aviation Administration, those projects described in section 44501(b)(5) of title 49, United States Code).

''(C) The head of any such Department or agency shall ensure that—

''(i) the Department's or agency's Next Generation Air Transportation System responsibilities are clearly communicated to the designated office; and

''(ii) the performance of supervisory personnel in that office in carrying out the Department's or agency's Next Generation Air Transportation System responsibilities is reflected in their annual performance evaluations and compensation decisions.

''(D)(i) Within 6 months after the date of enactment of the Aviation Investment and Modernization Act of 2008, the head of each such Department or agency shall execute a memorandum of understanding with the Office and with the other Departments and agencies participating in the Next Generation Air Transportation System project that—

''(I) describes the respective responsibilities of each such Department and agency, including budgetary commitments; and

''(II) the budgetary and staff resources committed to the project.

''(ii) The memorandum shall be revised as necessary to reflect any changes in such responsibilities or commitments and be reflected in each Department or agency's budget request.'';

(3) by adding at the end of subsection (a) the following:

''(5) The Director of the Office shall be a voting member of the Federal Aviation Administration's Joint Resources Council and the Air Traffic Organization's Executive Council.'';

(4) by striking ''beyond those currently included in the Federal Aviation Administration's Operational Evolution Plan'' in subsection (b);

(5) by striking ''research and development roadmap'' in subsection (b)(3) and inserting ''implementation plan'';

(6) by striking ''and'' after the semicolon in subsection (b)(3)(B);

(7) by inserting after subsection (b)(3)(C) the following:

''(D) a schedule of rulemakings required to issue regulations and guidelines for implementation of the Next Generation Air Transportation System within a timeframe consistent with the integrated plan; and'';

(8) by inserting ''and key technologies'' after ''concepts'' in subsection (b)(4);

(9) by striking ''users'' in subsection (b)(4) and inserting ''users, an implementation plan,'';

(10) by adding at the end of subsection (b) the following:

''Within 6 months after the date of enactment of the Aviation Investment and Modernization Act of 2008, the Administrator shall develop the implementation plan described in paragraph (3) of this subsection and shall update it annually thereafter.''; and

(11) by striking ''2010.'' in subsection (e) and inserting ''2011.''.

(b) SENIOR POLICY COMMITTEE MEETINGS.—Section 710(a) of such Act (49 U.S.C. 40101 note) is amended by striking ''Secretary.'' and inserting ''Secretary and shall meet at least once each quarter.''.

SEC. 310. DEFINITION OF AIR NAVIGATION FACILITY.

Section 40102(a)(4) is amended—

(1) by striking subparagraph (B) and inserting the following:

''(B) runway lighting and airport surface visual and other navigation aids;'';

(2) by striking ''weather information, signaling, radio-directional finding, or radio or other electromagnetic communication; and'' in subparagraph (C) and inserting ''aeronautical and meteorological information to air traffic control facilities or aircraft, supplying communication, navigation or surveillance equipment for air-to-ground or air-to-air applications;'';

(3) by striking ''another structure'' in subparagraph (D) and inserting ''any structure or equipment'';

(4) by striking ''aircraft.'' in subparagraph (D) and inserting ''aircraft; and''; and

(5) by adding at the end the following:

''(E) buildings, equipment and systems dedicated to the National Airspace System.''.

SEC. 311. IMPROVED MANAGEMENT OF PROPERTY INVENTORY.

Section 40110(a)(2) is amended by striking ''compensation; and'' and inserting ''compensation, and the amount received may be credited to the appropriation current when the amount is received; and''.

SEC. 312. EDUCATIONAL REQUIREMENTS.

The Administrator of the Federal Aviation Administration shall make payments to the Department of Defense for the education of dependent children of those Federal Aviation Administration employees in Puerto Rico and Guam as they are subject to transfer by policy and practice and meet the eligibility requirements of section 2164(c) of title 10, United States Code.

SEC. 313. FAA PERSONNEL MANAGEMENT SYSTEM.

Section 40122(a)(2) is amended to read as follows:

''(2) DISPUTE RESOLUTION.—

''(A) MEDIATION.—If the Administrator does not reach an agreement under paragraph (1) or subsection (g)(2)(C) with the exclusive bargaining representatives, the services of the Federal Mediation and Conciliation Service shall be used to attempt to reach such agreement in accordance with part 1425 of title 29, Code of Federal Regulations. The Administrator and bargaining representatives may by mutual agreement

adopt procedures for the resolution of disputes or impasses arising in the negotiation of a collective-bargaining agreement.

''(B) BINDING ARBITRATION.—If the services of the Federal Mediation and Conciliation Service under subparagraph (A) does not lead to an agreement, the Administrator and the bargaining representatives shall submit their issues in controversy to the Federal Service Impasses Panel in accordance with section 7119 of title 5. The Panel shall assist the parties in resolving the impasse by asserting jurisdiction and ordering binding arbitration by a private arbitration board consisting of 3 members in accordance with section 2471.6(a)(2)(ii) of title 5, Code of Federal Regulations. The executive director of the Panel shall request a list of not less than 15 names of arbitrators with Federal sector experience from the director of the Federal Mediation and Conciliation Service to be provided to the Administrator and the bargaining representatives. Within 10 days after receiving the list, the parties shall each select 1 person. The 2 arbitrators shall then select a third person from the list within 7 days. If the 2 arbitrators are unable to agree on the third person, the parties shall select the third person by alternately striking names from the list until only 1 name remains. If the parties do not agree on the framing of the issues to be submitted, the arbitration board shall frame the issues. The arbitration board shall give the parties a full and fair hearing, including an opportunity to present evidence in support of their claims, and an opportunity to present their case in person, by counsel, or by other representative as they may elect. Decisions of the arbitration board shall be conclusive and binding upon the parties. The arbitration board shall render its decision within 90 days after its appointment. The Administrator and the bargaining representative shall share costs of the arbitration equally. The arbitration board shall take into consideration the effect of its arbitration decisions on the Federal Aviation Administration's ability to attract and retain a qualified workforce and the Federal Aviation Administration's budget.

''(C) EFFECT.—Upon reaching a voluntary agreement or at the conclusion of the binding arbitration under subparagraph (B) above, the final agreement, except for those matters decided by the arbitration board, shall be subject to ratification by the exclusive representative, if so requested by the exclusive representative, and approval by the head of the agency in accordance with subsection (g)(2)(C).

''(D) ENFORCEMENT.—Enforcement of the provisions of this paragraph, and any agreement hereunder, shall be in the United States District Court for the District of Columbia.''.

SEC. 314. RULEMAKING AND REPORT ON ADS-B IMPLEMENTATION.

(a) REPORT.—Within 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure detailing the Administration program and schedule for integrating ADS-B technology into the National Airspace System. The report shall include—

(1) Phase 1 and Phase 2 activity to purchase and install necessary ADS-B ground stations; and

(2) detailed plans and schedules for implementation of advanced operational procedures and ADS-B air-to-air applications.

(b) RULEMAKING.—Not later than 12 months after the date of enactment of this Act the Administrator shall issue guidelines and regulations required for the implementation of ADS-B, including—

(1) the type of avionics (e.g., ADS-B avionics) required of aircraft for all classes of airspace;

(2) a schedule outlining when aircraft will be required to be equipped with such avionics;

(3) the expected costs associated with the avionics; and

(4) the expected uses and benefits of the avionics.

SEC. 315. FAA TASK FORCE ON AIR TRAFFIC CONTROL FACILITY CONDITIONS.

(a) ESTABLISHMENT.—The Administrator of the Federal Aviation Administration shall establish a special task force to be known as the ''FAA Task Force on Air Traffic Control Facility Conditions''.

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Task Force shall be composed of 11 members of whom—

(A) 7 members shall be appointed by the Administrator; and

(B) 4 members shall be appointed by labor unions representing employees who work at field facilities of the Administration.

(2) QUALIFICATIONS.—Of the members appointed by the Administrator under paragraph (1)(A)—

(A) 4 members shall be specialists on toxic mold abatement, ''sick building syndrome,'' and other hazardous building conditions that can lead to employee health concerns and shall be appointed by the Administrator in consultation with the Director of the National Institute for Occupational Safety and Health; and

(B) 2 members shall be specialists on the rehabilitation of aging buildings.

(3) TERMS.—Members shall be appointed for the life of the Task Force.

(4) VACANCIES.—A vacancy in the Task Force shall be filled in the manner in which the original appointment was made.

(5) TRAVEL EXPENSES.—Members shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with subchapter I of chapter 57 of title 5, United States Code.

(c) CHAIRPERSON.—The Administrator shall designate, from among the individuals appointed under subsection (b)(1), an individual to serve as chairperson of the Task Force.

(d) TASK FORCE PERSONNEL MATTERS.—

(1) STAFF.—The Task Force may appoint and fix the pay of such personnel as it considers appropriate.

(2) STAFF OF FEDERAL AGENCIES.—Upon request of the Chairperson of the Task Force, the head of any department or agency of the United States may detail, on a reimbursable basis, any of the personnel of that department or agency to the Task Force to assist it in carrying out its duties under this section.

(3) OTHER STAFF AND SUPPORT.—Upon request of the Task Force or a panel of the Task Force, the Administrator shall provide the Task Force or panel with professional and administrative staff and other support, on a reimbursable basis, to the Task Force to assist it in carrying out its duties under this section.

(e) OBTAINING OFFICIAL DATA.—The Task Force may secure directly from any department or agency of the United States information (other than information required by any statute of the United States to be kept confidential by such department or agency) necessary for the Task Force to carry out its duties under this section. Upon request of the chairperson of the Task Force, the head of that department or agency shall furnish such information to the Task Force.

(f) DUTIES.—

(1) STUDY.—The Task Force shall undertake a study of—

(A) the conditions of all air traffic control facilities across the Nation, including towers, centers, and terminal radar air control;

(B) reports from employees of the Administration relating to respiratory ailments and other health conditions resulting from exposure to mold, asbestos, poor air quality, radiation and facility-related hazards in facilities of the Administration;

(C) conditions of such facilities that could interfere with such employees' ability to effectively and safely perform their duties;

(D) the ability of managers and supervisors of such employees to promptly document and seek remediation for unsafe facility conditions;

(E) whether employees of the Administration who report facility-related illnesses are treated fairly;

(F) utilization of scientifically-approved remediation techniques in a timely fashion once hazardous conditions are identified in a facility of the Administration; and

(G) resources allocated to facility maintenance and renovation by the Administration.

(2) FACILITY CONDITION INDICES.—The Task Force shall review the facility condition indices of the Administration for inclusion in the recommendations under subsection (g).

(g) RECOMMENDATIONS.—Based on the results of the study and review of the facility condition indices under subsection (f), the Task Force shall make recommendations as it considers necessary to—

(1) prioritize those facilities needing the most immediate attention in order of the greatest risk to employee health and safety;

(2) ensure that the Administration is using scientifically approved remediation techniques in all facilities; and

(3) assist the Administration in making programmatic changes so that aging air traffic control facilities do not deteriorate to unsafe levels.

(h) REPORT.—Not later than 6 months after the date on which initial appointments of members to the Task Force are completed, the Task Force shall submit to the Administrator, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate a report on the activities of the Task Force, including the recommendations of the Task Force under subsection (g).

(i) IMPLEMENTATION.—Within 30 days after receipt of the Task Force report under subsection (h), the Administrator shall submit to the House of Representatives Committee on Transportation and Infrastructure and the Senate Committee on Commerce, Science, and Transportation a report that includes a plan and timeline to implement the recommendations of the Task Force and to align future budgets and priorities of the Administration accordingly.

(j) TERMINATION.—The Task Force shall terminate on the last day of the 30-day period beginning on the date on which the report under subsection (h) is submitted.

(k) APPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Task Force.

SEC. 316. STATE ADS-B EQUIPAGE BANK PILOT PROGRAM.

(a) IN GENERAL.—

(1) COOPERATIVE AGREEMENTS.—Subject to the provisions of this section, the Secretary of Transportation may enter into cooperative agreements with not to exceed 5 States for the establishment of State ADS-B equipage banks for making loans and providing other assistance to public entities for projects eligible for assistance under this section.

(b) FUNDING.—

(1) SEPARATE ACCOUNT.—An ADS-B equipage bank established under this section

shall maintain a separate aviation trust fund account for Federal funds contributed to the bank under paragraph (2). No Federal funds contributed or credited to an account of an ADS-B equipage bank established under this section may be commingled with Federal funds contributed or credited to any other account of such bank.

(2) AUTHORIZATION.—There are authorized to be appropriated to the Secretary $25,000,000 for each of fiscal years 2009 through 2013.

(c) FORMS OF ASSISTANCE FROM ADS-B EQUIPAGE BANKS.—An ADS-B equipage bank established under this section may make loans or provide other assistance to a public entity in an amount equal to all or part of the cost of carrying out a project eligible for assistance under this section. The amount of any loan or other assistance provided for such project may be subordinated to any other debt financing for the project.

(d) QUALIFYING PROJECTS.—Federal funds in the ADS-B equipage account of an ADS-B equipage bank established under this section may be used only to provide assistance with respect to aircraft ADS-B avionics equipage.

(e) REQUIREMENTS.—In order to establish an ADS-B equipage bank under this section, each State establishing such a bank shall—

(1) contribute, at a minimum, in each account of the bank from non-Federal sources an amount equal to 50 percent of the amount of each capitalization grant made to the State and contributed to the bank;

(2) ensure that the bank maintains on a continuing basis an investment grade rating on its debt issuances or has a sufficient level of bond or debt financing instrument insurance to maintain the viability of the bank;

(3) ensure that investment income generated by funds contributed to an account of the bank will be—

(A) credited to the account;

(B) available for use in providing loans and other assistance to projects eligible for assistance from the account; and

(C) invested in United States Treasury securities, bank deposits, or such other financing instruments as the Secretary may approve to earn interest to enhance the leveraging of projects assisted by the bank;

(5) ensure that any loan from the bank will bear interest at or below market interest rates, as determined by the State, to make the project that is the subject of the loan feasible;

(6) ensure that the term for repaying any loan will not exceed 10 years after the date of the first payment on the loan; and

(7) require the bank to make an annual report to the Secretary on its status no later than September 30 of each year for which funds are made available under this section, and to make such other reports as the Secretary may require by guidelines.

TITLE IV—AIRLINE SERVICE AND SMALL COMMUNITY AIR SERVICE IMPROVEMENTS

SEC. 401. AIRLINE CONTINGENCY SERVICE REQUIREMENTS.

(a) IN GENERAL.—Chapter 417 is amended by adding at the end the following:

''SUBCHAPTER IV—AIRLINE CUSTOMER SERVICE

''§ 41781. AIRLINE CONTINGENCY SERVICE REQUIREMENTS.

''(a) IN GENERAL.—Not later than 60 days after the date of enactment of the Aviation Investment and Modernization Act of 2008, each air carrier shall submit a contingency service plan to the Secretary of Transportation for review and approval. The plan shall require the air carrier to implement, at a minimum, the following practices:

''(1) PROVISION OF FOOD AND WATER.—If the departure of a flight of an air carrier is substantially delayed, or disembarkation of passengers on an arriving flight that has landed is substantially delayed, the air carrier shall provide—

''(A) adequate food and potable water to passengers on such flight during such delay; and

''(B) adequate restroom facilities to passengers on such flight during such delay.

''(2) RIGHT TO DEPLANE.—

''(A) IN GENERAL.—An air carrier shall develop a plan, that incorporates medical considerations, to ensure that passengers are provided a clear timeframe under which they will be permitted to deplane a delayed aircraft. The air carrier shall provide a copy of the plan to the Secretary of Transportation, who shall make the plan available to the public. In the absence of such a plan, except as provided in subparagraph (B), if more than 3 hours after passengers have boarded a flight, the aircraft doors are closed and the aircraft has not departed, the air carrier shall provide passengers with the option to deplane safely before the departure of such aircraft. Such option shall be provided to passengers not less often than once during each 3-hour period that the plane remains on the ground.

''(B) EXCEPTIONS.—Subparagraph (A) shall not apply—

''(i) if the pilot of such flight reasonably determines that such flight will depart not later than 30 minutes after the 3 hour delay; or

''(ii) if the pilot of such flight reasonably determines that permitting a passenger to deplane would jeopardize passenger safety or security.

''(C) APPLICATION TO DIVERTED FLIGHTS.—This section applies to aircraft without regard to whether they have been diverted to an airport other than the original destination.

''(b) POSTING CONSUMER RIGHTS ON WEBSITE.—An air carrier holding a certificate issued under section 41102 that conducts scheduled passenger air transportation shall publish conspicuously and update monthly on the Internet website of the air carrier a statement of the air carrier's customer service policy and of air carrier customers' consumer rights under Federal and State law.

''(c) REVIEW AND APPROVAL; MINIMUM STANDARDS.—The Secretary of Transportation shall review the contingency service plan submitted by an air carrier under subsection (a) and may approve it or disapprove it and return it to the carrier for modification and resubmittal. The Secretary may establish minimum standards for such plans and require air carriers to meet those standards.

''(d) AIR CARRIER.—In this section the term 'air carrier' means an air carrier holding a certificate issued under section 41102 that conducts scheduled passenger air transportation.''.

(b) REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Secretary of Transportation shall promulgate such regulations as the Secretary determines necessary to carry out the amendment made by subsection (a).

(c) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by adding at the end the following:

SUBCHAPTER IV. AIRLINE CUSTOMER SERVICE

''41781. Airline contingency service requirements.''.

SEC. 402. PUBLICATION OF CUSTOMER SERVICE DATA AND FLIGHT DELAY HISTORY.

Section 41722 is amended by adding at the end the following:

''(f) CHRONICALLY DELAYED FLIGHTS.—

''(1) PUBLICATION OF LIST OF FLIGHTS.—An air carrier holding a certificate issued under section 41102 that conducts scheduled passenger air transportation shall publish and update monthly on the Internet website of the air carrier, or provide on request, a list of chronically delayed flights operated by the air carrier.

''(2) DISCLOSURE TO CUSTOMERS WHEN PURCHASING TICKETS.—An air carrier shall disclose the following information prominently to an individual before that individual books transportation on the air carrier's Internet website for any flight for which data is reported to the Department of Transportation under part 234 of title 14, Code of Federal Regulations, and for which the air carrier has primary responsibility for inventory control:

''(A) The on-time performance for the flight if it is a chronically delayed flight.

''(B) The cancellation rate for the flight if it is a chronically canceled flight.

''(3) CHRONICALLY DELAYED; CHRONICALLY CANCELED.—The Secretary of Transportation shall define the terms 'chronically delayed flight' and 'chronically canceled flight' for purposes of this subsection.''.

SEC. 403. EAS CONNECTIVITY PROGRAM.

Section 406(a) of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 40101 note) is amended by striking ''may'' and inserting ''shall''.

SEC. 404. EXTENSION OF FINAL ORDER ESTABLISHING MILEAGE ADJUSTMENT ELIGIBILITY.

Section 409(d) of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 40101 note) is amended by striking ''September 30, 2007.'' and inserting ''September 30, 2011.''.

SEC. 405. EAS CONTRACT GUIDELINES.

Section 41737(a)(1) is amended—

(1) by striking ''and'' after the semicolon in subparagraph (B);

(2) by striking ''provided.'' in subparagraph (C) and inserting ''provided;''; and

(3) by adding at the end the following:

''(D) include provisions under which the Secretary may encourage carriers to improve air service to small and rural communities by incorporating financial incentives in essential air service contracts based on specified performance goals; and

''(E) include provisions under which the Secretary may execute long-term essential air service contracts to encourage carriers to provide air service to small and rural communities where it would be in the public interest to do so.''.

SEC. 406. CONVERSION OF FORMER EAS AIRPORTS.

(a) IN GENERAL.—Section 41745 is amended—

(1) by redesignating subsections (c) through (g) as subsections (d) through (h), respectively; and

(2) by inserting after subsection (b) the following:

''(c) CONVERSION OF LOST ELIGIBILITY AIRPORTS.—

''(1) IN GENERAL.—The Secretary shall establish a program to provide general aviation conversion funding for airports serving eligible places that the Secretary has determined no longer qualify for a subsidy.

''(2) GRANTS.—A grant under this subsection—

''(A) may not exceed twice the compensation paid to provide essential air service to the airport in the fiscal year preceding the fiscal year in which the Secretary determines that the place served by the airport is no longer an eligible place; and

''(B) may be used—

''(i) for airport development (as defined in section 47102(3)) that will enhance general aviation capacity at the airport;

''(ii) to defray operating expenses, if such use is approved by the Secretary; or

''(iii) to develop innovative air service options, such as on-demand or air taxi operations, if such use is approved by the Secretary.

''(3) AIP REQUIREMENTS.—An airport sponsor that uses funds provided under this subsection for an airport development project shall comply with the requirements of subchapter I of chapter 471 applicable to airport development projects funded under that subchapter with respect to the project funded under this subsection.

''(4) LIMITATION.—The sponsor of an airport receiving funding under this subsection is not eligible for funding under section 41736.''.

(b) CONFORMING AMENDMENT.—Section 41745(f), as redesignated, is amended—

(1) by striking ''An eligible place'' and inserting ''Neither an eligible place, nor a place to which subsection (c) applies,''; and

(2) by striking ''not''.

SEC. 407. EAS REFORM.

Section 41742(a) is amended—

(1) by adding at the end of paragraph (1) ''Any amount in excess of $50,000,000 credited for any fiscal year to the account established under section 45303(c) shall be obligated for programs under section 406 of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 40101 note) and section 41745 of this title. Amounts appropriated pursuant to this section shall remain available until expended.''; and

(2) by striking ''$77,000,000'' in paragraph (2) and inserting ''$125,000,000''.

SEC. 408. CLARIFICATION OF AIR CARRIER FEE DISPUTES.

(a) IN GENERAL.—Section 47129 is amended—

(1) by striking the section heading and inserting the following:

''§ 47129. Resolution of airport-air carrier and foreign air carrier disputes concerning airport fees'' ;

(2) by inserting ''AND FOREIGN AIR CARRIER'' after ''CARRIER'' in the subsection caption for subsection (d);

(3) by inserting ''AND FOREIGN AIR CARRIER'' after ''CARRIER'' in the paragraph caption for subsection (d)(2);

(4) by striking ''air carrier'' each place it appears and inserting ''air carrier or foreign air carrier'';

(5) by striking ''air carrier's'' each place it appears and inserting ''air carrier's or foreign air carrier's'';

(6) by striking ''air carriers'' and inserting ''air carriers or foreign air carriers''; and

(7) by striking ''(as defined in section 40102 of this title)'' in subsection (a) and inserting ''(as those terms are defined in section 40102 of this title)''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by striking the item relating to section 47129 and inserting the following:

''47129. Resolution of airport-air carrier and foreign air carrier disputes concerning airport fees.''.

SEC. 409. SMALL COMMUNITY AIR SERVICE.

(a) PRIORITIES.—Section 41743(c)(5) is amended—

(1) by striking ''and'' after the semicolon in subparagraph (D);

(2) by striking ''fashion.'' in subparagraph (E) and inserting ''fashion; and''; and

(3) by adding at the end the following:

''(F) multiple communities cooperate to submit a region or multistate application to improve air service.''.

(b) EXTENSION OF AUTHORIZATION.—Section 41743(e)(2) is amended by striking ''2008'' and inserting ''2011''.

SEC. 410. CONTRACT TOWER PROGRAM.

(a) COST-BENEFIT REQUIREMENT.—Section 47124(b)(1) is amended—

(1) by inserting ''(A)'' after ''(1)''; and

(2) by adding at the end the following:

''(B) If the Secretary determines that a tower already operating under this program has a benefit to cost ratio of less than 1.0, the airport sponsor or State or local government having jurisdiction over the airport shall not be required to pay the portion of the costs that exceeds the benefit for a period of 18 months after such determination is made.

''(C) If the Secretary finds that all or part of an amount made available to carry out the program continued under this paragraph is not required during a fiscal year, the Secretary may use during such fiscal year the amount not so required to carry out the program established under paragraph (3) of this section.''.

(b) FUNDING.—Subparagraph (E) of section 47124(b)(3) is amended—

(1) by striking ''and'' after ''2006,''; and

(2) by inserting ''$8,500,000 for fiscal year 2008, $9,000,000 for fiscal year 2009, $9,500,000 for fiscal year 2010, and $10,000,000 for fiscal year 2011'' after ''2007,''; and

(3) by inserting after ''paragraph.'' the following: ''If the Secretary finds that all or part of an amount made available under this subparagraph is not required during a fiscal year to carry out this paragraph, the Secretary may use during such fiscal year the amount not so required to carry out the program continued under paragraph (b)(1) of this section.''.

(c) FEDERAL SHARE.—Subparagraph (C) of section 47124(b)(4) is amended by striking ''$1,500,000.'' and inserting ''$2,000,000.''.

(d) SAFETY AUDITS.—Section 41724 is amended by adding at the end the following:

''(c) SAFETY AUDITS.—The Secretary shall establish uniform standards and requirements for safety assessments of air traffic control towers that receive funding under this section in accordance with the Administration's safety management system.''.

SEC. 411. AIRFARES FOR MEMBERS OF THE ARMED FORCES.

(a) FINDINGS.—The Congress finds that—

(1) the Armed Forces is comprised of approximately 1,400,000 members who are stationed on active duty at more than 6,000 military bases in 146 different countries;

(2) the United States is indebted to the members of the Armed Forces, many of whom are in grave danger due to their engagement in, or exposure to, combat;

(3) military service, especially in the current war against terrorism, often requires members of the Armed Forces to be separated from their families on short notice, for long periods of time, and under very stressful conditions;

(4) the unique demands of military service often preclude members of the Armed Forces from purchasing discounted advance airline tickets in order to visit their loved ones at home; and

(5) it is the patriotic duty of the people of the United States to support the members of the Armed Forces who are defending the Nation's interests around the world at great personal sacrifice.

(b) SENSE OF CONGRESS.—It is the sense of Congress that each United States air carrier should—

(1) establish for all members of the Armed Forces on active duty reduced air fares that are comparable to the lowest airfare for ticketed flights; and

(2) offer flexible terms that allow members of the Armed Forces on active duty to purchase, modify, or cancel tickets without time restrictions, fees, and penalties.

SEC. 412. EXPANSION OF DOT AIRLINE CONSUMER COMPLAINT INVESTIGATIONS.

(a) IN GENERAL.—The Secretary of Transportation shall investigate consumer complaints regarding—

(1) flight cancellations;

(2) compliance with Federal regulations concerning overbooking seats flights;

(3) lost, damaged, or delayed baggage, and difficulties with related airline claims procedures;

(4) problems in obtaining refunds for unused or lost tickets or fare adjustments;

(5) incorrect or incomplete information about fares, discount fare conditions and availability, overcharges, and fare increases;

(6) the rights of passengers who hold frequent flier miles, or equivalent redeemable awards earned through customer-loyalty programs; and

(7) deceptive or misleading advertising.

(b) BUDGET NEEDS REPORT.—The Secretary shall provide, as an annex to its annual budget request, an estimate of resources which would have been sufficient to investigate all such claims the Department of Transportation received in the previous fiscal year. The annex shall be transmitted to the Congress when the President submits the budget of the United States to the Congress under section 1105 of title 31, United States Code.

SEC. 413. EAS MARKETING.

The Secretary of Transportation shall require all applications to provide service under subchapter II of chapter 417 of title 49, United States Code, include a marketing plan.

SEC. 414. EXTRAPERIMETAL AND INTRAPERIMETAL SLOTS AT RONALD REAGAN WASHINGTON NATIONAL AIRPORT.

(a) BEYOND PERIMETER EXEMPTIONS.—Section 41718 (a) is amended by striking ''24'' and inserting ''36''.

(b) WITHIN PERIMETER EXEMPTIONS.—Section 41718 (b) is amended by striking ''20'' and inserting ''28''.

(c) LIMITATIONS.—Section 41718(c) is amended—

(1) by striking ''3 operations.'' in paragraph (2) and inserting ''5 operations. Operations conducted by new entrant and limited incumbent air carriers shall be afforded a scheduling priority over operations conducted by other air carriers granted exemptions pursuant to section 41718 with the highest scheduling priority afforded to beyond-perimeter operations conducted by new entrant and limited incumbent air carriers.'';

(2) by striking ''six'' in paragraph (3)(A) and inserting ''8'';

(3) by striking ''ten'' in paragraph (3)(B) and inserting ''12''; and

(4) by striking ''four'' in paragraph (3)(C) and inserting ''8''.

SEC. 415. ESTABLISHMENT OF ADVISORY COMMITTEE FOR AVIATION CONSUMER PROTECTION.

(a) IN GENERAL.—The Secretary of Transportation shall establish an advisory committee for aviation consumer protection to advise the Secretary in carrying out air passenger service improvements, including those required by chapter 423 of title 49, United States Code.

(b) MEMBERSHIP.—The Secretary shall appoint members of the advisory committee comprised of one representative each of—

(1) air carriers;

(2) airport operators;

(3) State or local governments who has expertise in consumer protection matters; and

(4) a nonprofit public interest group who has expertise in consumer protection matters.

(c) VACANCIES.—A vacancy in the advisory committee shall be filled in the manner in which the original appointment was made.

(d) TRAVEL EXPENSES.—Members of the advisory committee shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with subchapter I of chapter 57 of title 5, United States Code.

(e) CHAIRPERSON.—The Secretary shall designate, from among the individuals appointed under subsection (b), an individual to serve as chairperson of the advisory committee.

(f) DUTIES.—The duties of the advisory committee shall include—

(1) evaluating existing aviation consumer protection programs and providing recommendations for the improvement of such programs, if needed; and

(2) providing recommendations to establish additional aviation consumer protection programs, if needed.

(g) REPORT.—Not later than February 1 of each of the first 2 calendar years beginning after the date of enactment of this Act, the Secretary shall transmit to Congress a report containing—

(1) the recommendations made by the advisory committee during the preceding calendar year; and

(2) an explanation of how the Secretary has implemented each recommendation and, for each recommendation not implemented, the Secretary's reason for not implementing the recommendation.

SEC. 416. RURAL AVIATION IMPROVEMENT.

(a) COMMUNITIES ABOVE PER PASSENGER SUBSIDY CAP.—

(1) IN GENERAL.—Subchapter II of chapter 417 is amended by adding at the end the following:

"§ 41749. Essential air service for eligible places above per passenger subsidy cap

''(a) PROPOSALS.—A State or local government may submit a proposal to the Secretary of Transportation for compensation for an air carrier to provide air transportation to a place described in subsection (b).

''(b) PLACE DESCRIBED.—A place described in this subsection is a place—

''(1) that is otherwise an eligible place; and

''(2) for which the per passenger subsidy exceeds the dollar amount allowable under this subchapter.

''(c) DECISIONS.—Not later than 90 days after receiving a proposal under subsection (a) for compensation for an air carrier to provide air transportation to a place described in subsection (b), the Secretary shall—

''(1) decide whether to provide compensation for the air carrier to provide air transportation to the place; and

''(2) approve the proposal if the State or local government or a person is willing and able to pay the difference between—

''(A) the per passenger subsidy; and

''(B) the dollar amount allowable for such subsidy under this subchapter.

''(d) COMPENSATION PAYMENTS.—

''(1) IN GENERAL—The Secretary shall pay compensation under this section at such time and in such manner as the Secretary determines is appropriate.

''(2) DURATION OF PAYMENTS—The Secretary shall continue to pay compensation under this section only as long as—

''(A) the State or local government or person agreeing to pay compensation under subsection (c)(2) continues to pay such compensation; and

''(B) the Secretary decides the compensation is necessary to maintain air transportation to the place.

''(e) REVIEW—

''(1) IN GENERAL—The Secretary shall periodically review the type and level of air service provided under this section.

''(2) CONSULTATION—The Secretary may make appropriate adjustments in the type and level of air service to a place under this section based on the review under paragraph (1) and consultation with the affected community and the State or local government or person agreeing to pay compensation under subsection (c)(2).

''(f) ENDING, SUSPENDING, AND REDUCING AIR TRANSPORTATION—An air carrier providing air transportation to a place under this section may end, suspend, or reduce such air transportation if, not later than 30 days before ending, suspending, or reducing such air transportation, the air carrier provides notice of the intent of the air carrier to end, suspend, or reduce such air transportation to—

''(1) the Secretary;

''(2) the affected community; and

''(3) the State or local government or person agreeing to pay compensation under subsection (c)(2).''.

(2) CLERICAL AMENDMENT—The chapter analysis for chapter 417 is amended by adding after the item relating to section 41748 the following new item:

''41749. Essential air service for eligible places above per passenger subsidy cap.''.

(b) PREFERRED ESSENTIAL AIR SERVICE.—

(1) IN GENERAL.—Subchapter II of chapter 417, as amended by subsection (a), is further amended by adding after section 41749 the following:

"§ 41750. Preferred essential air service

''(a) PROPOSALS.—A State or local government may submit a proposal to the Secretary of Transportation for compensation for a preferred air carrier described in subsection (b) to provide air transportation to an eligible place.

''(b) PREFERRED AIR CARRIER DESCRIBED—A preferred air carrier described in this subsection is an air carrier that—

''(1) submits an application under section 41733(c) to provide air transportation to an eligible place;

''(2) is not the air carrier that submits the lowest cost bid to provide air transportation to the eligible place; and

''(3) is an air carrier that the affected community prefers to provide air transportation to the eligible place instead of the air carrier that submits the lowest cost bid.

''(c) DECISIONS—Not later than 90 days after receiving a proposal under subsection (a) for compensation for a preferred air carrier described in subsection (b) to provide air transportation to an eligible place, the Secretary shall—

''(1) decide whether to provide compensation for the preferred air carrier to provide air transportation to the eligible place; and

''(2) approve the proposal if the State or local government or a person is willing and able to pay the difference between—

''(A) the rate of compensation the Secretary would provide to the air carrier that submits the lowest cost bid to provide air transportation to the eligible place; and

''(B) the rate of compensation the preferred air carrier estimates to be necessary to provide air transportation to the eligible place.

''(d) COMPENSATION PAYMENTS—

''(1) IN GENERAL—The Secretary shall pay compensation under this section at such time and in such manner as the Secretary determines is appropriate.

''(2) DURATION OF PAYMENTS—The Secretary shall continue to pay compensation under this section only as long as—

''(A) the State or local government or person agreeing to pay compensation under subsection (c)(2) continues to pay such compensation; and

''(B) the Secretary decides the compensation is necessary to maintain air transportation to the eligible place.

''(e) REVIEW—

''(1) IN GENERAL—The Secretary shall periodically review the type and level of air service provided under this section.

''(2) CONSULTATION—The Secretary may make appropriate adjustments in the type and level of air service to an eligible place under this section based on the review under paragraph (1) and consultation with the affected community and the State or local government or person agreeing to pay compensation under subsection (c)(2).

''(f) ENDING, SUSPENDING, AND REDUCING AIR TRANSPORTATION—A preferred air carrier providing air transportation to an eligible place under this section may end, suspend, or reduce such air transportation if, not later than 30 days before ending, suspending, or reducing such air transportation, the preferred air carrier provides notice of the intent of the preferred air carrier to end, suspend, or reduce such air transportation to—

''(1) the Secretary;

''(2) the affected community; and

''(3) the State or local government or person agreeing to pay compensation under subsection (c)(2).''.

(2) CLERICAL AMENDMENT—The chapter analysis for chapter 417, as amended by subsection (a), is further amended by adding after the item relating to section 41749 the following new item:

''41750. Preferred essential air service.'.

(c) RESTORATION OF ELIGIBILITY TO A PLACE DETERMINED BY THE SECRETARY TO BE INELIGIBLE FOR SUBSIDIZED ESSENTIAL AIR SERVICE.——Section 41733 is amended by adding at the end the following new subsection:

''(f) RESTORATION OF ELIGIBILITY FOR SUBSIDIZED ESSENTIAL AIR SERVICE—

''(1) IN GENERAL—If the Secretary of Transportation terminates the eligibility of an otherwise eligible place to receive basic essential air service by an air carrier for compensation under subsection (c), a State or local government may submit to the Secretary a proposal for restoring such eligibility.

''(2) DETERMINATION BY SECRETARY—If the per passenger subsidy required by the proposal submitted by a State or local government under paragraph (1) does not exceed the per passenger subsidy cap provided under this subchapter, the Secretary shall issue an order restoring the eligibility of the otherwise eligible place to receive basic essential air service by an air carrier for compensation under subsection (c).'.

(d) OFFICE OF RURAL AVIATION.—

(1) ESTABLISHMENT—There is established within the Office of the Secretary of Transportation the Office of Rural Aviation.

(b) FUNCTIONS—The functions of the Office are—

(1) to develop a uniform 4-year contract for air carriers providing essential air service to communities under subchapter II of chapter 417 of title 49, United States Code;

(2) to develop a mechanism for comparing applications submitted by air carriers under section 41733(c) to provide essential air service to communities, including comparing—

(A) estimates from air carriers on—

(i) the cost of providing essential air service; and

(ii) the revenues air carriers expect to receive when providing essential air service; and

(B) estimated schedules for air transportation; and

(3) to select an air carrier from among air carriers applying to provide essential air

service, based on the criteria described in paragraph (2).

(e) EXTENSION OF AUTHORITY TO MAKE AGREEMENTS UNDER THE ESSENTIAL AIR SERVICE PROGRAM.—Section 41743(e)(2) is amended by striking ''2008'' and inserting ''2011''.

(f) ADJUSTMENTS TO COMPENSATION FOR SIGNIFICANTLY INCREASED COSTS—Section 41737 is amended—

(1) by striking ''and'' after the semicolon in subsection (a)(1)(B);

(2) by striking ''provided.'' in subsection (a)(1)(C) and inserting ''provided; and'';

(3) by adding at the end of subsection (a)(1) the following:

''(D) provide for an adjustment in compensation, for service or transportation to a place that was an eligible place as of November 1, 2007, to account for significant increases in fuel costs, in accordance with subsection (e).''; and

(4) by adding at the end thereof the following:

''(f) FUEL COST SUBSIDY DISREGARD.—Any amount provided as an adjustment in compensation pursuant to subsection (a)(1)(D) shall be disregarded for the purpose of determining whether the amount of compensation provided under this subchapter with respect to an eligible place exceeds the per passenger subsidy exceeds the dollar amount allowable under this subchapter.''.

(f) CONTINUED ELIGIBILITY.—Notwithstanding any provision of subchapter II of chapter 417 of title 49, United States Code, to the contrary, a community that was receiving service or transportation under that subchapter as an eligible place (as defined in section 41731(a)(1) of such title) as of November 1, 2007, shall continue to be eligible to receive service or transportation under that subchapter without regard to whether the per passenger subsidy required exceeds the per passenger subsidy cap provided under that subchapter.

TITLE V—AVIATION SAFETY

SEC. 501. RUNWAY SAFETY EQUIPMENT PLAN.

Not later than December 31, 2008, the Administrator of the Federal Aviation Administration shall issue a plan to develop an installation and deployment schedule for systems the Administration is installing to alert controllers and flight crews to potential runway incursions. The plan shall be integrated into the annual Federal Aviation Administration operational evolution plan.

SEC. 502. AIRCRAFT FUEL TANK SAFETY IMPROVEMENT.

Not later than December 31, 2008, the Federal Aviation Administration shall issue a final rule regarding the reduction of fuel tank flammability in transport category aircraft.

SEC. 503. JUDICIAL REVIEW OF DENIAL OF AIRMAN CERTIFICATES.

(a) JUDICIAL REVIEW OF NTSB DECISIONS.—Section 44703(d) is amended by adding at the end the following:

''(3) JUDICIAL REVIEW.—A person substantially affected by an order of the Board under this subsection, or the Administrator when the Administrator decides that an order of the Board will have a significant adverse impact on carrying out this part, may obtain judicial review of the order under section 46110 of this title. The Administrator shall be made a party to the judicial review proceedings. The findings of fact of the Board in any such case are conclusive if supported by substantial evidence.''.

(b) CONFORMING AMENDMENT.—Section 1153(c) is amended by striking ''section 44709 or'' and inserting ''section 44703(d), 44709, or''.

SEC. 504. RELEASE OF DATA RELATING TO ABANDONED TYPE CERTIFICATES AND SUPPLEMENTAL TYPE CERTIFICATES.

Section 44704(a) is amended by adding at the end the following:

''(5) RELEASE OF DATA.—

''(A) Notwithstanding any other provision of law, the Administrator may designate, without the consent of the owner of record, engineering data in the agency's possession related to a type certificate or a supplemental type certificate for an aircraft, engine, propeller or appliance as public data, and therefore releasable, upon request, to a person seeking to maintain the airworthiness of such product, if the Administrator determines that—

''(i) the certificate containing the requested data has been inactive for 3 years;

''(ii) the owner of record, or the owner of record's heir, of the type certificate or supplemental certificate has not been located despite a search of due diligence by the agency; and

''(iii) the designation of such data as public data will enhance aviation safety.

''(B) In this section, the term 'engineering data' means type design drawings and specifications for the entire product or change to the product, including the original design data, and any associated supplier data for individual parts or components approved as part of the particular aeronautical product certificate.''.

SEC. 505. DESIGN ORGANIZATION CERTIFICATES.

Section 44704(e) is amended—

(1) by striking ''Beginning 7 years after the date of enactment of this subsection,'' in paragraph (1) and inserting ''Effective January 1, 2013,'';

(2) by striking ''testing'' in paragraph (2) and inserting ''production''; and

(3) by striking paragraph (3) and inserting the following:

''(3) ISSUANCE OF CERTIFICATE BASED ON DESIGN ORGANIZATION CERTIFICATION.—The Administrator may rely on the Design Organization for certification of compliance under this section.''.

SEC. 506. FAA ACCESS TO CRIMINAL HISTORY RECORDS OR DATABASE SYSTEMS.

(a) IN GENERAL.—Chapter 401 is amended by adding at the end thereof the following:

''§ 40130. FAA access to criminal history records or databases systems

''(a) ACCESS TO RECORDS OR DATABASES SYSTEMS.—

''(1) Notwithstanding section 534 of title 28 and the implementing regulations for such section (28 C.F.R. part 20), the Administrator of the Federal Aviation Administration is authorized to access a system of documented criminal justice information maintained by the Department of Justice or by a State but may do so only for the purpose of carrying out its civil and administrative responsibilities to protect the safety and security of the National Airspace System or to support the missions of the Department of Justice, the Department of Homeland Security, and other law enforcement agencies. The Administrator shall be subject to the same conditions or procedures established by the Department of Justice or State for access to such an information system by other governmental agencies with access to the system.

''(2) The Administrator may not use the access authorized under paragraph (1) to conduct criminal investigations.

''(b) DESIGNATED EMPLOYEES.—The Administrator shall, by order, designate those employees of the Administration who shall carry out the authority described in subsection (a). Such designated employees may—

''(1) have access to and receive criminal history, driver, vehicle, and other law enforcement information contained in the law enforcement databases of the Department of Justice, or of any jurisdiction in a State in the same manner as a police officer employed by a State or local authority of that State who is certified or commissioned under the laws of that State;

''(2) use any radio, data link, or warning system of the Federal Government and of any jurisdiction in a State that provides information about wanted persons, be-on-the-lookout notices, or warrant status or other officer safety information to which a police officer employed by a State or local authority in that State who is certified or commission under the laws of that State has access and in the same manner as such police officer; or

''(3) receive Federal, State, or local government communications with a police officer employed by a State or local authority in that State in the same manner as a police officer employed by a State or local authority in that State who is commissioned under the laws of that State.

''(c) SYSTEM OF DOCUMENTED CRIMINAL JUSTICE INFORMATION DEFINED.—In this section the term 'system of documented criminal justice information' means any law enforcement databases, systems, or communications containing information concerning identification, criminal history, arrests, convictions, arrest warrants, or wanted or missing persons, including the National Crime Information Center and its incorporated criminal history databases and the National Law Enforcement Telecommunications System.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 401 is amended by inserting after the item relating to section 40129 the following:

''40130. FAA access to criminal history records or databases systems.''.

SEC. 507. FLIGHT CREW FATIGUE.

(a) IN GENERAL.—Within 3 months after the date of enactment of this Act the Administrator of the Federal Aviation Administration shall conclude arrangements with the National Academy of Sciences for a study of pilot fatigue.

(b) STUDY.—The study shall include consideration of—

(1) research on fatigue, sleep, and circadian rhythms;

(2) sleep and rest requirements recommended by the National Transportation Safety Board; and

(3) international standards.

(c) REPORT.—Within 18 months after initiating the study, the National Academy shall submit a report to the Administrator containing its findings and recommendations, including recommendations with respect to Federal Aviation Regulations governing flight limitation and rest requirements.

(d) RULEMAKING.—After the Administrator receives the National Academy's report, the Federal Aviation Administration shall consider the findings of the National Academy in its rulemaking proceeding on flight time limitations and rest requirements.

(e) IMPLEMENTATION OF FLIGHT ATTENDANT FATIGUE STUDY RECOMMENDATIONS.—Within 60 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall initiate a process to carry out the recommendations of the CAMI study on flight attendant fatigue.

SEC. 508. INCREASING SAFETY FOR HELICOPTER EMERGENCY MEDICAL SERVICE OPERATORS.

(a) COMPLIANCE WITH 14 CFR PART 135 REGULATIONS.—No later than 18 months after the date of enactment of this Act, all helicopter emergency medical service operators shall comply with the regulations in part 135 of

title 14, Code of Federal Regulations whenever there is a medical crew on board, without regard to whether there are patients on board the helicopter.

(b) IMPLEMENTATION OF FLIGHT RISK EVALUATION PROGRAM.—Within 60 days after the date of enactment of this Act, the Federal Aviation Administration shall initiate, and complete within 18 months, a rulemaking—

(1) to create a standardized checklist of risk evaluation factors based on its Notice 8000.301, issued in August, 2005; and

(2) to require helicopter emergency medical service operators to use the checklist to determine whether a mission should be accepted.

(c) COMPREHENSIVE CONSISTENT FLIGHT DISPATCH PROCEDURES.—Within 60 days after the date of enactment of this Act, the Federal Aviation Administration shall initiate, and complete within 18 months, a rulemaking—

(1) to create standardized flight dispatch procedures for helicopter emergency medical service operators based on the regulations in part 121 of title 14, Code of Federal Regulations; and

(2) to require such operators to use those procedures for flights.

(d) IMPROVING SITUATIONAL AWARENESS.—Any helicopter used for helicopter emergency medical service operations that is ordered, purchased, or otherwise obtained after the date of enactment of this Act shall have on board an operational terrain awareness and warning system that meets the technical specifications of section 135.154 of the Federal Aviation Regulations (14 C.F.R. 135.154).

(e) IMPROVING THE DATA AVAILABLE TO NTSB INVESTIGATORS AT CRASH SITES.—

(1) STUDY.—Within 1 year after the date of enactment of this Act, the Federal Aviation Administration shall complete a feasibility study of requiring flight data and cockpit voice recorders on new and existing helicopters used for emergency medical service operations. The study shall address, at a minimum, issues related to survivability, weight, and financial considerations of such a requirement.

(2) RULEMAKING.—Within 2 years after the date of enactment of this Act, the Federal Aviation Administration shall complete a rulemaking to require flight data and cockpit voice recorders on board such helicopters.

SEC. 509. CABIN CREW COMMUNICATION.

(a) IN GENERAL.—Section 44728 is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

''(f) MINIMUM LANGUAGE SKILLS.—

''(1) IN GENERAL.—No certificate holder may use any person to serve, nor may any person serve, as a flight attendant under this part, unless that person has the ability to read, speak, and write English well enough to—

''(A) read material written in English and comprehend the information;

''(B) speak and understand English sufficiently to provide direction to, and understand and answer questions from, English-speaking individuals;

''(C) write incident reports and statements and log entries and statements; and

''(D) carry out written and oral instructions regarding the proper performance of their duties.

''(2) FOREIGN FLIGHTS.—The requirements of paragraph (1) do not apply to service as a flight attendant on a flight operated by a certificate holder solely between points outside the United States.''.

(b) ADMINISTRATION.—The Administrator of the Federal Aviation Administration shall work with certificate holders to which section 44728(f) of title 49, United States Code, applies to facilitate compliance with the requirements of section 44728(f)(1) of that title.

SEC. 510. CLARIFICATION OF MEMORANDUM OF UNDERSTANDING WITH OSHA.

(a) IN GENERAL.—Within 6 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall—

(1) establish milestones, in consultation with the Occupational Safety and Health Administration, through a report to Congress for the completion of work begun under the August 2000 memorandum of understanding between the 2 Administrations and to address issues needing further action in the Administrations' joint report in December 2000; and

(2) initiate development of a policy statement to set forth the circumstances in which Occupational Safety and Health Administration requirements may be applied to crewmembers while working in the aircraft cabin.

(b) POLICY STATEMENT.—The policy statement to be developed under subsection (a)(2) shall satisfy the following principles:

(1) The establishment of a coordinating body similar to the Aviation Safety and Health Joint Team established by the August 2000 memorandum of understanding that includes representatives designated by both Administrations—

(A) to examine the applicability of current and future Occupational Safety and Health Administration regulations;

(B) to recommend policies for facilitating the training of Federal Aviation Administration inspectors; and

(C) to make recommendations that will govern the inspection and enforcement of safety and health standards on board aircraft in operation and all work-related environments.

(2) Any standards adopted by the Federal Aviation Administration shall set forth clearly—

(A) the circumstances under which an employer is required to take action to address occupational safety and health hazards;

(B) the measures required of an employer under the standard; and

(C) the compliance obligations of an employer under the standard.

SEC. 511. ACCELERATION OF DEVELOPMENT AND IMPLEMENTATION OF REQUIRED NAVIGATION PERFORMANCE APPROACH PROCEDURES.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall set a target of achieving a minimum of 200 Required Navigation Performance procedures each fiscal year through fiscal year 2012, with 25 percent of that target number meeting the low visibility approach criteria.

(b) USE OF THIRD PARTIES.—The Administrator is authorized to provide third parties the ability to design, flight check, and implement Required Navigation Performance approach procedures.

SEC. 512. ENHANCED SAFETY FOR AIRPORT OPERATIONS.

From amounts appropriated for fiscal years 2009 through 2011 pursuant to section 48101(a) of title 49, United States Code, the Secretary shall make available such sums as may be necessary for use in relocating the radar facility at National Plan of Integrated Airport Systems airport number 54-0026 to improve the safety, efficiency, and security of air traffic control, navigation, low altitude communications and surveillance, and weather. The Administrator of the Federal Aviation Administration shall ensure that the radar is relocated before September 30, 2011.

SEC. 513. IMPROVED SAFETY INFORMATION.

Not later than December 31, 2008, the Administrator of the Federal Aviation Administration shall issue a final rule in docket No. FAA-2008-0188, *Re-registration and Renewal of Aircraft Registration*. The final rule shall include—

(1) provision for the expiration of a certificate for an aircraft registered as of the date of enactment of this Act, with re-registration requirements for those aircraft that remain eligible for registration;

(2) provision for the periodic expiration of all certificates issued after the effective date of the rule with a registration renewal process; and

(3) other measures to promote the accuracy and efficient operation and value of the Administration's aircraft registry.

SEC. 514. VOLUNTARY DISCLOSURE REPORTING PROCESS IMPROVEMENTS.

Within 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall—

(1) take such action as may be necessary to ensure that the Voluntary Disclosure Reporting Process requires inspectors—

(A) to evaluate corrective action proposed by an air carrier with respect to a matter disclosed by that air carrier is sufficiently comprehensive in scope and application and applies to all affected aircraft operated by that air carrier before accepting the proposed voluntary disclosure; and

(B) to verify that corrective action so identified by an air carrier is completed within the timeframe proposed; and

(C) to verify by inspection that the carrier's corrective action adequately corrects the problem that was disclosed; and

(2) establish a second level supervisory review of disclosures under the Voluntary Disclosure Reporting Process before any proposed disclosure is accepted and closed that will ensure that a matter disclosed by an air carrier—

(A) has not been previously identified by a Federal Aviation Administration inspector; and

(B) has not been previously disclosed by the carrier in the preceding 5 years.

SEC. 515. PROCEDURAL IMPROVEMENTS FOR INSPECTIONS.

(a) EMPLOYMENT BY INSPECTED AIR CARRIERS.—Within 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall initiate a rulemaking proceeding to revise its post-employment guidance to prohibit an inspector employed by an air carrier the inspector was responsible for inspecting from representing that air carrier before the Federal Aviation Administration or participating in negotiations or other contacts with the Federal Aviation Administration on behalf of that air carrier for a period of 2 years after terminating employment by the Federal Aviation Administration.

(b) INSPECTION TRACKING.—Within 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall implement a process for tracking field office review of air carrier compliance with Federal Aviation Administration air worthiness directives. In tracking air worthiness directive compliance, the Administrator shall ensure that—

(1) each air carriers under the Administration's air transportation oversight system is reviewed for 100 percent compliance on a 5-year cycle;

(2) Compliance reviews include physical inspections at each applicable carrier of a sample of the aircraft to which the air worthiness certificate applies; and

(3) the appropriate local and regional offices, and the Administrator, are alerted whenever a carrier is no longer in compliance with an air worthiness directive.

SEC. 516. INDEPENDENT REVIEW OF SAFETY ISSUES.

Within 30 days after the date of enactment of this Act, the Comptroller General shall initate a review and investigation of air safety issues identified by Federal Aviation Administration employees and reported to the Administrator. The Comptroller General shall report the Government Accountability Office's findings and recommendations to the Administrator, the Senate Committee on Commerce, Science, and Transportation, and the House of Representatives Committee on Transportation and Infrastructure on an annual basis.

SEC. 517. NATIONAL REVIEW TEAM.

(a) IN GENERAL.—Within 180 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall establish a national review team within the Administration to conduct periodic, random reviews of the Administration's oversight of air carriers and report annually its findings and recommendations to the Administrator, the Senate Commerce, Science, and Transportation Committee, and the House of Representatives Committee on Transportation and Infrastructure.

(b) INSPECTOR GENERAL REPORTS.—The Inspector General of the Department of Transportation shall provide progress reports to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the review teams and their effectiveness.

(c) ADDITIONAL SAFETY INSPECTORS.—From amounts appropriated pursuant to section 106(k)(1) of title 49, United States Code, the Administrator of the Federal Aviation Administration may hire a net increase of 200 additional safety inspectors.

SEC. 518. FAA ACADEMY IMPROVEMENTS.

(a) REVIEW.—Within 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall conduct a comprehensive review and evaluation of its Academy and facility training efforts.

(b) FACILITY TRAINING PROGRAM.—The Administrator shall—

(1) clarify responsibility for oversight and direction of the Academy's facility training program at the national level;

(2) communicate information concerning that responsibility to facility managers; and

(3) establish standards to identify the number of developmental controllers that can be accommodated at each facility, based on—

(A) the number of available on-the-job-training instructors;

(B) available classroom space;

(C) the number of available simulators;

(D) training requirements; and

(E) the number of recently placed new personnel already in training.

SEC. 519. REDUCTION OF RUNWAY INCURSIONS AND OPERATIONAL ERRORS.

(a) PLAN.—The Administrator of the Federal Aviation Administration shall develop a plan for the reduction of runway incursions by reviewing every commercial service airport (as defined in section 47102 of title 49, United States Code) in the United States and initiating action to improve airport lighting, provide better signage, and improve runway and taxiway markings.

(b) PROCESS.—Within 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall develop a process for tracking and investigating operational errors and runway incursions that includes—

(1) identifying the office responsible for establishing regulations regarding operational errors and runway incursions;

(2) identifying who is responsible for tracking and investigating operational errors and runway incursions and taking remedial actions;

(3) identifying who is responsible for tracking operational errors and runway incursions, including a process for lower level employees to report to higher supervisory levels; and

(4) periodic random audits of the oversight process.

TITLE VI—AVIATION RESEARCH

SEC. 601. AIRPORT COOPERATIVE RESEARCH PROGRAM.

(a) IN GENERAL.—Section 44511(f) is amended—

(1) by striking ''establish a 4-year pilot'' in paragraph (1) and inserting ''maintain an''; and

(2) by inserting ''pilot'' in paragraph (4) before ''program'' the first time it appears; and

(3) by striking ''program, including recommendations as to the need for establishing a permanent airport cooperative research program.'' in paragraph (4) and inserting ''program.''.

(b) AIRPORT COOPERATIVE RESEARCH PROGRAM.—Not more than $15,000,000 per year for fiscal years 2008, 2009, 2010, and 2011 may be appropriated to the Secretary of Transportation from the amounts made available each year under subsection (a) for the Airport Cooperative Research Program under section 44511 of this title, of which not less than $5,000,000 per year shall be for research activities related to the airport environment, including reduction of community exposure to civil aircraft noise, reduction of civil aviation emissions, or addressing water quality issues.

SEC. 602. REDUCTION OF NOISE, EMISSIONS, AND ENERGY CONSUMPTION FROM CIVILIAN AIRCRAFT.

(a) ESTABLISHMENT OF RESEARCH PROGRAM.—From amounts made available under section 48102(a) of title 49, United States Code, the Administrator of the Federal Aviation Administration shall establish a research program related to reducing civilian aircraft source noise and emissions through grants or other measures authorized under section 106(l)(6) of such title, including reimbursable agreements with other Federal agencies. The program shall include participation of educational and research institutions or private sector entities that have existing facilities and experience for developing and testing noise, emissions and energy reduction engine and aircraft technology, and developing alternative fuels.

(b) ESTABLISHING A CONSORTIUM.—Within 6 months after the date of enactment of this Act, the Administrator shall designate, using a competitive process, an institution, entity, or consortium described in subsection (a) as a Consortium for Aviation Noise, Emissions, and Energy Technology Research to perform research in accordance with this section. The Consortium shall conduct the research program in coordination with the National Aeronautics and Space Administration and other relevant agencies.

(c) PERFORMANCE OBJECTIVES.—By January 1, 2015, the research program shall accomplish the following objectives:

(1) Certifiable aircraft technology that increases aircraft fuel efficiency by 25 percent relative to 1997 subsonic aircraft technology.

(2) Certifiable engine technology that reduces landing and takeoff cycle nitrogen oxide emissions by 50 percent, without increasing other gaseous or particle emissions, over the International Civil Aviation Organization standard adopted in 2004.

(3) Certifiable aircraft technology that reduces noise levels by 10 dB (30 dB cumulative) relative to 1997 subsonic jet aircraft technology.

(4) Determination of the feasibility of use of alternative fuels in aircraft systems, including successful demonstration and quantification of benefits.

(5) Determination of the extent to which new engine and aircraft technologies may be used to retrofit or re-engine aircraft so as to increase the level of penetration into the commercial fleet.

SEC. 603. PRODUCTION OF CLEAN COAL FUEL TECHNOLOGY FOR CIVILIAN AIRCRAFT.

(a) ESTABLISHMENT OF RESEARCH PROGRAM.—From amounts made available under section 48102(a) of title 49, United States Code, the Secretary of Transportation shall establish a research program related to developing jet fuel from clean coal through grants or other measures authorized under section 106(l)(6) of such title, including reimbursable agreements with other Federal agencies. The program shall include participation by educational and research institutions that have existing facilities and experience in the development and deployment of technology that processes coal to aviation fuel.

(b) DESIGNATION OF INSTITUTION AS A CENTER OF EXCELLENCE.—Within 6 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall designate an institution described in subsection (a) as a Center of Excellence for Coal-to-Jet-Fuel Research.

SEC. 604. ADVISORY COMMITTEE ON FUTURE OF AERONAUTICS.

(a) ESTABLISHMENT.—There is established an advisory committee to be know as the ''Advisory Committee on the Future of Aeronautics''.

(b) MEMBERSHIP.—The Advisory Committee shall consist of 7 members appointed by the President from a list of 15 candidates proposed by the Director of the National Academy of Sciences.

(c) CHAIRPERSON.—The Advisory Committee members shall elect 1 member to serve as chairperson of the Advisory Committee.

(d) FUNCTIONS.—The Advisory Committee shall examine the best governmental and organizational structures for the conduct of civil aeronautics research and development, including options and recommendations for consolidating such research to ensure continued United States leadership in civil aeronautics. The Committee shall consider transferring responsibility for civil aeronautics research and development from the National Aeronautics and Space Administration to other existing departments or agencies of the Federal government or to a non-governmental organization such as academic consortia or not-for-profit organizations. In developing its recommendations, the Advisory Committee shall consider, as appropriate, the aeronautics research policies developed pursuant to section 101(d) of Public Law 109–155 and the requirements and priorities for aeronautics research established by title IV of Public Law 109–155.

(e) REPORT.—Not later than 12 months after the date on which the full membership of the Advisory Committee is appointed, the Advisory Committee shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House Committees on Science and Technology and on Transportation and Infrastructure on its findings and recommendations. The report may recommend a rank ordered list of acceptable solutions.

(f) TERMINATION.—The Advisory Committee shall terminate 60 days after the date on which it submits the report to the Congress.

SEC. 605. RESEARCH PROGRAM TO IMPROVE AIRFIELD PAVEMENTS.

(a) CONTINUATION OF PROGRAM.—The Administrator of the Federal Aviation Administration shall continue the program to consider awards to nonprofit concrete and asphalt pavement research foundations to improve the design, construction, rehabilitation, and repair of airfield pavements to aid in the development of safer, more cost effective, and more durable airfield pavements.

(b) USE OF GRANTS OR COOPERATIVE AGREEMENTS.—The Administrator may use grants or cooperative agreements in carrying out this section.

SEC. 606. WAKE TURBULENCE, VOLCANIC ASH, AND WEATHER RESEARCH.

Within 60 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall—

(1) initiate evaluation of proposals that would increase capacity throughout the air transportation system by reducing existing spacing requirements between aircraft of all sizes, including research on the nature of wake vortices;

(2) begin implementation of a system to improve volcanic ash avoidance options for aircraft, including the development of a volcanic ash warning and notification system for aviation; and

(3) establish research projects on—

(A) ground de-icing/anti-icing, ice pellets, and freezing drizzle;

(B) oceanic weather, including convective weather;

(C) en route turbulence prediction and detection; and

(D) all hazards during oceanic operations, where commercial traffic is high and only rudimentary satellite sensing is available, to reduce the hazards presented to commercial aviation.

SEC. 607. INCORPORATION OF UNMANNED AERIAL SYSTEMS INTO FAA PLANS AND POLICIES.

(a) RESEARCH.—

(1) EQUIPMENT.—Section 44504 is amended—

(A) by inserting ''unmanned and manned'' in subsection (a) after ''improve'';

(B) by striking ''and'' after the semicolon in subsection (b)(6);

(C) by striking ''aircraft.'' in subsection (b)(7) and inserting ''aircraft; and''; and

(D) by adding at the end of subsection (b) the following:

''(8) in conjunction with other Federal agencies as appropriate, to develop technologies and methods to assess the risk of and prevent defects, failures, and malfunctions of products, parts, and processes, for use in all classes of unmanned aerial systems that could result in a catastrophic failure.''.

(2) HUMAN FACTORS; SIMULATIONS.—Section 44505(b) is amended—

(A) by striking ''and'' after the semicolon in paragraph (4);

(B) by striking ''programs.'' in paragraph (5)(C) and inserting ''programs; and''; and

(C) by adding at the end thereof the following:

''(6) to develop a better understanding of the relationship between human factors and unmanned aerial systems air safety; and

''(7) to develop dynamic simulation models of integrating all classes of unmanned aerial systems into the National Air Space.''.

(b) NATIONAL ACADEMY OF SCIENCES ASSESSMENT.—

(1) IN GENERAL.—Within 3 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall enter into an arrangement with the National Academy of Science for an assessment of unmanned aerial systems that shall include consideration of—

(A) human factors regarding unmanned aerial systems operation;

(B) ''detect, sense and avoid technologies'' with respect to both cooperative and non-cooperative aircraft;

(C) spectrum issues and bandwidth requirements;

(D) operation in suboptimal winds and adverse weather conditions;

(E) mechanisms for letter others know where the unmanned aerial system is flying;

(F) airworthiness and system redundancy;

(G) flight termination systems for safety and security;

(H) privacy issues;

(I) technologies for unmanned aerial systems flight control;

(J) technologies for unmanned aerial systems propulsion;

(K) unmanned aerial systems operator qualifications, medical standards, and training requirements;

(L) unmanned aerial systems maintenance requirements and training requirements; and

(M) any other unmanned aerial systems-related issue the Administrator believes should be addressed.

(2) REPORT.—Within 12 months after initiating the study, the National Academy shall submit its report to the Administrator, the Senate Committee on Commerce, Science, and Transportation, and the House of Representatives Committee on Transportation and Infrastructure containing its findings and recommendations.

(c) PILOT PROJECTS.—

(1) IN GENERAL.—The Administrator of the Federal Aviation Administration shall establish 3 2-year cost-shared pilot projects in sparsely populated, low-density Class G air traffic airspace to conduct experiments and collect data in order to accelerate the safe integration of unmanned aerial systems into the National Airspace System as follows:

(A) 1 project shall address operational issues required for integration of Category 1 unmanned aerial systems.

(B) 1 project shall address operational issues required for integration of Category 2 unmanned aerial systems.

(C) 1 project shall address operational issues required for integration of Category 3 unmanned aerial systems.

(2) USE OF CONSORTIA.—In conducting the pilot projects, the Administrator shall encourage the formation of consortia from the public and private sectors, educational institutions, and non-profit organization.

(3) REPORT.—Within 60 days after completing the pilot projects, the Administrator shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure setting forth the Administrator's findings and conclusions concerning the projects.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator for fiscal years 2008 and 2009 such sums as may be necessary to conduct the pilot projects.

(d) FAA TASK LIST.—

(1) STREAMLINE UNMANNED AERIAL SYSTEMS CERTIFICATION PROCESS.—Within 30 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall develop and transmit an unmanned aerial systems ''roadmap'' to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

(2) UPDATE POLICY STATEMENT.—Within 45 days after the date of enactment of this Act, the Administrator shall issue an updated policy statement on unmanned aerial systems under Docket No. FAA-2006-25714; Notice No. 07-01.

(3) ISSUE NPRM FOR CERTIFICATES.—Within 90 days after the date of enactment of this Act, the Administrator shall publish a notice of proposed rulemaking on issuing airworthiness certificates and experimental certificates to unmanned aerial systems operators for compensation or hire. The Administrator shall promulgate a final rule 90 days after the date on which the notice is published.

(4) NOTICE TO CONGRESS ON BASING UNMANNED AERIAL SYSTEMS REGULATIONS ON ULTRALIGHT REGULATIONS.—Within 90 days after the date of enactment of this Act, the Administrator shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the potential of using part 103 of title 14, Code of Federal Regulations (relating to Ultralight Aircraft), as the regulatory basis for regulations on lightweight unmanned aerial systems.

(e) CONSOLIDATED RULEMAKING DEADLINE.—No later than April 30, 2010, the Federal Aviation Administration and other affected Federal agencies shall have initiated all of the rule makings regarding vehicle design requirements, operational requirements, airworthiness requirements, and flight crew certifications requirements necessary for integrating all categories of unmanned aerial systems into the national air space, taking into consideration the recommendations the Administrator receives from the National Academy of Sciences report under subsection (b), the unmanned aerial systems ''roadmap'' developed by the Administrator under subsection (d)(1), the recommendations of the Radio Technical Committee Aeronautics Special Committee 203 (RTCA-SC 203), and the data generated from the 3 pilot projects conducted under subsection (c).

SEC. 608. REAUTHORIZATION OF CENTER OF EXCELLENCE IN APPLIED RESEARCH AND TRAINING IN THE USE OF ADVANCED MATERIALS IN TRANSPORT AIRCRAFT.

Section 708(b) of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 44504 note) is amended by striking ''$500,000 for fiscal year 2004'' and inserting ''$1,000,000 for each of fiscal years 2008 through 2012''.

SEC. 609. PILOT PROGRAM FOR ZERO EMISSION AIRPORT VEHICLES.

(a) IN GENERAL.—Subchapter I of chapter 471 is amended by inserting after section 47136 the following:

''§ 47136A. Zero emission airport vehicles and infrastructure

''(a) IN GENERAL.—The Secretary of Transportation shall establish a pilot program under which the sponsor of a public-use airport may use funds made available under section 47117 or section 48103 for use at such airports or passenger facility revenue (as defined in section 40117(a)(6)) to carry out activities associated with the acquisition and operation of zero emission vehicles (as defined in section 88.120-94 of title 40, Code of Federal Regulations), including the construction or modification of infrastructure to facilitate the delivery of fuel and services necessary for the use of such vehicles. Any use of funds authorized by the preceding sentence shall be considered to be an authorized use of funds under section 47117 or section 48103, or an authorized use of passenger facility revenue (as defined in section 40117(a)(6)), as the case may be.

''(b) LOCATION IN AIR QUALITY NONATTAINMENT AREAS.—

''(1) IN GENERAL.—A public-use airport shall be eligible for participation in the pilot program only if the airport is located in an air quality nonattainment area (as defined in section 171(2) of the Clean Air Act (42 U.S.C. 7501(2))).

''(2) SHORTAGE OF CANDIDATES.—If the Secretary receives an insufficient number of applications from public-use airports located in such areas, then the Secretary may consider applications from public-use airports that are not located in such areas.

''(c) SELECTION CRITERIA.—In selecting from among applicants for participation in the program, the Secretary shall give priority consideration to applicants that will achieve the greatest air quality benefits measured by the amount of emissions reduced per dollar of funds expended under the program.

''(d) FEDERAL SHARE.—Notwithstanding any other provision of this subchapter, the Federal share of the costs of a project carried out under the program shall be 50 percent.

''(e) TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—The sponsor of a public-use airport carrying out activities funded under the program may not use more than 10 percent of the amounts made available under the program in any fiscal year for technical assistance in carrying out such activities.

''(2) ELIGIBLE CONSORTIUM.—To the maximum extent practicable, participants in the program shall use an eligible consortium (as defined in section 5506 of this title) in the region of the airport to receive technical assistance described in paragraph (1).

''(f) MATERIALS IDENTIFYING BEST PRACTICES.—The Secretary may develop and make available materials identifying best practices for carrying out activities funded under the program based on projects carried out under section 47136 and other sources.''.

(b) REPORT ON EFFECTIVENESS OF PROGRAM.—Not later than 18 months after the date of enactment of this section, the Secretary of Transportation shall transmit a report to the Senate Committee on Commerce, Science, and Transportation the House of Representatives Committee on Transportation and Infrastructure containing—

(1) an evaluation of the effectiveness of the pilot program;

(2) an identification of all public-use airports that expressed an interest in participating in the program; and

(3) a description of the mechanisms used by the Secretary to ensure that the information and know-how gained by participants in the program is transferred among the participants and to other interested parties, including other public-use airports.

(c) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47136 the following:

''47136A. Zero emission airport vehicles and infrastructure''.

SEC. 610. REDUCTION OF EMISSIONS FROM AIRPORT POWER SOURCES.

(a) IN GENERAL.—Subchapter I of chapter 471 is amended by inserting after section 47140 the following:

''§ 47140A. Reduction of emissions from airport power sources

''(a) IN GENERAL.—The Secretary of Transportation shall establish a program under which the sponsor of each airport eligible to receive grants under section 48103 is encouraged to assess the airport's energy requirements, including heating and cooling, base load, back-up power, and power for on-road airport vehicles and ground support equipment, in order to identify opportunities to reduce harmful emissions and increase energy efficiency at the airport.

''(b) GRANTS.—The Secretary may make grants under section 48103 to assist airport sponsors that have completed the assessment described in subsection (a) to acquire or construct equipment, including hydrogen equipment and related infrastructure, that will reduce harmful emissions and increase energy efficiency at the airport. To be eligible for such a grant, the sponsor of such an airport shall submit an application to the Secretary, at such time, in such manner, and containing such information as the Secretary may require.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 471 is amended by inserting after the item relating to section 47140 the following:

''47140A. Reduction of emissions from airport power sources''.

TITLE VII—MISCELLANEOUS

SEC. 701. GENERAL AUTHORITY.

(a) THIRD PARTY LIABILITY.—Section 44303(b) is amended by striking ''December 31, 2006,'' and inserting ''December 31, 2012,''.

(b) EXTENSION OF PROGRAM AUTHORITY.—Section 44310 is amended by striking ''March 30, 2008.'' and inserting ''October 1, 2017.''.

SEC. 702. HUMAN INTERVENTION MANAGEMENT STUDY.

Within 6 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall develop a Human Intervention Management Study program for cabin crews employed by commercial air carriers in the United States.

SEC. 703. AIRPORT PROGRAM MODIFICATIONS.

The Administrator of the Federal Aviation Administration—

(1) shall establish a formal, structured certification training program for the airport concessions disadvantaged business enterprise program; and

(2) may appoint 3 additional staff to implement the programs of the airport concessions disadvantaged business enterprise initiative.

SEC. 704. MISCELLANEOUS PROGRAM EXTENSIONS.

(a) EXTENSION OF METROPOLITAN WASHINGTON AIRPORTS AUTHORITY.—Section 49108 is amended by striking ''2008,'' and inserting ''2011,''.

(b) MARSHALL ISLANDS, FEDERATED STATES OF MICRONESIA, AND PALAU.—Section 47115(j) is amended by striking ''2007,'' and inserting ''2011,''.

(c) MIDWAY ISLAND AIRPORT.—Section 186(d) of the Vision 100—Century of Aviation Reauthorization Act (17 Stat. 2518) is amended by striking ''October 1, 2007,'' and inserting ''October 1, 2011,''.

SEC. 705. EXTENSION OF COMPETITIVE ACCESS REPORTS.

Section 47107(s) is amended by striking paragraph (3).

SEC. 706. UPDATE ON OVERFLIGHTS.

(a) IN GENERAL.—Section 45301(b) is amended to read as follows:

''(b) LIMITATIONS.—

''(1) IN GENERAL.—In establishing fees under subsection (a), the Administrator shall ensure that the fees required by subsection (a) are reasonably related to the Administration's costs, as determined by the Administrator, of providing the services rendered. Services for which costs may be recovered include the costs of air traffic control, navigation, weather services, training, and emergency services which are available to facilitate safe transportation over the United States, and other services provided by the Administrator or by programs financed by the Administrator to flights that neither take off nor land in the United States. The determination of such costs by the Administrator is not subject to judicial review.

''(2) ADJUSTMENT OF FEES.—The Administrator shall adjust the overflight fees established by subsection (a)(1) by expedited rulemaking and begin collections under the adjusted fees by October 1, 2009. In developing the adjusted overflight fees, the Administrator shall seek and consider the recommendations, if any, offered by the Aviation Rulemaking Committee for Overflight Fees that are intended to ensure that overflight fees are reasonably related to the Administrator's costs of providing air traffic control and related services to overflights. In addition, the Administrator may periodically modify the fees established under this section either on the Administrator's own initiative or on a recommendation from the Air Traffic Control Modernization Board.

''(3) COST DATA.—The adjustment of overflight fees under paragraph (2) shall be based on the costs to the Administration of providing the air traffic control and related activities, services, facilities, and equipment using the available data derived from the Administration's cost accounting system and cost allocation system to users, as well as budget and operational data.

''(4) AIRCRAFT ALTITUDE.—Nothing in this section shall require the Administrator to take into account aircraft altitude in establishing any fee for aircraft operations in en route or oceanic airspace.

''(5) COSTS DEFINED.—In this subsection, the term 'costs' means those costs associated with the operation, maintenance, debt service, and overhead expenses of the services provided and the facilities and equipment used in such services, including the projected costs for the period during which the services will be provided.

''(6) PUBLICATION; COMMENT.—The Administrator shall publish in the Federal Register any fee schedule under this section, including any adjusted overflight fee schedule, and the associated collection process as a proposed rule, pursuant to which public comment will be sought and a final rule issued.''.

(b) ADMINISTRATIVE PROVISION.—Section 45303(c)(2) is amended to read as follows:

''(2) shall be available to the Administrator for expenditure for purposes authorized by Congress for the Federal Aviation Administration, however, fees established by section 45301(a)(1) of title 49 of the United States Code shall be available only to pay the cost of activities and services for which the fee is imposed, including the costs to determine, assess, review, and collect the fee; and''.

SEC. 707. TECHNICAL CORRECTIONS.

Section 40122(g), as amended by section 307 of this Act, is further amended—

(1) by striking ''2302(b), relating to whistleblower protection,'' in paragraph (2)(A) and inserting ''2302,'';

(2) by striking ''and'' after the semicolon in paragraph (2)(H).

(3) by striking ''Plan.'' in paragraph (2)(I)(iii) and inserting ''Plan; and'';

(4) by adding at the end of paragraph (2) the following:

''(J) sections 6381 through 6387, relating to Family and Medical Leave.''; and

(5) by adding at the end of paragraph (3) ''Notwithstanding any other provision of law, retroactive to April 1, 1996, the Board shall have the same remedial authority over such employee appeals that it had as of March 31, 1996.''.

SEC. 708. FAA TECHNICAL TRAINING AND STAFFING.

(a) STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a study of the training of airway transportation systems specialists of the Federal Aviation Administration that includes—

(A) an analysis of the type of training provided to such specialists;

(B) an analysis of the type of training that such specialists need to be proficient in the maintenance of the latest technologies;

(C) actions that the Administration has undertaken to ensure that such specialists

receive up-to-date training on such technologies;

(D) the amount and cost of training provided by vendors for such specialists;

(E) the amount and cost of training provided by the Administration after developing in-house training courses for such specialists;

(F) the amount and cost of travel required of such specialists in receiving training; and

(G) a recommendation regarding the most cost-effective approach to providing such training.

(2) REPORT.—Within 1 year after the date of enactment of this Act, the Comptroller General shall transmit a report on the study containing the Comptroller General's findings and recommendations to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

(b) STUDY BY NATIONAL ACADEMY OF SCIENCES.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall contract with the National Academy of Sciences to conduct a study of the assumptions and methods used by the Federal Aviation Administration to estimate staffing needs for Federal Aviation Administration air traffic controllers, system specialists, and engineers to ensure proper maintenance, certification, and operation of the National Airspace System. The National Academy of Sciences shall consult with the Exclusive Bargaining Representative certified under section 7111 of title 5, United States Code, and the Administration (including the Civil Aeronautical Medical Institute) and examine data entailing human factors, traffic activity, and the technology at each facility.

(2) CONTENTS.—The study shall include—

(A) recommendations for objective staffing standards that maintain the safety of the National Airspace System; and

(B) the approximate length of time for developing such standards.

(3) REPORT.—Not later than 24 months after executing a contract under subsection (a), the National Academy of Sciences shall transmit a report containing its findings and recommendations to the Congress.

(c) SAFETY STAFFING MODEL.—Within 18 months after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall develop a staffing model for aviation safety inspectors. In developing the model, the Administrator shall consult with representatives of the aviation safety inspectors and other interested parties.

SEC. 709. COMMERCIAL AIR TOUR OPERATORS IN NATIONAL PARKS.

(a) SECRETARY OF THE INTERIOR AND OVERFLIGHTS OF NATIONAL PARKS.—

(1) Section 40128 is amended—

(A) by striking paragraph (8) of subsection (f);

(B) by striking ''Director'' each place it appears and inserting ''Secretary of the Interior'';

(C) by striking ''National Park Service'' in subsection (a)(2)(B)(vi) and inserting ''Department of the Interior''; and

(D) by striking ''National Park Service'' in subsection (b)(4)(C) and inserting ''Department of the Interior''.

(2) The National Parks Air Tour Management Act of 2000 (49 U.S.C. 40128 note) is amended—

(A) by striking ''Director'' in section 804(b) and inserting ''Secretary of the Interior'';

(B) in section 805—

(i) by striking ''Director of the National Park Service'' in subsection (a) and inserting ''Secretary of the Interior'';

(ii) by striking ''Director'' each place it appears and inserting ''Secretary of the Interior'';

(iii) by striking ''National Park Service'' each place it appears in subsection (b) and inserting ''Department of the Interior'';

(iv) by striking ''National Park Service'' in subsection (d)(2) and inserting ''Department of the Interior''; and

(C) in section 807—

(i) by striking ''National Park Service'' in subsection (a)(1) and inserting ''Department of the Interior''; and

(ii) by striking ''Director of the National Park Service'' in subsection (b) and inserting ''Secretary of the Interior''.

(b) ALLOWING OVERFLIGHTS IN CASE OF AGREEMENT.—Paragraph (1) of subsection (a) of section 40128 is amended—

(1) by striking ''and'' in subparagraph (B);

(2) by striking ''lands.'' in subparagraph (C) and inserting ''lands; and''; and

(3) by adding at the end the following:

''(D) in accordance with a voluntary agreement between the commercial air tour operator and appropriate representatives of the national park or tribal lands, as the case may be.''.

(c) ADDITIONAL EXEMPTIONS TO AIR TOUR MANAGEMENT PLANS.—Subsection (a) of section 40128 is further amended by adding at the end the following:

''(5) WAIVER FOR NATIONAL PARKS WITH 100 OR FEWER COMMERCIAL AIR TOUR OPERATIONS PER YEAR.—

''(A) IN GENERAL.—Subject to subparagraph (B), and without further administrative or environmental process, the Secretary may waive the requirements of this section with respect to a national park over which 100 or fewer commercial air tour operations are conducted in a year.

''(B) EXCEPTION TO WAIVER IF NECESSARY TO PROTECT PARK RESOURCES.—

''(i) IN GENERAL.—The Secretary may not waive the requirements of this section if the Secretary determines that an air tour management plan is necessary to protect park resources and values.

''(ii) NOTICE AND PUBLICATION.—The Secretary shall inform the Administrator in writing of the determinations under clause (i), and the Secretary and the Administrator shall publish in the Federal Register a list of the national parks that fall under this subparagraph.

''(6) WAIVER WITH RESPECT TO VOLUNTARY AGREEMENTS.—

''(A) IN GENERAL.—The Secretary may waive the requirements of this section if a commercial air tour operator enters into a voluntary agreement with a national park to manage commercial air tour operations over the national park.

''(B) PURPOSE OF VOLUNTARY AGREEMENTS.—A voluntary agreement described in subparagraph (A) shall seek to protect park resources and visitor experiences without compromising aviation safety, and may—

''(i) include provisions described in subparagraph (B) through (E) of subsection (b)(3);

''(ii) include provisions to ensure the stability of, and compliance with, the provisions of the voluntary agreement; and

''(iii) set forth a fee schedule for operating over the national park.

''(C) CONSULTATION.—Before entering into a voluntary agreement described in subparagraph (A), a national park shall consult with any Indian tribe over whose tribal lands a commercial air tour operator may conduct commercial air tour operations pursuant to the voluntary agreement.

''(D) REVIEW AND APPROVAL BY THE SECRETARY AND THE ADMINISTRATOR.—

''(i) REVIEW.—Before executing a voluntary agreement described in subparagraph (A), a national park shall submit the voluntary agreement to the Secretary and the Administrator for review and approval.

''(ii) APPROVAL.—Not later than 60 days after receiving the agreement from the national park, the Secretary and the Administrator shall inform the national park of the determination of the Secretary and the Administrator regarding the approval of the agreement.

''(E) RESCISSION OF VOLUNTARY AGREEMENT.—

''(i) BY THE SECRETARY.—The Secretary may rescind a voluntary agreement described in subparagraph (A) if the Secretary determines that the agreement does not adequately protect park resources or visitor experiences.

''(ii) BY THE ADMINISTRATOR.—The Administrator may rescind a voluntary agreement described in subparagraph (A) if the Administrator determines that the agreement adversely affects aviation safety or the management of the national airspace system.

''(iii) EFFECT OF RESCISSION.—If the Secretary or the Administrator rescinds a voluntary agreement described in subparagraph (A), the commercial air tour operator that was a party to the agreement shall operate under the requirements for interim operating authority of subsection (c) until an air tour management plan for the national park becomes effective.''.

(d) MODIFICATION OF INTERIM OPERATING AUTHORITY.—Subsection (c)(2)(I) of section 40128 is amended to read as follows:

''(I) may allow for modifications of the interim operating authority without further environmental process, if—

''(i) adequate information on the existing and proposed operations of the commercial air tour operator is provided to the Administrator and the Secretary by the operator seeking operating authority;

''(ii) the Administrator determines that the modifications would not adversely affect aviation safety or the management of the national airspace system; and

''(iii) the Secretary agrees that the modifications would not adversely affect park resources and visitor experiences.''.

(e) REPORTING REQUIREMENTS FOR COMMERCIAL AIR TOUR OPERATORS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, and annually thereafter, each commercial air tour conducting commercial air tour operations over a national park shall report to the Administrator of the Federal Aviation Administration and the Secretary of the Interior on—

(A) the number of commercial air tour operations conducted by such operator over the national park each day;

(B) any relevant characteristics of commercial air tour operations, including the routes, altitudes, duration, and time of day of flights; and

(C) such other information as the Administrator and the Secretary may determine necessary to administer the provisions of the National Parks Air Tour Management Act of 2000 (49 U.S.C. 40128 note).

(2) FORMAT.—The report required by paragraph (1) shall be submitted in such form as the Administrator and the Secretary determine to be appropriate.

(3) EFFECT OF FAILURE TO REPORT.—The Administrator shall rescind the operating authority of a commercial air tour operator that fails to file a report not later than 180 days after the date for the submittal of the report described in paragraph (1).

(4) AUDIT OF REPORTS.—Not later than 2 years after the date of the enactment of this Act, and at such times thereafter as the Inspector General of the Department of Transportation determines necessary, the Inspector General shall audit the reports required by paragraph (1).

(f) COLLECTION OF FEES FROM AIR TOUR OPERATIONS.—

(1) IN GENERAL.—The Secretary of the Interior may assess a fee in an amount determined by the Secretary under paragraph (2) on a commercial air tour operator conducting commercial air tour operations over a national park.

(2) AMOUNT OF FEE.—In determining the amount of the fee assessed under paragraph (1), the Secretary shall consider the cost of developing air tour management plans for each national park.

(3) EFFECT OF FAILURE TO PAY FEE.—The Administrator of the Federal Aviation Administration shall revoke the operating authority of a commercial air tour operator conducting commercial air tour operations over any national park, including the Grand Canyon National Park, that has not paid the fee assessed by the Secretary under paragraph (1) by the date that is 180 days after the date on which the Secretary determines the fee shall be paid.

(g) AUTHORIZATION OF APPROPRIATIONS FOR AIR TOUR MANAGEMENT PLANS.—

(1) IN GENERAL.—There are authorized to be appropriated $10,000,000 to the Secretary of the Interior for the development of air tour management plans under section 40128(b) of title 49, United States Code.

(2) USE OF FUNDS.—The funds authorized to be appropriated by paragraph (1) shall be used to develop air tour management plans for the national parks the Secretary determines would most benefit from such a plan.

(h) GUIDANCE TO DISTRICT OFFICES ON COMMERCIAL AIR TOUR OPERATORS.—The Administrator of the Federal Aviation Administration shall provide to the Administration's district offices clear guidance on the ability of commercial air tour operators to obtain—

(1) increased safety certifications;

(2) exemptions from regulations requiring safety certifications; and

(3) other information regarding compliance with the requirements of this Act and other Federal and State laws and regulations.

(i) OPERATING AUTHORITY OF COMMERCIAL AIR TOUR OPERATORS.—

(1) TRANSFER OF OPERATING AUTHORITY.—

(A) IN GENERAL.—Subject to subparagraph (B), a commercial air tour operator that obtains operating authority from the Administrator under section 40128 of title 49, United States Code, to conduct commercial air tour operations may transfer such authority to another commercial air tour operator at any time.

(B) NOTICE.—Not later than 30 days before the date on which a commercial air tour operator transfers operating authority under subparagraph (A), the operator shall notify the Administrator and the Secretary of the intent of the operator to transfer such authority.

(C) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Administrator shall prescribe regulations to allow transfers of operating authority described in subparagraph (A).

(2) TIME FOR DETERMINATION REGARDING OPERATING AUTHORITY.—Notwithstanding any other provision of law, the Administrator shall determine whether to grant a commercial air tour operator operating authority under section 40128 of title 49, United States Code, not later than 180 days after the earlier of the date on which—

(A) the operator submits an application; or

(B) an air tour management plan is completed for the national park over which the operator seeks to conduct commercial air tour operations.

(3) INCREASE IN INTERIM OPERATING AUTHORITY.—The Administrator and the Secretary may increase the interim operating authority while an air tour management plan is being developed for a park if—

(A) the Secretary determines that such an increase does not adversely impact park resources or visitor experiences; and

(B) the Administrator determines that granting interim operating authority does not adversely affect aviation safety or the management of the national airspace system.

(4) ENFORCEMENT OF OPERATING AUTHORITY.—The Administrator is authorized and directed to enforce the requirements of this Act and any agency rules or regulations related to operating authority.

SEC. 710. PHASEOUT OF STAGE 1 AND 2 AIRCRAFT.

(a) IN GENERAL.—Subchapter II of chapter 475 is amended by adding at the end the following:

"§ 47534. Prohibition on operating certain aircraft weighing 75,000 pounds or less not complying with Stage 3 noise levels

''(a) PROHIBITION.—Except as provided in subsection (b), (c), or (d), a person may not operate a civil subsonic turbojet with a maximum weight of 75,000 pounds or less to or from an airport in the United States unless the Secretary of Transportation finds that the aircraft complies with stage 3 noise levels.

''(b) EXCEPTION.—Subsection (a) shall not apply to aircraft operated only outside the 48 contiguous States.

''(c) OPT-OUT.—Subsection (a) shall not apply at an airport where the airport operator has notified the Secretary that it wants to continue to permit the operation of civil subsonic turbojets with a maximum weight of 75,000 pounds or less that do not comply with stage 3 noise levels. The Secretary shall post the notices received under this subsection on its website or in another place easily accessible to the public.

''(d) LIMITATION.—The Secretary shall permit a person to operate Stage 1 and Stage 2 aircraft with a maximum weight of 75,000 pounds or less to or from an airport in the contiguous 48 States in order—

''(1) to sell, lease, or use the aircraft outside the 48 contiguous States;

''(2) to scrap the aircraft;

''(3) to obtain modifications to the aircraft to meet stage 3 noise levels;

''(4) to perform scheduled heavy maintenance or significant modifications on the aircraft at a maintenance facility located in the contiguous 48 states;

''(5) to deliver the aircraft to an operator leasing the aircraft from the owner or return the aircraft to the lessor;

''(6) to prepare or park or store the aircraft in anticipation of any of the activities described in paragraphs (1) through (5); or

''(7) to divert the aircraft to an alternative airport in the 48 contiguous States on account of weather, mechanical, fuel air traffic control or other safety reasons while conducting a flight in order to perform any of the activities described in paragraphs (1) through (6).

''(e) STATUTORY CONSTRUCTION.—Nothing in the section may be construed as interfering with, nullifying, or otherwise affecting determinations made by the Federal Aviation Administration, or to be made by the Administration, with respect to applications under part 161 of title 14, Code of Federal Regulations, that were pending on the date of enactment of the Aircraft Noise Reduction Act of 2006.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 47531 is amended by striking ''47529, or 47530'' and inserting ''47529, 47530, or 47534''.

(2) Section 47532 is amended by striking ''47528-47531'' and inserting ''47528 through 47531 or 47534''.

(3) The chapter analysis for chapter 475 is amended by inserting after the item relating to section 47533 the following:

''47534. Prohibition on operating certain aircraft weighing 75,000 pounds or less not complying with stage 3 noise levels''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 5 years after the date of enactment of this Act.

SEC. 711. WEIGHT RESTRICTIONS AT TETERBORO AIRPORT.

On and after the date of the enactment of this Act, the Administrator of the Federal Aviation Administration is prohibited from taking actions designed to challenge or influence weight restrictions or prior permission rules at Teterboro Airport in Teterboro, New Jersey.

SEC. 712. PILOT PROGRAM FOR REDEVELOPMENT OF AIRPORT PROPERTIES.

(a) IN GENERAL.—Within 1 year after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall establish a pilot program at up to 4 public-use airports for airport sponsors that have submitted a noise compatibility program to the Federal Aviation Administration, from funds apportioned under section 47504 or section 40117 of title 49, United States Code, in partnership with affected neighboring local jurisdictions, to support joint planning, engineering design, and environmental permitting for the assembly and redevelopment of property purchased with noise mitigation funds or passenger facility charge funds, to encourage airport-compatible land uses and generate economic benefits to the local airport authority and adjacent community.

(b) NOISE COMPATABILITY MEASURES.—Section 47504(a)(2) is amended—

(1) by striking ''and'' after the semicolon in subparagraph (D);

(2) by striking ''operations.'' in subparagraph (E) and inserting ''operations;''; and

(3) by adding at the end the following:

''(F) joint comprehensive land use planning including master plans, traffic studies, environmental evaluation and economic and feasibility studies, with neighboring local jurisdictions undertaking community redevelopment in the area where the land or other property interests acquired by the airport operator pursuant to this subsection is located, to encourage and enhance redevelopment opportunities that reflect zoning and uses that will prevent the introduction of additional incompatible uses and enhance redevelopment potential; and

''(G) utility upgrades and other site preparation efforts.''.

(c) GRANT REQUIREMENTS.—The Administrator may not make a grant under subsection (a) unless the grant is made—

(1) to enable the airport operator and local jurisdictions undertaking the community redevelopment effort to expedite redevelopment efforts;

(2) subject to a requirement that the local jurisdiction governing the property interests in question has adopted zoning regulations that permit airport compatible redevelopment; and

(3) subject to a requirement that, in determining the part of the proceeds from disposing of the land that is subject to repayment or reinvestment under section 47107(c)(2)(A) of title 49, United States Code, the total amount of the grant issued under

this section shall be added to the amount of any grants issued for acquisition of land.

(d) DEMONSTRATION GRANTS.—

(1) IN GENERAL.—The Administrator shall provide grants under subsection (a) for demonstration projects distributed geographically and targeted to airports that demonstrate—

(A) a readiness to implement cooperative land use management and redevelopment plans with the adjacent community; and

(B) the probability of clear economic benefit to the local community and financial return to the airport through the implementation of the redevelopment plan.

(2) FEDERAL SHARE.—

(A) Notwithstanding any other provision of law, the Federal share of the allowable costs of a project carried out under the pilot program shall be 80 percent.

(B) In determining the allowable costs, the Administrator shall deduct from the total costs of the activities described in subsection (a) that portion of the costs which is equal to that portion of the total property to be redeveloped under this section that is not owned or to be acquired by the airport operator pursuant to the noise compatibility program or that is not owned by the affected neighboring local jurisdictions or other public entities.

(3) MAXIMUM AMOUNT.—Not more than $5,000,000 in funds made available under section 47117(e) of title 49, United States Code, may be expended under the pilot program at any single public-use airport.

(4) EXCEPTION.—Amounts paid to the Administrator under subsection (c)(3)—

(A) shall be in addition to amounts authorized under section 48203 of title 49, United States Code;

(B) shall not be subject to any limitation on grant obligations for any fiscal year; and

(C) shall remain available until expended.

(e) USE OF PASSENGER REVENUE.—An airport sponsor that owns or operates an airport participating in the pilot program may use passenger facility revenue collected under section 40117 of title 49, United States Code, to pay any project cost described in subsection (a) that is not financed by a grant under the program.

(f) SUNSET.—This section, other than the amendments made by subsections (b), shall not be in effect after September 30, 2011.

(g) REPORT TO CONGRESS.—The Administrator shall report to Congress within 18 months after making the first grant under this section on the effectiveness of this program on returning Part 150 lands to productive use.

SEC. 713. AIR CARRIAGE OF INTERNATIONAL MAIL.

(a) CONTRACTING AUTHORITY.—Section 5402 of title 39, United States Code, is amended by striking subsections (b) and (c) and inserting the following:

''(b) INTERNATIONAL MAIL.—

''(1) IN GENERAL.—

''(A) Except as otherwise provided in this subsection, the Postal Service may contract for the transportation of mail by aircraft between any of the points in foreign air transportation only with certificated air carriers. A contract may be awarded to a certificated air carrier to transport mail by air between any of the points in foreign air transportation that the Secretary of Transportation has authorized the carrier to serve either directly or through a code-share relationship with one or more foreign air carriers.

''(B) If the Postal Service has sought offers or proposals from certificated air carriers to transport mail in foreign air transportation between points, or pairs of points within a geographic region or regions, and has not received offers or proposals that meet Postal Service requirements at a fair and reasonable price from at least 2 such carriers, the Postal Service may seek offers or proposals from foreign air carriers. Where service in foreign air transportation meeting the Postal Service's requirements is unavailable at a fair and reasonable price from at least 2 certificated air carriers, either directly or through a code-share relationship with one or more foreign air carriers, the Postal Service may contract with foreign air carriers to provide the service sought if, when the Postal Service seeks offers or proposals from foreign air carriers, it also seeks an offer or proposal to provide that service from any certificated air carrier providing service between those points, or pairs of points within a geographic region or regions, on the same terms and conditions that are being sought from foreign air carriers.

''(C) For purposes of this subsection, the Postal Service shall use a methodology for determining fair and reasonable prices for the Postal Service designated region or regions developed in consultation with, and with the concurrence of, certificated air carriers representing at least 51 percent of available ton miles in the markets of interest.

''(D) For purposes of this subsection, ceiling prices determined pursuant to the methodology used under subparagraph (C) shall be presumed to be fair and reasonable if they do not exceed the ceiling prices derived from—

''(i) a weighted average based on market rate data furnished by the International Air Transport Association or a subsidiary unit thereof; or

''(ii) if such data are not available from those sources, such other neutral, regularly updated set of weighted average market rates as the Postal Service, with the concurrence of certificated air carriers representing at least 51 percent of available ton miles in the markets of interest, may designate.

''(E) If, for purposes of subparagraph (D)(ii), concurrence cannot be attained, then the most recently available market rate data described in this subparagraph shall continue to apply for the relevant market or markets.

''(2) CONTRACT PROCESS.—The Postal Service shall contract for foreign air transportation as set forth in paragraph (1) through an open procurement process that will provide—

''(A) potential offerors with timely notice of business opportunities in sufficient detail to allow them to make a proposal;

''(B) requirements, proposed terms and conditions, and evaluation criteria to potential offerors; and

''(C) an opportunity for unsuccessful offerors to receive prompt feedback upon request.

''(3) EMERGENCY OR UNANTICIPATED CONDITIONS; INADEQUATE LIFT SPACE.—The Postal Service may enter into contracts to transport mail by air in foreign air transportation with a certificated air carrier or a foreign air carrier without complying with the requirements of paragraphs (b)(1) and (2) if—

''(A) emergency or unanticipated conditions exist that make it impractical for the Postal Service to comply with such requirements; or

''(B) its demand for lift exceeds the space available to it under existing contracts and—

''(i) there is insufficient time available to seek additional lift using procedures that comply with those requirements without compromising the Postal Service's service commitments to its own customers; and

''(ii) the Postal Service first offers any certificated air carrier holding a contract to carry mail between the relevant points the opportunity to carry such excess volumes under the terms of its existing contract.

''(c) GOOD FAITH EFFORT REQUIRED.—The Postal Service and potential offerors shall put a good-faith effort into resolving disputes concerning the award of contracts made under subsection (b).''.

(b) CONFORMING AMENDMENTS TO TITLE 49.—

(1) Section 41901(a) is amended by striking ''39.'' and inserting ''39, and in foreign air transportation under section 5402(b) and (c) of title 39.''.

(2) Section 41901(b)(1) is amended by striking ''in foreign air transportation or''.

(3) Section 41902 is amended—

(A) by striking ''in foreign air transportation or'' in subsection (a);

(B) by striking subsection (b) and inserting the following:

''(b) STATEMENTS ON PLACES AND SCHEDULES.—Every air carrier shall file with the United States Postal Service a statement showing—

''(1) the places between which the carrier is authorized to transport mail in Alaska;

''(2) every schedule of aircraft regularly operated by the carrier between places described in paragraph (1) and every change in each schedule; and

''(3) for each schedule, the places served by the carrier and the time of arrival at, and departure from, each such place.'';

(C) by striking ''subsection (b)(3)'' each place it appears in subsections (c)(1) and (d) and inserting ''subsection (b)(2)''; and

(D) by striking subsections (e) and (f).

(4) Section 41903 is amended by striking ''in foreign air transportation or'' each place it appears.

(5) Section 41904 is amended—

(A) by striking ''**to or in foreign countries**'' in the section heading;

(B) by striking ''to or in a foreign country'' and inserting ''between two points outside the United States''; and

(C) by inserting after ''transportation.'' the following: ''Nothing in this section shall affect the authority of the Postal Service to make arrangements with noncitizens for the carriage of mail in foreign air transportation under subsections 5402(b) and (c) of title 39.''.

(6) Section 41910 is amended by striking the first sentence and inserting ''The United States Postal Service may weigh mail transported by aircraft between places in Alaska and make statistical and administrative computations necessary in the interest of mail service.''.

(7) Chapter 419 is amended—

(A) by striking sections 41905, 41907, 41908, and 41911; and

(B) redesignating sections 41906, 41909, 41910, and 49112 as sections 41905, 41906, 41907, and 41908, respectively.

(8) The chapter analysis for chapter 419 is amended by redesignating the items relating to sections 41906, 41909, 41910, and 49112 as relating to sections 41905, 41906, 41907, and 41908, respectively.

(9) Section 101(f) of title 39, United States Code, is amended by striking ''mail and shall make a fair and equitable distribution of mail business to carriers providing similar modes of transportation services to the Postal Service.'' and inserting ''mail.''.

(9) Subsections (b) and (c) of section 3401 of title 39, United States Code, are amended—

(A) by striking ''at rates fixed and determined by the Secretary of Transportation in accordance with section 41901 of title 49'' and inserting ''or, for carriage of mail in foreign air transportation, other air carriers, air taxi operators or foreign air carriers as permitted by section 5402 of this title'';

(B) by striking ''at rates not to exceed those so fixed and determined for scheduled United States air carriers'';

(C) by striking ''scheduled'' each place it appears and inserting ''certificated''; and

(D) by striking the last sentence in each such subsection.

(10) Section 5402(a) of title 39, United States Code, is amended—

(A) by inserting " 'foreign air carrier'. " after " 'interstate air transportation', " in paragraph (2);

(B) by redesignating paragraphs (7) through (23) as paragraphs (8) through (24) and inserting after paragraph (6) the following:

"(7) the term 'certificated air carrier' means an air carrier that holds a certificate of public convenience and necessity issued under section 41102(a) of title 49;"; and

(C) by redesignating paragraphs (9) through (24), as redesignated, as paragraphs (10) through (25), respectively, and inserting after paragraph (8) the following:

"(9) the term 'code-share relationship' means a relationship pursuant to which any certificated air carrier or foreign air carrier's designation code is used to identify a flight operated by another air carrier or foreign air carrier;".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2008.

SEC. 714. TRANSPORTING MUSICAL INSTRUMENTS.

(a) IN GENERAL.—Subchapter I of chapter 417 is amended by adding at the end thereof the following:

"§ 41724. Musical instruments

"(a) IN GENERAL.—

"(1) SMALL INSTRUMENTS AS CARRY-ON BAGGAGE.—An air carrier providing air transportation shall permit a passenger to carry a violin, guitar, or other musical instrument in the aircraft cabin without charge if—

"(A) the instrument can be stowed safely in a suitable baggage compartment in the aircraft cabin or under a passenger seat; and

"(B) there is space for such stowage at the time the passenger boards the aircraft.

"(2) LARGER INSTRUMENTS AS CARRY-ON BAGGAGE.—An air carrier providing air transportation shall permit a passenger to carry a musical instrument that is too large to meet the requirements of paragraph (1) in the aircraft cabin without charge if—

"(A) the instrument is contained in a case or covered so as to avoid injury to other passengers;

"(B) the weight of the instrument, including the case or covering, does not exceed 165 pounds;

"(C) the instrument can be secured by a seat belt to avoid shifting during flight;

"(D) the instrument does not restrict access to, or use of, any required emergency exit, regular exit, or aisle;

"(E) the instrument does not obscure any passenger's view of any illuminated exit, warning, or other informational sign;

"(F) neither the instrument nor the case contains any object not otherwise permitted to be carried in an aircraft cabin because of a law or regulation of the United States; and

"(G) the passenger wishing to carry the instrument in the aircraft cabin has purchased an additional seat to accommodate the instrument.

"(3) LARGE INSTRUMENTS AS CHECKED BAGGAGE.—An air carrier shall transport as baggage, without charge, a musical instrument that is the property of a passenger traveling in air transportation that may not be carried in the aircraft cabin if—

"(A) the sum of the length, width, and height measured in inches of the outside linear dimensions of the instrument (including the case) does not exceed 120 inches; and

"(B) the weight of the instrument does not exceed 100 pounds.

"(b) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to implement subsection (a).".

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 417 is amended by inserting after the item relating to section 41723 the following:

"41724. Musical instruments".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 30 days after the date of enactment of this Act.

SEC. 715. RECYCLING PLANS FOR AIRPORTS.

(a) AIRPORT PLANNING.—section 47102(5) is amended by striking "planning." and inserting "planning and a plan for recycling and minimizing the generation of airport solid waste, consistent with applicable State and local recycling laws, including the cost of a waste audit.".

(b) MASTER PLAN.—Section 47106(a) is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking "proposed." in paragraph (5) and inserting "proposed; and"; and

(3) by adding at the end the following:

"(6) if the project is for an airport that has an airport master plan, the master plan addresses—

"(A) the feasibility of solid waste recycling at the airport;

"(B) minimizing the generation of solid waste at the airport;

"(C) operation and maintenance requirements;

"(D) the review of waste management contracts;

"(E) the potential for cost savings or the generation of revenue; and

"(F) training and education requirements.".

SEC. 716. CONSUMER INFORMATION PAMPHLET.

Within 6 months after the date of enactment of this Act, the Secretary of Transportation shall develop and make available to the public in written and electronic form a consumer and parental information pamphlet that includes—

(1) a summary of the unaccompanied minor policies of major air carriers serving United States airports;

(2) a summary of such carriers' policies pertaining to passenger air travel by children aged 17 and under;

(3) recommendations to parents about who the appropriate authorities are to notify if a minor is traveling unsupervised and without parental consent on a major air carrier; and

(4) any additional recommendations the Secretary deems appropriate or necessary.

TITLE VIII—AMERICAN INFRASTRUCTURE INVESTMENT AND IMPROVEMENT

SECTION 800. SHORT TITLE, ETC.

(a) SHORT TITLE; AMENDMENT OF 1986 CODE.—This title may be cited as the "American Infrastructure Investment and Improvement Act of 2008".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Airport and Airway Trust Fund Provisions and Related Taxes

SEC. 801. EXTENSION OF TAXES FUNDING AIRPORT AND AIRWAY TRUST FUND.

(a) FUEL TAXES.—Subparagraph (B) of section 4081(d)(2) is amended by striking "June 30, 2008" and inserting "September 30, 2011".

(b) TICKET TAXES.—

(1) PERSONS.—Clause (ii) of section 4261(j)(1)(A) is amended by striking "June 30, 2008" and inserting "September 30, 2011".

(2) PROPERTY.—Clause (ii) of section 4271(d)(1)(A) is amended by striking "June 30, 2008" and inserting "September 30, 2011".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 2008.

SEC. 802. EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) is amended—

(1) by striking "July 1, 2008" in the matter preceding subparagraph (A) and inserting "October 1, 2011", and

(2) by striking the semicolon at the end of subparagraph (A) and inserting "or the Aviation Investment and Modernization Act of 2008;".

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(e) is amended by striking "July 1, 2008" and inserting "October 1, 2011".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 2008.

SEC. 803. MODIFICATION OF EXCISE TAX ON KEROSENE USED IN AVIATION.

(a) RATE OF TAX ON AVIATION-GRADE KEROSENE.—

(1) IN GENERAL.—Subparagraph (A) of section 4081(a)(2) (relating to rates of tax) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) in the case of aviation-grade kerosene, 35.9 cents per gallon.".

(2) FUEL REMOVED DIRECTLY INTO FUEL TANK OF AIRPLANE USED IN NONCOMMERCIAL AVIATION.—Subparagraph (C) of section 4081(a)(2) is amended to read as follows:

"(C) TAXES IMPOSED ON FUEL USED IN COMMERCIAL AVIATION.—In the case of aviation-grade kerosene which is removed from any refinery or terminal directly into the fuel tank of an aircraft for use in commercial aviation by a person registered for such use under section 4101, the rate of tax under subparagraph (A)(iv) shall be 4.3 cents per gallon.".

(3) EXEMPTION FOR AVIATION-GRADE KEROSENE REMOVED INTO AN AIRCRAFT.—Subsection (e) of section 4082 is amended—

(A) by striking "kerosene" and inserting "aviation-grade kerosene",

(B) by striking "section 4081(a)(2)(A)(iii)" and inserting "section 4081(a)(2)(A)(iv)", and

(C) by striking "KEROSENE" in the heading and inserting "AVIATION-GRADE KEROSENE".

(4) CONFORMING AMENDMENTS.—

(A) Clause (iii) of section 4081(a)(2)(A) is amended by inserting "other than aviation-grade kerosene" after "kerosene".

(B) The following provisions are each amended by striking "kerosene" and inserting "aviation-grade kerosene":

(i) Section 4081(a)(3)(A)(ii).

(ii) Section 4081(a)(3)(A)(iv).

(iii) Section 4081(a)(3)(D).

(C) Section 4081(a)(3)(D) is amended—

(i) by striking "paragraph (2)(C)(i)" in clause (i) and inserting "paragraph (2)(C)", and

(ii) by striking "paragraph (2)(C)(ii)" in clause (ii) and inserting "paragraph (2)(A)(iv)".

(D) Section 4081(a)(4) is amended—

(i) in the heading by striking "KEROSENE" and inserting "AVIATION-GRADE KEROSENE", and

(ii) by striking "paragraph (2)(C)(i)" and inserting "paragraph (2)(C)".

(E) Section 4081(d)(2) is amended by striking "(a)(2)(C)(ii)" and inserting "(a)(2)(A)(iv)".

(b) RETAIL TAX ON AVIATION FUEL.—

(1) EXEMPTION FOR PREVIOUSLY TAXED FUEL.—Paragraph (2) of section 4041(c) is amended by inserting "at the rate specified in subsection (a)(2)(A)(iv) thereof" after "section 4081".

(2) RATE OF TAX.—Paragraph (3) of section 4041(c) is amended to read as follows:

''(3) RATE OF TAX.—The rate of tax imposed by this subsection shall be the rate of tax in effect under section 4081(a)(2)(A)(iv) (4.3 cents per gallon with respect to any sale or use for commercial aviation).''.

(c) REFUNDS RELATING TO AVIATION-GRADE KEROSENE.—

(1) KEROSENE USED IN COMMERCIAL AVIATION.—Clause (ii) of section 6427(l)(4)(A) is amended by striking ''specified in section 4041(c) or 4081(a)(2)(A)(iii), as the case may be,'' and inserting ''so imposed''.

(2) KEROSENE USED IN AVIATION.—Paragraph (4) of section 6427(l) is amended—

(A) by striking subparagraph (B) and redesignating subparagraph (C) as subparagraph (B), and

(B) by amending subparagraph (B), as redesignated by subparagraph (A), to read as follows:

''(B) PAYMENTS TO ULTIMATE, REGISTERED VENDOR.—With respect to any kerosene used in aviation (other than kerosene to which paragraph (6) applies), if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay (without interest) the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

''(i) is registered under section 4101, and

''(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).''.

(3) AVIATION-GRADE KEROSENE NOT USED IN AVIATION.—Subsection (l) of section 6427 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

''(5) REFUNDS FOR AVIATION-GRADE KEROSENE NOT USED IN AVIATION.—If tax has been imposed under section 4081 at the rate specified in section 4081(a)(2)(A)(iv) and the fuel is used other than in an aircraft, the Secretary shall pay (without interest) to the ultimate purchaser of such fuel an amount equal to the amount of tax imposed on such fuel reduced by the amount of tax that would be imposed under section 4041 if no tax under section 4081 had been imposed.''.

(4) CONFORMING AMENDMENTS.—

(A) Section 4082(d)(2)(B) is amended by striking ''6427(l)(5)(B)'' and inserting ''6427(l)(6)(B)''.

(B) Section 6427(i)(4) is amended—

(i) by striking ''(4)(C)'' the first two places it occurs and inserting ''(4)(B)'', and

(ii) by striking '', (l)(4)(C)(ii), and'' and inserting ''and''.

(C) The heading of section 6427(l) is amended by striking ''DIESEL FUEL AND KEROSENE'' and inserting ''DIESEL FUEL, KEROSENE, AND AVIATION FUEL''.

(D) Section 6427(l)(1) is amended by striking ''paragraph (4)(C)(i)'' and inserting ''paragraph (4)(B)''.

(E) Section 6427(l)(4) is amended—

(i) by striking ''KEROSENE USED IN AVIATION'' in the heading and inserting ''AVIATION-GRADE KEROSENE USED IN COMMERCIAL AVIATION'', and

(ii) in subparagraph (A)—

(I) by striking ''kerosene'' and inserting ''aviation-grade kerosene'',

(II) by striking ''KEROSENE USED IN COMMERCIAL AVIATION'' in the heading and inserting ''IN GENERAL''.

(d) TRANSFERS TO THE AIRPORT AND AIRWAY TRUST FUND.—

(1) IN GENERAL.—Subparagraph (C) of section 9502(b)(1) is amended to read as follows:

''(C) section 4081 with respect to aviation gasoline and aviation-grade kerosene, and''.

(2) TRANSFERS ON ACCOUNT OF CERTAIN REFUNDS.—

(A) IN GENERAL.—Subsection (d) of section 9502 is amended—

(i) in paragraph (2) by striking ''(other than subsection (l)(4) thereof)'', and

(ii) in paragraph (3) by striking ''(other than payments made by reason of paragraph (4) of section 6427(l))''.

(B) CONFORMING AMENDMENTS.—

(i) Section 9503(b)(4) is amended by striking ''or'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by inserting after subparagraph (D) the following:

''(E) section 4081 to the extent attributable to the rate specified in clause (ii) or (iv) of section 4081(a)(2)(A), or

''(F) section 4041(c).''.

(ii) Section 9503(c) is amended by striking the last paragraph (relating to transfers from the Trust Fund for certain aviation fuel taxes).

(iii) Section 9502(a) is amended—

(I) by striking ''appropriated, credited, or paid into'' and inserting ''appropriated or credited to'', and

(II) by striking '', section 9503(c)(7),''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels removed, entered, or sold after December 31, 2008.

(f) FLOOR STOCKS TAX.—

(1) IMPOSITION OF TAX.—In the case of aviation fuel which is held on January 1, 2009, by any person, there is hereby imposed a floor stocks tax on aviation fuel equal to—

(A) the tax which would have been imposed before such date on such fuel had the amendments made by this section been in effect at all times before such date, reduced by

(B) the sum of—

(i) the tax imposed before such date on such fuel under section 4081 of the Internal Revenue Code of 1986, as in effect on such date, and

(ii) in the case of kerosene held exclusively for such person's own use, the amount which such person would (but for this clause) reasonably expect (as of such date) to be paid as a refund under section 6427(l) of such Code with respect to such kerosene.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—A person holding aviation fuel on January 1, 2009, shall be liable for such tax.

(B) TIME AND METHOD OF PAYMENT.—The tax imposed by paragraph (1) shall be paid at such time and in such manner as the Secretary of the Treasury shall prescribe.

(3) TRANSFER OF FLOOR STOCK TAX REVENUES TO TRUST FUNDS.—For purposes of determining the amount transferred to the Airport and Airway Trust Fund, the tax imposed by this subsection shall be treated as imposed by section 4081(a)(2)(A)(iv) of the Internal Revenue Code of 1986.

(4) DEFINITIONS.—For purposes of this subsection—

(A) AVIATION FUEL.—The term ''aviation fuel'' means aviation-grade kerosene and aviation gasoline, as such terms are used within the meaning of section 4081 of the Internal Revenue Code of 1986.

(B) HELD BY A PERSON.—Aviation fuel shall be considered as held by a person if title thereto has passed to such person (whether or not delivery to the person has been made).

(C) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury or the Secretary's delegate.

(5) EXCEPTION FOR EXEMPT USES.—The tax imposed by paragraph (1) shall not apply to any aviation fuel held by any person exclusively for any use to the extent a credit or refund of the tax is allowable under the Internal Revenue Code of 1986 for such use.

(6) EXCEPTION FOR CERTAIN AMOUNTS OF FUEL.—

(A) IN GENERAL.—No tax shall be imposed by paragraph (1) on any aviation fuel held on January 1, 2009, by any person if the aggregate amount of such aviation fuel held by such person on such date does not exceed 2,000 gallons. The preceding sentence shall apply only if such person submits to the Secretary (at the time and in the manner required by the Secretary) such information as the Secretary shall require for purposes of this subparagraph.

(B) EXEMPT FUEL.—For purposes of subparagraph (A), there shall not be taken into account any aviation fuel held by any person which is exempt from the tax imposed by paragraph (1) by reason of paragraph (6).

(C) CONTROLLED GROUPS.—For purposes of this subsection—

(i) CORPORATIONS.—

(I) IN GENERAL.—All persons treated as a controlled group shall be treated as 1 person.

(II) CONTROLLED GROUP.—The term ''controlled group'' has the meaning given to such term by subsection (a) of section 1563 of the Internal Revenue Code of 1986; except that for such purposes the phrase ''more than 50 percent'' shall be substituted for the phrase ''at least 80 percent'' each place it appears in such subsection.

(ii) NONINCORPORATED PERSONS UNDER COMMON CONTROL.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraph (A) shall apply to a group of persons under common control if 1 or more of such persons is not a corporation.

(7) OTHER LAWS APPLICABLE.—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 4081 of the Internal Revenue Code of 1986 on the aviation fuel involved shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock taxes imposed by paragraph (1) to the same extent as if such taxes were imposed by such section.

SEC. 804. AIR TRAFFIC CONTROL SYSTEM MODERNIZATION ACCOUNT.

(a) IN GENERAL.—Section 9502 (relating to the Airport and Airway Trust Fund) is amended by adding at the end the following new subsection:

''(g) ESTABLISHMENT OF AIR TRAFFIC CONTROL SYSTEM MODERNIZATION ACCOUNT.—

''(1) CREATION OF ACCOUNT.—There is established in the Airport and Airway Trust Fund a separate account to be known as the 'Air Traffic Control System Modernization Account' consisting of such amounts as may be transferred or credited to the Air Traffic Control System Modernization Account as provided in this subsection or section 9602(b).

''(2) TRANSFERS TO AIR TRAFFIC CONTROL SYSTEM MODERNIZATION ACCOUNT.—On October 1, 2008, and annually thereafter, the Secretary shall transfer to the Air Traffic Control System Modernization Account from amounts appropriated to the Airport and Airway Trust Fund under subsection (b) which are attributable to taxes on aviation-grade kerosene an amount equal to $400,000,000.

''(3) EXPENDITURES FROM ACCOUNT.—Amounts in the Air Traffic Control System Modernization Account shall be available subject to appropriation for expenditures relating to the modernization of the air traffic control system (including facility and equipment account expenditures).''.

(b) CONFORMING AMENDMENT.—Section 9502(d)(1) is amended by striking ''Amounts'' and inserting ''Except as provided in subsection (g), amounts''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 805. TREATMENT OF FRACTIONAL AIRCRAFT OWNERSHIP PROGRAMS.

(a) FUEL SURTAX.—

(1) IN GENERAL.—Subchapter B of chapter 31 is amended by adding at the end the following new section:

"SEC. 4043. SURTAX ON FUEL USED IN AIRCRAFT PART OF A FRACTIONAL OWNERSHIP PROGRAM.

''(a) IN GENERAL.—There is hereby imposed a tax on any liquid used during any calendar quarter by any person as a fuel in an aircraft which is—

''(1) registered in the United States, and

''(2) part of a fractional ownership aircraft program.

''(b) AMOUNT OF TAX.—The rate of tax imposed by subsection (a) is 14.1 cents per gallon.

''(c) FRACTIONAL OWNERSHIP AIRCRAFT PROGRAM.—For purposes of this section—

''(1) IN GENERAL.—The term 'fractional ownership aircraft program' means a program under which—

''(A) a single fractional ownership program manager provides fractional ownership program management services on behalf of the fractional owners,

''(B) 2 or more airworthy aircraft are part of the program,

''(C) there are 1 or more fractional owners per program aircraft, with at least 1 program aircraft having more than 1 owner,

''(D) each fractional owner possesses at least a minimum fractional ownership interest in 1 or more program aircraft,

''(E) there exists a dry-lease exchange arrangement among all of the fractional owners, and

''(F) there are multi-year program agreements covering the fractional ownership, fractional ownership program management services, and dry-lease aircraft exchange aspects of the program.

''(2) MINIMUM FRACTIONAL OWNERSHIP INTEREST.—The term 'minimum fractional ownership interest' means, with respect to each type of aircraft—

''(A) a fractional ownership interest equal to or greater than 1/16 of at least 1 subsonic, fixed wing or powered lift program aircraft, or

''(B) a fractional ownership interest equal to or greater than 1/32 of a least 1 rotorcraft program aircraft.

''(3) DRY-LEASE EXCHANGE ARRANGEMENT.—A 'dry-lease aircraft exchange' means an agreement, documented by the written program agreements, under which the program aircraft are available, on an as needed basis without crew, to each fractional owner.

''(d) TERMINATION.—This section shall not apply to liquids used as a fuel in an aircraft after September 30, 2011.''.

(2) CONFORMING AMENDMENT.—Section 4082(e) is amended by inserting ''(other than an aircraft described in section 4043(a))'' after ''an aircraft''.

(3) TRANSFER OF REVENUES TO AIRPORT AND AIRWAY TRUST FUND.—Section 9502(b)(1) is amended by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting after subparagraph (A) the following new subparagraph:

''(B) section 4043 (relating to surtax on fuel used in aircraft part of a fractional ownership program),''.

(4) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 31 is amended by adding at the end the following new item:

''Sec. 4043. Surtax on fuel used in aircraft part of a fractional ownership program.''.

(b) FRACTIONAL OWNERSHIP PROGRAMS TREATED AS NON-COMMERCIAL AVIATION.—Subsection (b) of section 4083 is amended by adding at the end the following new sentence: ''Such term shall not include the use of any aircraft which is part of a fractional ownership aircraft program (as defined by section 4043(c)).''.

(c) EXEMPTION FROM TAX ON TRANSPORTATION OF PERSONS.—Section 4261, as amended by this Act, is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) EXEMPTION FOR AIRCRAFT IN FRACTIONAL OWNERSHIP AIRCRAFT PROGRAMS.—No tax shall be imposed by this section or section 4271 on any air transportation by an aircraft which is part of a fractional ownership aircraft program (as defined by section 4043(c)).''.

(d) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsections (a) shall apply to fuel used after December 31, 2008.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall apply to uses of aircraft after December 31, 2008.

(3) SUBSECTION (c).—The amendments made by subsection (c) shall apply to taxable transportation provided after December 31, 2008.

SEC. 806. TERMINATION OF EXEMPTION FOR SMALL AIRCRAFT ON NONESTABLISHED LINES.

(a) IN GENERAL.—Section 4281 is amended to read as follows:

"SEC. 4281. SMALL AIRCRAFT OPERATED SOLELY FOR SIGHTSEEING.

''The taxes imposed by sections 4261 and 4271 shall not apply to transportation by an aircraft having a maximum certificated takeoff weight of 6,000 pounds or less at any time during which such aircraft is being operated on a flight the sole purpose of which is sightseeing. For purposes of the preceding sentence, the term 'maximum certificated takeoff weight' means the maximum such weight contained in the type certificate or airworthiness certificate.''.

(b) CONFORMING AMENDMENT.—The item relating to section 4281 in the table of sections for part III of subchapter C of chapter 33 is amended by striking ''on nonestablished lines'' and inserting ''operated solely for sightseeing''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable transportation provided after December 31, 2008.

SEC. 807. TRANSPARENCY IN PASSENGER TAX DISCLOSURES.

(a) IN GENERAL.—Section 7275 (relating to penalty for offenses relating to certain airline tickets and advertising) is amended—

(1) by redesignating subsection (c) as subsection (d),

(2) by striking ''subsection (a) or (b)'' in subsection (d), as so redesignated, and inserting ''subsection (a), (b), or (c)'', and

(3) by inserting after subsection (b) the following new subsection:

''(c) NON-TAX CHARGES.—

''(1) IN GENERAL.—In the case of transportation by air for which disclosure on the ticket or advertising for such transportation of the amounts paid for passenger taxes is required by subsection (a)(2) or (b)(1)(B), it shall be unlawful for the disclosure of the amount of such taxes on such ticket or advertising to include any amounts not attributable to the taxes imposed by subsection (a), (b), or (c) of section 4261.

''(2) INCLUSION IN TRANSPORTATION COST.—Nothing in this subsection shall prohibit the inclusion of amounts not attributable to the taxes imposed by subsection (a), (b), or (c) of section 4261 in the disclosure of the amount paid for transportation as required by subsection (a)(1) or (b)(1)(A), or in a separate disclosure of amounts not attributable to such taxes.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable transportation provided after December 31, 2008.

SEC. 808. REQUIRED FUNDING OF NEW ACCRUALS UNDER AIR CARRIER PENSION PLANS.

(a) IN GENERAL.—Section 402(a) of the Pension Protection Act of 2006, as amended by section 6615(a) of the U. S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (Public Law 110–28), is amended—

(1) in paragraph (2)—

(A) by striking ''to its first taxable year beginning in 2008'',

(B) by striking ''for such taxable year'' and inserting ''for its first plan year beginning in 2008'', and

(C) by striking ''and by using, in determining the funding target for each of the 10 plan years during such period, an interest rate of 8.25 percent (rather than the segment rates calculated on the basis of the corporate bond yield curve)'', and

(2) by adding at the end the following new flush matter:

''If the plan sponsor of an eligible plan elects the application of paragraph (2), the plan sponsor may also elect, in determining the funding target for each of the 10 plan years during the period described in paragraph (2), to use an interest rate of 8.25 percent (rather than the segment rates calculated on the basis of the corporate bond yield curve). Notwithstanding the preceding sentence, in the case of any plan year of the eligible plan for which such 8.25 percent interest rate is used, the minimum required contribution under section 303 of such Act and section 430 of such Code shall in no event be less than the target normal cost of the plan for such plan year (as determined under section 303(b) of such Act and section 430(b) of such Code). A plan sponsor may revoke the election to use the 8.25 percent interest rate and if the revocation is made, the revocation shall apply to the plan year for which made and all subsequent plan years and the plan sponsor may not elect to use the 8.25 percent interest rate for any subsequent plan year.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Pension Protection Act of 2006 to which such amendments relate.

Subtitle B—Increased Funding for Highway Trust Fund

SEC. 811. REPLENISH EMERGENCY SPENDING FROM HIGHWAY TRUST FUND.

(a) IN GENERAL.—Section 9503(b) is amended—

(1) by adding at the end the following new paragraph:

''(7) EMERGENCY SPENDING REPLENISHMENT.—There is hereby appropriated to the Highway Trust Fund $3,400,000,000.'', and

(2) by striking ''AMOUNTS EQUIVALENT TO CERTAIN TAXES AND PENALTIES'' in the heading and inserting ''CERTAIN AMOUNTS''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 812. SUSPENSION OF TRANSFERS FROM HIGHWAY TRUST FUND FOR CERTAIN REPAYMENTS AND CREDIT.

Section 9503(c)(2) is amended by adding at the end the following new subparagraph:

''(D) TEMPORARY SUSPENSION.—This paragraph shall not apply to 85 percent of the amounts estimated by the Secretary to be attributable to the 6-month period beginning on the date of the enactment of the American Infrastructure Investment and Improvement Act of 2008.''.

SEC. 813. TAXATION OF TAXABLE FUELS IN FOREIGN TRADE ZONES.

(a) TAX IMPOSED ON REMOVALS AND ENTRIES IN FOREIGN TRADE ZONES.—

(1) IN GENERAL.—Subsection (a) of section 4083 (relating to definitions) is amended by adding at the end the following new paragraph:

''(4) UNITED STATES.—The term 'United States' includes any foreign trade zone or bonded warehouse located in the United States.''.

(2) CONFORMING AMENDMENT.—Section 4081(a)(1)(A) (relating to imposition of tax) is amended—

(A) in clause (i), by inserting ''in the United States'' after ''refinery''; and

(B) in clause (ii), by inserting ''in the United States'' after ''terminal''.

(b) TREATMENT OF TAXABLE FUEL IN FOREIGN TRADE ZONES.—Paragraph (2) of section 81c(a) of title 19, United States Code, is amended by inserting ''(other than the provisions relating to taxable fuel (as defined under section 4083(a) of the Internal Revenue Code of 1986))'' after ''thereunder''.

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to removals and entries after December 31, 2008.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall take effect on January 1, 2009.

SEC. 814. CLARIFICATION OF PENALTY FOR SALE OF FUEL FAILING TO MEET EPA REGULATIONS.

(a) IN GENERAL.—Subsection (a) of section 6720A (relating to penalty with respect to certain adulterated fuels) is amended by striking ''applicable EPA regulations (as defined in section 45H(c)(3))'' and inserting ''the requirements for diesel fuel under section 211 of the Clean Air Act, as determined by the Secretary,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to any transfer, sale, or holding out for sale or resale occurring after the date of the enactment of this Act.

SEC. 815. TREATMENT OF QUALIFIED ALCOHOL FUEL MIXTURES AND QUALIFIED BIODIESEL FUEL MIXTURES AS TAXABLE FUELS.

(a) IN GENERAL.—

(1) QUALIFIED ALCOHOL FUEL MIXTURES.—Paragraph (2) of section 4083(a) (relating to gasoline) is amended—

(A) by striking ''and'' at the end of subparagraph (A),

(B) by redesignating subparagraph (B) as subparagraph (C), and

(C) by inserting after subparagraph (A) the following new subparagraph:

''(B) includes any qualified mixture (as defined in section 40(b)(1)(B)) which is a mixture of alcohol and special fuel, and''.

(2) QUALIFIED BIODIESEL FUEL MIXTURES.—Subparagraph (A) of section 4083(a)(3) (relating to diesel fuel) is amended by striking ''and'' at the end of clause (ii), by redesignating clause (iii) as clause (iv), and inserting after clause (ii) the following new clause:

''(iii) any qualified biodiesel mixture (as defined in section 40A(b)(1)(B)), and''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels removed, entered, or sold after December 31, 2008.

SEC. 816. CALCULATION OF VOLUME OF ALCOHOL FOR FUEL CREDITS.

(a) IN GENERAL.—Paragraph (4) of section 40(d) (relating to volume of alcohol) is amended by striking ''5 percent'' and inserting ''2 percent''.

(b) CONFORMING AMENDMENT FOR EXCISE TAX CREDIT.—Section 6426(b) (relating to alcohol fuel mixture credit) is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

''(5) VOLUME OF ALCOHOL.—For purposes of determining under subsection (a) the number of gallons of alcohol with respect to which a credit is allowable under subsection (a), the volume of alcohol shall include the volume of any denaturant (including gasoline) which is added under any formulas approved by the Secretary to the extent that such denaturants do not exceed 2 percent of the volume of such alcohol (including denaturants).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2008.

SEC. 817. BULK TRANSFER EXCEPTION NOT TO APPLY TO FINISHED GASOLINE.

(a) IN GENERAL.—Subparagraph (B) of section 4081(a)(1) (relating to tax on removal, entry, or sale) is amended by adding at the end the following new clause:

''(iii) EXCEPTION FOR FINISHED GASOLINE.—Clause (i) shall not apply to any finished gasoline.''.

(b) EXCEPTION TO TAX ON FINISHED GASOLINE FOR PRIOR TAXABLE REMOVALS.—Paragraph (1) of section 4081(a) is amended by adding at the end the following new subparagraph:

''(C) EXEMPTION FOR PREVIOUSLY TAXED FINISHED GASOLINE.—The tax imposed by this paragraph shall not apply to the removal of gasoline described in subparagraph (B)(iii) from any terminal if there was a prior taxable removal or entry of such fuel under clause (i), (ii), or (iii) of subparagraph (A). The preceding sentence shall not apply to the volume of any product added to such gasoline at the terminal unless there was a prior taxable removal or entry of such product under clause (i), (ii), or (iii) of subparagraph (A).''.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to fuel removed, entered, or sold after December 31, 2008.

SEC. 818. INCREASE AND EXTENSION OF OIL SPILL LIABILITY TRUST FUND TAX.

(a) INCREASE IN RATE.—

(1) IN GENERAL.—Section 4611(c)(2)(B) (relating to rates) is amended by striking ''5 cents'' and inserting ''10 cents''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply on and after the first day of the first calendar quarter beginning more than 60 days after the date of the enactment of this Act.

(b) EXTENSION.—

(1) IN GENERAL.—Section 4611(f) (relating to application of Oil Spill Liability Trust Fund financing rate) is amended by striking paragraphs (2) and (3) and inserting the following new paragraph:

''(2) TERMINATION.—The Oil Spill Liability Trust Fund financing rate shall not apply after September 30, 2018.''.

(2) CONFORMING AMENDMENT.—Section 4611(f)(1) is amended by striking ''paragraphs (2) and (3)'' and inserting ''paragraph (2)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

SEC. 819. APPLICATION OF RULES TREATING INVERTED CORPORATIONS AS DOMESTIC CORPORATIONS TO CERTAIN TRANSACTIONS OCCURRING AFTER MARCH 20, 2002.

(a) IN GENERAL.—Section 7874(b) (relating to inverted corporations treated as domestic corporations) is amended to read as follows:

''(b) INVERTED CORPORATIONS TREATED AS DOMESTIC CORPORATIONS.—

''(1) IN GENERAL.—Notwithstanding section 7701(a)(4), a foreign corporation shall be treated for purposes of this title as a domestic corporation if such corporation would be a surrogate foreign corporation if subsection (a)(2) were applied by substituting '80 percent' for '60 percent'.

''(2) SPECIAL RULE FOR CERTAIN TRANSACTIONS OCCURRING AFTER MARCH 20, 2002.—

''(A) IN GENERAL.—If—

''(i) paragraph (1) does not apply to a foreign corporation, but

''(ii) paragraph (1) would apply to such corporation if, in addition to the substitution under paragraph (1), subsection (a)(2) were applied by substituting 'March 20, 2002' for 'March 4, 2003' each place it appears,

then paragraph (1) shall apply to such corporation but only with respect to taxable years of such corporation beginning after the date of the enactment of the American Infrastructure Investment and Improvement Act of 2008.

''(B) SPECIAL RULES.—Subject to such rules as the Secretary may prescribe, in the case of a corporation to which paragraph (1) applies by reason of this paragraph—

''(i) the corporation shall be treated, as of the close of its first taxable year ending after the date of the enactment of the American Infrastructure Investment and Improvement Act of 2008, as having transferred all of its assets, liabilities, and earnings and profits to a domestic corporation in a transaction with respect to which no tax is imposed under this title,

''(ii) the bases of the assets transferred in the transaction to the domestic corporation shall be the same as the bases of the assets in the hands of the foreign corporation, subject to any adjustments under this title for built-in losses,

''(iii) the basis of the stock of any shareholder in the domestic corporation shall be the same as the basis of the stock of the shareholder in the foreign corporation for which it is treated as exchanged, and

''(iv) the transfer of any earnings and profits by reason of clause (i) shall be disregarded in determining any deemed dividend or foreign tax creditable to the domestic corporation with respect to such transfer.

''(C) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this paragraph, including regulations to prevent the avoidance of the purposes of this paragraph.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 820. DENIAL OF DEDUCTION FOR PUNITIVE DAMAGES.

(a) DISALLOWANCE OF DEDUCTION.—

(1) IN GENERAL.—Section 162(g) (relating to treble damage payments under the antitrust laws) is amended—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(B) by striking ''If'' and inserting:

''(1) TREBLE DAMAGES.—If'', and

(C) by adding at the end the following new paragraph:

''(2) PUNITIVE DAMAGES.—No deduction shall be allowed under this chapter for any amount paid or incurred for punitive damages in connection with any judgment in, or settlement of, any action. This paragraph shall not apply to punitive damages described in section 104(c).''.

(2) CONFORMING AMENDMENT.—The heading for section 162(g) is amended by inserting ''OR PUNITIVE DAMAGES'' after ''LAWS''.

(b) INCLUSION IN INCOME OF PUNITIVE DAMAGES PAID BY INSURER OR OTHERWISE.—

(1) IN GENERAL.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end the following new section:

''SEC. 91. PUNITIVE DAMAGES COMPENSATED BY INSURANCE OR OTHERWISE.

''Gross income shall include any amount paid to or on behalf of a taxpayer as insurance or otherwise by reason of the taxpayer's liability (or agreement) to pay punitive damages.''.

(2) REPORTING REQUIREMENTS.—Section 6041 (relating to information at source) is amended by adding at the end the following new subsection:

''(h) SECTION TO APPLY TO PUNITIVE DAMAGES COMPENSATION.—This section shall apply to payments by a person to or on behalf of another person as insurance or otherwise by reason of the other person's liability (or agreement) to pay punitive damages.''.

(3) CONFORMING AMENDMENT.—The table of sections for part II of subchapter B of chapter 1 is amended by adding at the end the following new item:

''Sec. 91. Punitive damages compensated by insurance or otherwise.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to damages paid or incurred on or after the date of the enactment of this Act.

SEC. 821. MOTOR FUEL TAX ENFORCEMENT ADVISORY COMMISSION.

(a) IN GENERAL.—Section 11141 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users is amended to read as follows:

''SEC. 11141. MOTOR FUEL TAX ENFORCEMENT ADVISORY COMMISSION.

''(a) ESTABLISHMENT.—There is established a Motor Fuel Tax Enforcement Advisory Commission (in this section referred to as the 'Commission').

''(b) MEMBERSHIP.—

''(1) APPOINTMENT.—The Commission shall be composed of 14 members, of which—

''(A) 1 shall be appointed by the Administrator of the Federal Highway Administration as a representative of the Federal Highway Administration,

''(B) 1 shall be appointed by the Inspector General for the Department of Transportation as a representative the Office of Inspector General for the Department of Transportation,

''(C) 1 shall be appointed by the Secretary of Transportation as a representative of the Department of Transportation,

''(D) 1 shall be appointed by the Secretary of Homeland Security to be a representative of the Department of Homeland Security,

''(E) 1 shall be appointed by the Secretary of Defense to be a representative of the Department of Defense,

''(F) 1 shall be appointed by the Attorney General to be a representative of the Department of Justice,

''(G) 2 shall be appointed by the Chairman of the Committee on Finance of the Senate,

''(H) 2 shall be appointed by the Ranking Member of the Committee on Finance of the Senate,

''(I) 2 shall be appointed by Chairman of the Committee on Ways and Means of the House of Representatives, and

''(J) 2 shall be appointed by Ranking Member of the Committee on Ways and Means of the House of Representatives.

''(2) QUALIFICATION FOR CERTAIN MEMBERS.—Of the members appointed under subparagraphs (G), (H), (I) and (J)—

''(A) at least 1 shall be representative from the Federation of State Tax Administrators,

''(B) at least 1shall be a representative from any State department of transportation,

''(C) at least 1 shall be a representative from the retail fuel industry, and

''(D) at least 1 shall be a representative from industries relating to fuel distribution (such a refiners, distributors, pipeline operators, and terminal operators).

''(3) TERMS.—Members shall be appointed for the life of the Commission.

''(4) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

''(5) TRAVEL EXPENSES.—Members of the Commission shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

''(6) CHAIRMAN.—The Chairman of the Commission shall be elected by the members.

''(c) DUTIES.—

''(1) IN GENERAL.—The Commission shall—

''(A) review motor fuel revenue collections, historical and current;

''(B) review the progress of investigations;

''(C) develop and review legislative proposals with respect to motor fuel taxes;

''(D) monitor the progress of administrative regulation projects relating to motor fuel taxes;

''(E) evaluate and make recommendations to the President and Congress regarding—

''(i) the effectiveness of existing Federal enforcement programs regarding motor fuel taxes,

''(ii) enforcement personnel allocation, and

''(iii) proposals for regulatory projects, legislation, and funding.

''(2) REPORT.—Not later than September 30, 2009, the Commission shall submit to Congress a final report that contains a detailed statement on the findings and conclusions of the Commission, together with recommendations for such legislation and administrative action as the Commission considers appropriate or necessary.

''(d) POWERS.—

''(1) HEARINGS.—The Commission may hold such hearings for the purpose of carrying out this Act, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this Act. The Commission may administer oaths and affirmations to witnesses appearing before the Commission.

''(2) OBTAINING DATA.—The Commission may secure directly from any department or agency of the United States, information (other than information required by any law to be kept confidential by such department or agency) necessary for the Commission to carry out its duties under this section. Upon request of the Commission, the head of that department or agency shall furnish such nonconfidential information to the Commission. The Commission shall also gather evidence through such means as it may determine appropriate, including through holding hearings and soliciting comments by means of Federal Register notices.

''(3) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

''(4) GIFTS.—The Commission may accept, hold, administer, and utilize gifts, donations, and requests of property, both real and personal, for the purposes of aiding or facilitating the work of the Commission. Gifts and bequests of money, and the proceeds from the sale of any other property received as gifts or bequests, shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Commission. For purposes of Federal income, estate, and gift taxation, property accepted under this section shall be considered as a gift or bequest to or for the use of the United States.

''(e) SUPPORT SERVICES.—

''(1) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Secretary of Transportation shall provide to the Commission administrative support services necessary to enable the Commission to carry out its duties under this Act.

''(2) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

''(3) VOLUNTARY SERVICES.—

''(A) IN GENERAL.—Notwithstanding the provisions of section 1342 of title 31, United States Code, the Commission is authorized to accept and utilize the services of volunteers serving without compensation. The Commission may reimburse such volunteers for local travel and office supplies, and for other travel expenses, including per diem in lieu of subsistence as authorized by section 5703, United States Code.

''(B) TREATMENT OF VOLUNTEERS.—A person providing volunteer services to the Commission shall be considered an employee of the Federal Government in the performance of those services for the purposes of the following provisions of law:

''(i) chapter 81 of title 5, United States Code, relating to compensation for work-related injuries;

''(ii) chapter 171 of title 28, United States Code, relating to tort claims; and

''(iii) chapter 11 of title 18, United States Code, relating to conflicts of interest.

''(4) CONSULTATION.—Upon request of the Commission, representatives of the Department of the Treasury and the Internal Revenue Service shall be available for consultation to assist the Commission in carrying out its duties under this section.

''(5) COOPERATION.—The staff of the Department of Transportation, the Department of Homeland Security, the Department of Justice, and the Department of Defense shall cooperate with the Commission as necessary.

''(f) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

''(g) TERMINATION.—

''(1) IN GENERAL.—The Commission shall terminate on the date that is 90 days after the date on which the Commission submits the report required under subsection (c)(2).

''(2) RECORDS.—Not later than the date on which the Commission terminates, the Commission shall transmit all records of the Commission to the National Archives.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 822. HIGHWAY TRUST FUND CONFORMING EXPENDITURE AMENDMENT.

(a) IN GENERAL.—Subsections (c)(1) and (e)(3) of section 9503 are each amended by inserting '', as amended by An Act to authorize additional funds for emergency repairs and reconstruction of the Interstate I-35 bridge located in Minneapolis, Minnesota, that collapsed on August 1, 2007, to waive the $100,000,000 limitation on emergency relief funds for those emergency repairs and reconstruction, and for other purposes,'' after ''Users''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of An Act to authorize additional funds for emergency repairs and reconstruction of the Interstate I-35 bridge located in Minneapolis, Minnesota, that collapsed on August 1, 2007, to waive the $100,000,000 limitation on emergency relief funds for those emergency repairs and reconstruction, and for other purposes.

Subtitle C—Additional Infrastructure Modifications and Revenue Provisions

SEC. 831. RESTRUCTURING OF NEW YORK LIBERTY ZONE TAX CREDITS.

(a) IN GENERAL.—Part I of subchapter Y of chapter 1 is amended by redesignating section 1400L as 1400K and by adding at the end the following new section:

''SEC. 1400L. NEW YORK LIBERTY ZONE TAX CREDITS.

''(a) IN GENERAL.—In the case of a New York Liberty Zone governmental unit, there

shall be allowed as a credit against any taxes imposed for any payroll period by section 3402 for which such governmental unit is liable under section 3403 an amount equal to so much of the portion of the qualifying project expenditure amount allocated under subsection (b)(3) to such governmental unit for the calendar year as is allocated by such governmental unit to such period under subsection (b)(4).

''(b) QUALIFYING PROJECT EXPENDITURE AMOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualifying project expenditure amount' means, with respect to any calendar year, the sum of—

''(A) the total expenditures paid or incurred during such calendar year by all New York Liberty Zone governmental units and the Port Authority of New York and New Jersey for any portion of qualifying projects located wholly within the City of New York, New York, and

''(B) any such expenditures—

''(i) paid or incurred in any preceding calendar year which begins after the date of enactment of this section, and

''(ii) not previously allocated under paragraph (3).

''(2) QUALIFYING PROJECT.—The term 'qualifying project' means any transportation infrastructure project, including highways, mass transit systems, railroads, airports, ports, and waterways, in or connecting with the New York Liberty Zone (as defined in section 1400K(h)), which is designated as a qualifying project under this section jointly by the Governor of the State of New York and the Mayor of the City of New York, New York.

''(3) GENERAL ALLOCATION.—

''(A) IN GENERAL.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly allocate to each New York Liberty Zone governmental unit the portion of the qualifying project expenditure amount which may be taken into account by such governmental unit under subsection (a) for any calendar year in the credit period.

''(B) AGGREGATE LIMIT.—The aggregate amount which may be allocated under subparagraph (A) for all calendar years in the credit period shall not exceed $2,000,000,000.

''(C) ANNUAL LIMIT.—

''(i) IN GENERAL.—The aggregate amount which may be allocated under subparagraph (A) for any calendar year in the credit period shall not exceed the sum of—

''(I) the applicable limit, plus

''(II) the aggregate amount authorized to be allocated under this paragraph for all preceding calendar years in the credit period which was not so allocated.

''(ii) APPLICABLE LIMIT.—For purposes of clause (i), the applicable limit for any calendar year in the credit period is $169,000,000 and in the case of any calendar year after 2020, zero.

''(D) UNALLOCATED AMOUNTS AT END OF CREDIT PERIOD.—If, as of the close of the credit period, the amount under subparagraph (B) exceeds the aggregate amount allocated under subparagraph (A) for all calendar years in the credit period, the Governor of the State of New York and the Mayor of the City of New York, New York, may jointly allocate to New York Liberty Zone governmental units for any calendar year in the 5-year period following the credit period an amount equal to—

''(i) the lesser of—

''(I) such excess, or

''(II) the qualifying project expenditure amount for such calendar year, reduced by

''(ii) the aggregate amount allocated under this subparagraph for all preceding calendar years.

''(4) ALLOCATION TO PAYROLL PERIODS.—Each New York Liberty Zone governmental unit which has been allocated a portion of the qualifying project expenditure amount under paragraph (3) for a calendar year may allocate such portion to payroll periods beginning in such calendar year as such governmental unit determines appropriate.

''(c) CARRYOVER OF UNUSED ALLOCATIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), if the amount allocated under subsection (b)(3) to a New York Liberty Zone governmental unit for any calendar year exceeds the aggregate taxes imposed by section 3402 for which such governmental unit is liable under section 3403 for periods beginning in such year, such excess shall be carried to the succeeding calendar year and added to the allocation of such governmental unit for such succeeding calendar year. No amount may be carried under the preceding sentence to a calendar year after 2025.

''(2) REALLOCATION.—If a New York Liberty Zone governmental unit does not use an amount allocated to it under subsection (b)(3) within the time prescribed by the Governor of the State of New York and the Mayor of the City of New York, New York, then such amount shall after such time be treated for purposes of subsection (b)(3) in the same manner as if it had never been allocated.

''(d) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) CREDIT PERIOD.—The term 'credit period' means the 12-year period beginning on January 1, 2009.

''(2) NEW YORK LIBERTY ZONE GOVERNMENTAL UNIT.—The term 'New York Liberty Zone governmental unit' means—

''(A) the State of New York,

''(B) the City of New York, New York, and

''(C) any agency or instrumentality of such State or City.

''(3) TREATMENT OF FUNDS.—Any expenditure for a qualifying project taken into account for purposes of the credit under this section shall be considered State and local funds for the purpose of any Federal program.

''(4) TREATMENT OF CREDIT AMOUNTS FOR PURPOSES OF WITHHOLDING TAXES.—For purposes of this title, a New York Liberty Zone governmental unit shall be treated as having paid to the Secretary, on the day on which wages are paid to employees, an amount equal to the amount of the credit allowed to such entity under subsection (a) with respect to such wages, but only if such governmental unit deducts and withholds wages for such payroll period under section 3401 (relating to wage withholding).

''(e) REPORTING.—The Governor of the State of New York and the Mayor of the City of New York, New York, shall jointly submit to the Secretary an annual report—

''(1) which certifies—

''(A) the qualifying project expenditure amount for the calendar year, and

''(B) the amount allocated to each New York Liberty Zone governmental unit under subsection (b)(3) for the calendar year, and

''(2) includes such other information as the Secretary may require to carry out this section.

''(f) GUIDANCE.—The Secretary may prescribe such guidance as may be necessary or appropriate to ensure compliance with the purposes of this section.

''(g) TERMINATION.—No credit shall be allowed under subsection (a) for any calender year after 2025.''.

(b) TERMINATION OF SPECIAL ALLOWANCE AND EXPENSING.—Section 1400K(b)(2)(A)(v), as redesignated by subsection (a), is amended by striking ''the termination date'' and inserting ''the date of the enactment of the American Infrastructure Investment and Improvement Act of 2008 or the termination date if pursuant to a binding contract in effect on such enactment date''.

(c) CONFORMING AMENDMENTS.—

(1) Section 38(c)(3)(B) is amended by striking ''section 1400L(a)'' and inserting ''section 1400K(a)''.

(2) Section 168(k)(2)(D)(ii) is amended by striking ''section 1400L(c)(2)'' and inserting ''1400K(c)(2)''.

(3) The table of sections for part I of subchapter Y of chapter 1 is amended by striking ''1400L'' and inserting ''1400K''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to periods beginning after December 31, 2008.

(2) TERMINATION OF SPECIAL ALLOWANCE AND EXPENSING.—The amendment made by subsection (b) shall take effect on the date of the enactment of this Act.

SEC. 832. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.

(a) IN GENERAL.—Section 402A(e)(1) (defining applicable retirement plan) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following:

''(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).''.

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) (defining elective deferral) is amended to read as follows:

''(2) ELECTIVE DEFERRAL.—The term 'elective deferral' means—

''(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

''(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

SEC. 833. INCREASED INFORMATION RETURN PENALTIES.

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Section 6721(a)(1) (relating to imposition of penalty) is amended—

(A) by striking ''$50'' and inserting ''$250'', and

(B) by striking ''$250,000'' and inserting ''$3,000,000''.

(2) REDUCTION WHERE CORRECTION IN SPECIFIED PERIOD.—

(A) CORRECTION WITHIN 30 DAYS.—Section 6721(b)(1) is amended—

(i) by striking ''$15'' and inserting ''$50'',

(ii) by striking ''in lieu of $50'' and inserting ''in lieu of $250'', and

(iii) by striking ''$75,000'' and inserting ''$500,000''.

(B) FAILURES CORRECTED ON OR BEFORE AUGUST 1.—Section 6721(b)(2) is amended—

(i) by striking ''$30'' and inserting ''$100'',

(ii) by striking ''$50'' and inserting ''$250'', and

(iii) by striking ''$150,000'' and inserting ''$1,500,000''.

(3) LOWER LIMITATION FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN $5,000,000.—Section 6721(d)(1) is amended—

(A) in subparagraph (A)—

(i) by striking ''$100,000'' and inserting ''$1,000,000'', and

(ii) by striking ''$250,000'' and inserting ''$3,000,000'',

(B) in subparagraph (B)—

(i) by striking ''$25,000'' and inserting ''$175,000'', and

(ii) by striking ''$75,000'' and inserting ''$500,000'', and

(C) in subparagraph (C)—

(i) by striking ''$50,000'' and inserting ''$500,000'', and

(ii) by striking ''$150,000'' and inserting ''$1,500,000''.

(4) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Section 6721(e) is amended—

(A) by striking ''$100'' in paragraph (2) and inserting ''$500'',

(B) by striking ''$250,000'' in paragraph (3)(A) and inserting ''$3,000,000''.

(b) FAILURE TO FURNISH CORRECT PAYEE STATEMENTS.—

(1) IN GENERAL.—Section 6722(a) is amended—

(A) by striking ''$50'' and inserting ''$250'', and

(B) by striking ''$100,000'' and inserting ''$1,000,000''.

(2) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Section 6722(c) is amended—

(A) by striking ''$100'' in paragraph (1) and inserting ''$500'', and

(B) by striking ''$100,000'' in paragraph (2)(A) and inserting ''$1,000,000''.

(c) FAILURE TO COMPLY WITH OTHER INFORMATION REPORTING REQUIREMENTS.—Section 6723 is amended—

(1) by striking ''$50'' and inserting ''$250'', and

(2) by striking ''$100,000'' and inserting ''$1,000,000''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2009.

SEC. 834. EXEMPTION OF CERTAIN COMMERCIAL CARGO FROM HARBOR MAINTENANCE TAX.

(a) IN GENERAL.—Section 4462 is amended—

(1) by redesignating subsection (i) as subsection (j), and

(2) by inserting after subsection (h) the following new subsection:

''(i) EXEMPTION FOR CERTAIN CARGO TRANSPORTED ON THE GREAT LAKES SAINT LAWRENCE SEAWAY SYSTEM.—

''(1) IN GENERAL.—No tax shall be imposed under section 4461(a) with respect to—

''(A) commercial cargo (other than bulk cargo) loaded at a port in the United States located in the Great Lakes Saint Lawrence Seaway System and unloaded at another port in the United States located in such system, and

''(B) commercial cargo (other than bulk cargo) unloaded at a port in the United States located in the Great Lakes Saint Lawrence Seaway System which was loaded at a port in Canada located in such system.

''(2) BULK CARGO.—For purposes of this subsection, the term 'bulk cargo' shall have the meaning given such term by section 53101(1) of title 46, United States Code (as in effect on the date of the enactment of this section).

''(3) GREAT LAKES SAINT LAWRENCE SEAWAY SYSTEM.—For purposes of this subsection, the term 'Great Lakes Saint Lawrence Seaway System' means the waterway between Duluth, Minnesota and Sept. Iles, Quebec, encompassing the five Great Lakes, their connecting channels, and the Saint Lawrence River.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 835. CREDIT TO HOLDERS OF QUALIFIED RAIL INFRASTRUCTURE BONDS.

(a) IN GENERAL.—Subpart H of part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by adding at the end the following new section:

''SEC. 54A. CREDIT TO HOLDERS OF QUALIFIED RAIL INFRASTRUCTURE BONDS.

''(a) ALLOWANCE OF CREDIT.—If a taxpayer holds a qualified rail infrastructure bond on 1 or more credit allowance dates of the bond occurring during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to such dates.

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified rail infrastructure bond is 25 percent of the annual credit determined with respect to such bond.

''(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified rail infrastructure bond is the product of—

''(A) the credit rate determined by the Secretary under paragraph (3) for the day on which such bond was sold, multiplied by

''(B) the outstanding face amount of the bond.

''(3) DETERMINATION.—For purposes of paragraph (2), with respect to any qualified rail infrastructure bond, the Secretary shall determine daily or cause to be determined daily a credit rate which shall apply to the first day on which there is a binding, written contract for the sale or exchange of the bond. The credit rate for any day is the credit rate which the Secretary or the Secretary's designee estimates will permit the issuance of qualified rail infrastructure bonds with a specified maturity or redemption date, without discount and without interest cost to the qualified issuer.

''(4) CREDIT ALLOWANCE DATE.—For purposes of this section, the term 'credit allowance date' means—

''(A) March 15,

''(B) June 15,

''(C) September 15, and

''(D) December 15.

Such term also includes the last day on which the bond is outstanding.

''(5) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

''(c) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(2) the sum of the credits allowable under this part (other than this subpart, subpart C, and section 1400N(1)).

''(d) QUALIFIED RAIL INFRASTRUCTURE BOND.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified rail infrastructure bond' means any bond issued as part of an issue if—

''(A) the bond is issued by a qualified issuer pursuant to an allocation by the Secretary to such issuer of a portion of the national qualified rail infrastructure bond annual limitation under subsection (f)(2) by not later than the end of the calendar year following the year of such allocation,

''(B) 95 percent or more of the proceeds of such issue are to be used for capital expenditures incurred for 1 or more qualified projects,

''(C) the qualified issuer designates such bond for purposes of this section and the bond is in registered form, and

''(D) the issue meets the requirements of subsection (h).

''(2) QUALIFIED PROJECT; SPECIAL USE RULES.—

''(A) IN GENERAL.—The term 'qualified project' means a project eligible under section 26101(b) of title 49, United States Code (determined without regard to paragraph (2) thereof), which the Secretary determines was selected using the criteria of subsection (c) of such section 26101 by the Secretary of Transportation, that makes a substantial contribution to improving a rail transportation corridor for intercity passenger rail use.

''(B) CERTIFICATION REQUIRED REGARDING CERTAIN PROJECTS.—The Secretary shall not consider a project to be a qualified project unless an applicant certifies to the Secretary that—

''(i) if a project involves a rail transportation corridor which includes the use of rights-of-way owned by a freight railroad, the applicant has entered into a written agreement with such freight railroad regarding the use of the rights-of-way and has received assurances that collective bargaining agreements between such freight railroad and its employees (including terms regarding the contracting of work performed on such corridor) shall remain in full force and effect during the term of such written agreement,

''(ii) any person which provides railroad transportation over infrastructure improved or acquired pursuant to this section, is a rail carrier as defined by section 10102 of title 49, United States Code, and

''(iii) the applicant shall, with respect to improvements to rail infrastructure made pursuant to this section, comply with the standards applicable to construction work in such title 49, in the same manner in which the National Railroad Passenger Corporation is required to comply with such standards.

''(C) REFINANCING RULES.—For purposes of paragraph (1)(B), a qualified project may be refinanced with proceeds of a qualified rail infrastructure bond only if the indebtedness being refinanced (including any obligation directly or indirectly refinanced by such indebtedness) was originally incurred after the date of the enactment of this section.

''(D) REIMBURSEMENT.—For purposes of paragraph (1)(B), a qualified rail infrastructure bond may be issued to reimburse for amounts paid after the date of the enactment of this section with respect to a qualified project, but only if—

''(i) prior to the payment of the original expenditure, the issuer declared its intent to reimburse such expenditure with the proceeds of a qualified rail infrastructure bond,

''(ii) not later than 60 days after payment of the original expenditure, the qualified issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

''(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

''(E) TREATMENT OF CHANGES IN USE.—For purposes of paragraph (1)(B), the proceeds of an issue shall not be treated as used for a qualified project to the extent that a qualified issuer takes any action within its control which causes such proceeds not to be used for a qualified project. The Secretary shall prescribe regulations specifying remedial actions that may be taken (including conditions to taking such remedial actions) to prevent an action described in the preceding sentence from causing a bond to fail to be a qualified rail infrastructure bond.

''(e) MATURITY LIMITATIONS.—

''(1) DURATION OF TERM.—A bond shall not be treated as a qualified rail infrastructure bond if the maturity of such bond exceeds the maximum term determined by the Secretary under paragraph (2) with respect to such bond.

''(2) MAXIMUM TERM.—During each calendar month, the Secretary shall determine the

maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined without regard to the requirements of paragraph (3) and using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

''(3) RATABLE PRINCIPAL AMORTIZATION REQUIRED.—A bond shall not be treated as a qualified rail infrastructure bond unless it is part of an issue which provides for an equal amount of principal to be paid by the qualified issuer during each 12-month period that the issue is outstanding (other than the first 12-month period).

''(f) ANNUAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(1) NATIONAL ANNUAL LIMITATION.—There is a national qualified rail infrastructure bond annual limitation for each calendar year. Such limitation is $900,000,000 for 2009, 2010, and 2011, and, except as provided in paragraph (3), zero thereafter.

''(2) ALLOCATION BY SECRETARY.—The national qualified rail infrastructure bond annual limitation for a calendar year shall be allocated by the Secretary among qualified projects in such manner as the Secretary determines appropriate.

''(3) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year, the national qualified rail infrastructure bond annual limitation for such year exceeds the amount of bonds allocated during such year, such limitation for the following calendar year shall be increased by the amount of such excess. Any carryforward of a limitation may be carried only to the first 2 years following the unused limitation year. For purposes of the preceding sentence, a limitation shall be treated as used on a first-in first-out basis.

''(g) CREDIT TREATED AS INTEREST.—For purposes of this title, the credit determined under subsection (a) shall be treated as interest which is includible in gross income.

''(h) SPECIAL RULES RELATING TO EXPENDITURES.—

''(1) IN GENERAL.—An issue shall be treated as meeting the requirements of this subsection if, as of the date of issuance, the qualified issuer reasonably expects—

''(A) at least 95 percent of the proceeds of the issue are to be spent for 1 or more qualified projects within the 5-year period beginning on the date of issuance of the qualified rail infrastructure bond,

''(B) a binding commitment with a third party to spend at least 10 percent of the proceeds of the issue will be incurred within the 6-month period beginning on the date of issuance of the qualified rail infrastructure bond, and

''(C) such projects will be completed with due diligence and the proceeds from the sale of the issue will be spent with due diligence.

''(2) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the period described in paragraph (1)(A), the Secretary may extend such period if the qualified issuer establishes that the failure to satisfy the 5-year requirement is due to reasonable cause and the related projects will continue to proceed with due diligence.

''(3) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 5 YEARS.—To the extent that less than 95 percent of the proceeds of such issue are expended by the close of the 5-year period beginning on the date of issuance (or if an extension has been obtained under paragraph (2), by the close of the extended period), the qualified issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

''(i) SPECIAL RULES RELATING TO ARBITRAGE.—A bond which is part of an issue shall not be treated as a qualified rail infrastructure bond unless, with respect to the issue of which the bond is a part, the qualified issuer satisfies the arbitrage requirements of section 148 with respect to proceeds of the issue.

''(j) SPECIAL RULES RELATING TO POOL BONDS.—No portion of a pooled financing bond may be allocable to loan unless the borrower has entered into a written loan commitment for such portion prior to the issue date of such issue.

''(k) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) BOND.—The term 'bond' includes any obligation.

''(2) POOLED FINANCING BOND.—The term 'pooled financing bond' shall have the meaning given such term by section 149(f)(4)(A).

''(3) QUALIFIED ISSUER.—The term 'qualified issuer' means 1 or more States or an interstate compact of States.

''(4) STATE.—The term 'State' includes the District of Columbia and any possession of the United States.

''(5) S CORPORATIONS AND PARTNERSHIPS.—In the case of a qualified rail infrastructure bond held by an S corporation or partnership, the allocation of the credit allowed by this section to the shareholders of the corporation or partners of such partnership shall be treated as a distribution.

''(6) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any qualified rail infrastructure bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

''(7) REPORTING.—Issuers of qualified rail infrastructure bonds shall submit reports similar to the reports required under section 149(e).

''(8) TERMINATION.—This section shall not apply with respect to any bond issued after December 31, 2013.''.

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(9) REPORTING OF CREDIT ON QUALIFIED RAIL INFRASTRUCTURE BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54A(g) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(b)(4)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A), subsection (b)(4) shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i) of such subsection.

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart H of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 54A. Credit to holders of qualified rail infrastructure bonds.''.

(2) Section 54(c)(2) is amended by inserting '', section 54A,'' after ''subpart C''.

(d) ISSUANCE OF REGULATIONS.—The Secretary of Treasury shall issue regulations required under section 54A of the Internal Revenue Code of 1986 (as added by this section) not later than 120 days after the date of the enactment of this Act.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 836. REPEAL OF SUSPENSION OF CERTAIN PENALTIES AND INTEREST.

(a) IN GENERAL.—Section 6404 is amended by striking subsection (g).

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to notices provided by the Secretary of the Treasury, or his delegate after the date which is 6 months after the date of the enactment of the Small Business and Work Opportunity Tax Act of 2007.

(2) EXCEPTION FOR CERTAIN TAXPAYERS.—The amendments made by this section shall not apply to any taxpayer with respect to whom a suspension of any interest, penalty, addition to tax, or other amount is in effect on the date which is 6 months after the date of the enactment of the Small Business and Work Opportunity Tax Act of 2007.

SEC. 837. DENIAL OF DEDUCTION FOR CERTAIN FINES, PENALTIES, AND OTHER AMOUNTS.

(a) IN GENERAL.—Subsection (f) of section 162 (relating to trade or business expenses) is amended to read as follows:

''(f) FINES, PENALTIES, AND OTHER AMOUNTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no deduction otherwise allowable shall be allowed under this chapter for any amount paid or incurred (whether by suit, agreement, or otherwise) to, or at the direction of, a government or entity described in paragraph (4) in relation to—

''(A) the violation of any law, or

''(B) an investigation or inquiry into the potential violation of any law which is initiated by such government or entity.

''(2) EXCEPTION FOR AMOUNTS CONSTITUTING RESTITUTION OR PAID TO COME INTO COMPLIANCE WITH LAW.—Paragraph (1) shall not apply to any amount which—

''(A) the taxpayer establishes—

''(i) constitutes restitution (or remediation of property) for damage or harm caused by, or which may be caused by, the violation of any law or the potential violation of any law, or

''(ii) is paid to come into compliance with any law which was violated or involved in the investigation or inquiry, and

''(B) is identified as an amount described in clause (i) or (ii) of subparagraph (A), as the case may be, in the court order or settlement agreement, except that the requirement of this subparagraph shall not apply in the case of any settlement agreement which requires the taxpayer to pay or incur an amount not greater than $1,000,000.

A taxpayer shall not meet the requirements of subparagraph (A) solely by reason an identification under subparagraph (B). This paragraph shall not apply to any amount paid or incurred as reimbursement to the government or entity for the costs of any investigation or litigation unless such amount is paid or incurred for a cost or fee regularly charged for any routine audit or other customary review performed by the government or entity.

''(3) EXCEPTION FOR AMOUNTS PAID OR INCURRED AS THE RESULT OF CERTAIN COURT ORDERS.—Paragraph (1) shall not apply to any amount paid or incurred by order of a court in a suit in which no government or entity described in paragraph (4) is a party.

''(4) CERTAIN NONGOVERNMENTAL REGULATORY ENTITIES.—An entity is described in this paragraph if it is—

''(A) a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) in connection with a qualified board or exchange (as defined in section 1256(g)(7)), or

''(B) to the extent provided in regulations, a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) as part of performing an essential governmental function.

''(5) EXCEPTION FOR TAXES DUE.—Paragraph (1) shall not apply to any amount paid or incurred as taxes due.''.

(b) REPORTING OF DEDUCTIBLE AMOUNTS.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 is amended by inserting after section 6050V the following new section:

''SEC. 6050W. INFORMATION WITH RESPECT TO CERTAIN FINES, PENALTIES, AND OTHER AMOUNTS.

''(a) REQUIREMENT OF REPORTING.—

''(1) IN GENERAL.—The appropriate official of any government or entity which is described in section 162(f)(4) which is involved in a suit or agreement described in paragraph (2) shall make a return in such form as determined by the Secretary setting forth—

''(A) the amount required to be paid as a result of the suit or agreement to which paragraph (1) of section 162(f) applies,

''(B) any amount required to be paid as a result of the suit or agreement which constitutes restitution or remediation of property, and

''(C) any amount required to be paid as a result of the suit or agreement for the purpose of coming into compliance with any law which was violated or involved in the investigation or inquiry.

''(2) SUIT OR AGREEMENT DESCRIBED.—

''(A) IN GENERAL.—A suit or agreement is described in this paragraph if—

''(i) it is—

''(I) a suit with respect to a violation of any law over which the government or entity has authority and with respect to which there has been a court order, or

''(II) an agreement which is entered into with respect to a violation of any law over which the government or entity has authority, or with respect to an investigation or inquiry by the government or entity into the potential violation of any law over which such government or entity has authority, and

''(ii) the aggregate amount involved in all court orders and agreements with respect to the violation, investigation, or inquiry is $600 or more.

''(B) ADJUSTMENT OF REPORTING THRESHOLD.—The Secretary may adjust the $600 amount in subparagraph (A)(ii) as necessary in order to ensure the efficient administration of the internal revenue laws.

''(3) TIME OF FILING.—The return required under this subsection shall be filed not later than—

''(A) 30 days after the date on which a court order is issued with respect to the suit or the date the agreement is entered into, as the case may be, or

''(B) the date specified by the Secretary.

''(b) STATEMENTS TO BE FURNISHED TO INDIVIDUALS INVOLVED IN THE SETTLEMENT.—Every person required to make a return under subsection (a) shall furnish to each person who is a party to the suit or agreement a written statement showing—

''(1) the name of the government or entity, and

''(2) the information supplied to the Secretary under subsection (a)(1).

The written statement required under the preceding sentence shall be furnished to the person at the same time the government or entity provides the Secretary with the information required under subsection (a).

''(c) APPROPRIATE OFFICIAL DEFINED.—For purposes of this section, the term 'appropriate official' means the officer or employee having control of the suit, investigation, or inquiry or the person appropriately designated for purposes of this section.''.

(2) CONFORMING AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6050V the following new item:

''Sec. 6050W. Information with respect to certain fines, penalties, and other amounts.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred on or after the date of the enactment of this Act, except that such amendments shall not apply to amounts paid or incurred under any binding order or agreement entered into before such date. Such exception shall not apply to an order or agreement requiring court approval unless the approval was obtained before such date.

SEC. 838. REVISION OF TAX RULES ON EXPATRIATION.

(a) IN GENERAL.—Subpart A of part II of subchapter N of chapter 1 is amended by inserting after section 877 the following new section:

''SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

''(a) GENERAL RULES.—For purposes of this subtitle—

''(1) MARK TO MARKET.—All property of a covered expatriate shall be treated as sold on the day before the expatriation date for its fair market value.

''(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

''(A) notwithstanding any other provision of this title, any gain arising from such sale shall be taken into account for the taxable year of the sale, and

''(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

Proper adjustment shall be made in the amount of any gain or loss subsequently realized for gain or loss taken into account under the preceding sentence, determined without regard to paragraph (3).

''(3) EXCLUSION FOR CERTAIN GAIN.—

''(A) IN GENERAL.—The amount which would (but for this paragraph) be includible in the gross income of any individual by reason of paragraph (1) shall be reduced (but not below zero) by $600,000.

''(B) ADJUSTMENT FOR INFLATION.—

''(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2008, the dollar amount in subparagraph (A) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2007' for 'calendar year 1992' in subparagraph (B) thereof.

''(ii) ROUNDING.—If any amount as adjusted under clause (i) is not a multiple of $1,000, such amount shall be rounded to the nearest multiple of $1,000.

''(b) ELECTION TO DEFER TAX.—

''(1) IN GENERAL.—If the taxpayer elects the application of this subsection with respect to any property treated as sold by reason of subsection (a), the time for payment of the additional tax attributable to such property shall be extended until the due date of the return for the taxable year in which such property is disposed of (or, in the case of property disposed of in a transaction in which gain is not recognized in whole or in part, until such other date as the Secretary may prescribe).

''(2) DETERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraph (1), the additional tax attributable to any property is an amount which bears the same ratio to the additional tax imposed by this chapter for the taxable year solely by reason of subsection (a) as the gain taken into account under subsection (a) with respect to such property bears to the total gain taken into account under subsection (a) with respect to all property to which subsection (a) applies.

''(3) TERMINATION OF EXTENSION.—The due date for payment of tax may not be extended under this subsection later than the due date for the return of tax imposed by this chapter for the taxable year which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

''(4) SECURITY.—

''(A) IN GENERAL.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided with respect to such property.

''(B) ADEQUATE SECURITY.—For purposes of subparagraph (A), security with respect to any property shall be treated as adequate security if—

''(i) it is a bond which is furnished to, and accepted by, the Secretary, which is conditioned on the payment of tax (and interest thereon), and which meets the requirements of section 6325, or

''(ii) it is another form of security for such payment (including letters of credit) that meets such requirements as the Secretary may prescribe.

''(5) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) unless the taxpayer makes an irrevocable waiver of any right under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

''(6) ELECTIONS.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable.

''(7) INTEREST.—For purposes of section 6601, the last date for the payment of tax shall be determined without regard to the election under this subsection.

''(c) EXCEPTION FOR CERTAIN PROPERTY.—Subsection (a) shall not apply to—

''(1) any deferred compensation item (as defined in subsection (d)(4)),

''(2) any specified tax deferred account (as defined in subsection (e)(2)), and

''(3) any interest in a nongrantor trust (as defined in subsection (f)(3)).

''(d) TREATMENT OF DEFERRED COMPENSATION ITEMS.—

''(1) WITHHOLDING ON ELIGIBLE DEFERRED COMPENSATION ITEMS.—

''(A) IN GENERAL.—In the case of any eligible deferred compensation item, the payor shall deduct and withhold from any taxable payment to a covered expatriate with respect to such item a tax equal to 30 percent thereof.

''(B) TAXABLE PAYMENT.—For purposes of subparagraph (A), the term 'taxable payment' means with respect to a covered expatriate any payment to the extent it would be includible in the gross income of the covered expatriate if such expatriate continued to be subject to tax as a citizen or resident of the United States. A deferred compensation item shall be taken into account as a payment

under the preceding sentence when such item would be so includible.

''(2) OTHER DEFERRED COMPENSATION ITEMS.—In the case of any deferred compensation item which is not an eligible deferred compensation item—

''(A)(i) with respect to any deferred compensation item to which clause (ii) does not apply, an amount equal to the present value of the covered expatriate's accrued benefit shall be treated as having been received by such individual on the day before the expatriation date as a distribution under the plan, and

''(ii) with respect to any deferred compensation item referred to in paragraph (4)(D), the rights of the covered expatriate to such item shall be treated as becoming transferable and not subject to a substantial risk of forfeiture on the day before the expatriation date,

''(B) no early distribution tax shall apply by reason of such treatment, and

''(C) appropriate adjustments shall be made to subsequent distributions from the plan to reflect such treatment.

''(3) ELIGIBLE DEFERRED COMPENSATION ITEMS.—For purposes of this subsection, the term 'eligible deferred compensation item' means any deferred compensation item with respect to which—

''(A) the payor of such item is—

''(i) a United States person, or

''(ii) a person who is not a United States person but who elects to be treated as a United States person for purposes of paragraph (1) and meets such requirements as the Secretary may provide to ensure that the payor will meet the requirements of paragraph (1), and

''(B) the covered expatriate—

''(i) notifies the payor of his status as a covered expatriate, and

''(ii) makes an irrevocable waiver of any right to claim any reduction under any treaty with the United States in withholding on such item.

''(4) DEFERRED COMPENSATION ITEM.—For purposes of this subsection, the term 'deferred compensation item' means—

''(A) any interest in a plan or arrangement described in section 219(g)(5),

''(B) any interest in a foreign pension plan or similar retirement arrangement or program,

''(C) any item of deferred compensation, and

''(D) any property, or right to property, which the individual is entitled to receive in connection with the performance of services to the extent not previously taken into account under section 83 or in accordance with section 83.

''(5) EXCEPTION.—Paragraphs (1) and (2) shall not apply to any deferred compensation item which is attributable to services performed outside the United States while the covered expatriate was not a citizen or resident of the United States.

''(6) SPECIAL RULES.—

''(A) APPLICATION OF WITHHOLDING RULES.—Rules similar to the rules of subchapter B of chapter 3 shall apply for purposes of this subsection.

''(B) APPLICATION OF TAX.—Any item subject to the withholding tax imposed under paragraph (1) shall be subject to tax under section 871.

''(C) COORDINATION WITH OTHER WITHHOLDING REQUIREMENTS.—Any item subject to withholding under paragraph (1) shall not be subject to withholding under section 1441 or chapter 24.

''(e) TREATMENT OF SPECIFIED TAX DEFERRED ACCOUNTS.—

''(1) ACCOUNT TREATED AS DISTRIBUTED.—In the case of any interest in a specified tax deferred account held by a covered expatriate on the day before the expatriation date—

''(A) the covered expatriate shall be treated as receiving a distribution of his entire interest in such account on the day before the expatriation date,

''(B) no early distribution tax shall apply by reason of such treatment, and

''(C) appropriate adjustments shall be made to subsequent distributions from the account to reflect such treatment.

''(2) SPECIFIED TAX DEFERRED ACCOUNT.—For purposes of paragraph (1), the term 'specified tax deferred account' means an individual retirement plan (as defined in section 7701(a)(37)) other than any arrangement described in subsection (k) or (p) of section 408, a qualified tuition program (as defined in section 529), a Coverdell education savings account (as defined in section 530), a health savings account (as defined in section 223), and an Archer MSA (as defined in section 220).

''(f) SPECIAL RULES FOR NONGRANTOR TRUSTS.—

''(1) IN GENERAL.—In the case of a distribution (directly or indirectly) of any property from a nongrantor trust to a covered expatriate—

''(A) the trustee shall deduct and withhold from such distribution an amount equal to 30 percent of the taxable portion of the distribution, and

''(B) if the fair market value of such property exceeds its adjusted basis in the hands of the trust, gain shall be recognized to the trust as if such property were sold to the expatriate at its fair market value.

''(2) TAXABLE PORTION.—For purposes of this subsection, the term 'taxable portion' means, with respect to any distribution, that portion of the distribution which would be includible in the gross income of the covered expatriate if such expatriate continued to be subject to tax as a citizen or resident of the United States.

''(3) NONGRANTOR TRUST.—For purposes of this subsection, the term 'nongrantor trust' means the portion of any trust that the individual is not considered the owner of under subpart E of part I of subchapter J. The determination under the preceding sentence shall be made immediately before the expatriation date.

''(4) SPECIAL RULES RELATING TO WITHHOLDING.—For purposes of this subsection—

''(A) rules similar to the rules of subsection (d)(6) shall apply, and

''(B) the covered expatriate shall be treated as having waived any right to claim any reduction under any treaty with the United States in withholding on any distribution to which paragraph (1)(A) applies.

''(g) DEFINITIONS AND SPECIAL RULES RELATING TO EXPATRIATION.—For purposes of this section—

''(1) COVERED EXPATRIATE.—

''(A) IN GENERAL.—The term 'covered expatriate' means an expatriate who meets the requirements of subparagraph (A), (B), or (C) of section 877(a)(2).

''(B) EXCEPTIONS.—An individual shall not be treated as meeting the requirements of subparagraph (A) or (B) of section 877(a)(2) if—

''(i) the individual—

''(I) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

''(II) has been a resident of the United States (as defined in section 7701(b)(1)(A)(ii)) for not more than 10 taxable years during the 15-taxable year period ending with the taxable year during which the expatriation date occurs, or

''(ii)(I) the individual's relinquishment of United States citizenship occurs before such individual attains age 18½, and

''(II) the individual has been a resident of the United States (as so defined) for not more than 10 taxable years before the date of relinquishment.

''(C) COVERED EXPATRIATES ALSO SUBJECT TO TAX AS CITIZENS OR RESIDENTS.—In the case of any covered expatriate who is subject to tax as a citizen or resident of the United States for any period beginning after the expatriation date, such individual shall not be treated as a covered expatriate during such period for purposes of subsections (d)(1) and (f) and section 2801.

''(2) EXPATRIATE.—The term 'expatriate' means—

''(A) any United States citizen who relinquishes his citizenship, and

''(B) any long-term resident of the United States who ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)).

''(3) EXPATRIATION DATE.—The term 'expatriation date' means—

''(A) the date an individual relinquishes United States citizenship, or

''(B) in the case of a long-term resident of the United States, the date on which the individual ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)).

''(4) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing his United States citizenship on the earliest of—

''(A) the date the individual renounces his United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

''(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)–(4)),

''(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

''(D) the date a court of the United States cancels a naturalized citizen's certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the issuance to the individual of a certificate of loss of nationality by the United States Department of State.

''(5) LONG-TERM RESIDENT.—The term 'long-term resident' has the meaning given to such term by section 877(e)(2).

''(6) EARLY DISTRIBUTION TAX.—The term 'early distribution tax' means any increase in tax imposed under section 72(t), 220(e)(4), 223(f)(4), 409A(a)(1)(B), 529(c)(6), or 530(d)(4).

''(h) OTHER RULES.—

''(1) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—

''(A) any time period for acquiring property which would result in the reduction in the amount of gain recognized with respect to property disposed of by the taxpayer shall terminate on the day before the expatriation date, and

''(B) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

''(2) STEP-UP IN BASIS.—Solely for purposes of determining any tax imposed by reason of subsection (a), property which was held by

an individual on the date the individual first became a resident of the United States (within the meaning of section 7701(b)) shall be treated as having a basis on such date of not less than the fair market value of such property on such date. The preceding sentence shall not apply if the individual elects not to have such sentence apply. Such an election, once made, shall be irrevocable.

''(3) COORDINATION WITH SECTION 684.—If the expatriation of any individual would result in the recognition of gain under section 684, this section shall be applied after the application of section 684.

''(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

(b) TAX ON GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—

(1) IN GENERAL.—Subtitle B (relating to estate and gift taxes) is amended by inserting after chapter 14 the following new chapter:

''CHAPTER 15—GIFTS AND BEQUESTS FROM EXPATRIATES

''Sec. 2801. Imposition of tax.

''SEC. 2801. IMPOSITION OF TAX.

''(a) IN GENERAL.—If, during any calendar year, any United States citizen or resident receives any covered gift or bequest, there is hereby imposed a tax equal to the product of—

''(1) the highest rate of tax specified in the table contained in section 2001(c) as in effect on the date of such receipt (or, if greater, the highest rate of tax specified in the table applicable under section 2502(a) as in effect on the date), and

''(2) the value of such covered gift or bequest.

''(b) TAX TO BE PAID BY RECIPIENT.—The tax imposed by subsection (a) on any covered gift or bequest shall be paid by the person receiving such gift or bequest.

''(c) EXCEPTION FOR CERTAIN GIFTS.—Subsection (a) shall apply only to the extent that the value of covered gifts and bequests received by any person during the calendar year exceeds $10,000.

''(d) TAX REDUCED BY FOREIGN GIFT OR ESTATE TAX.—The tax imposed by subsection (a) on any covered gift or bequest shall be reduced by the amount of any gift or estate tax paid to a foreign country with respect to such covered gift or bequest.

''(e) COVERED GIFT OR BEQUEST.—

''(1) IN GENERAL.—For purposes of this chapter, the term 'covered gift or bequest' means—

''(A) any property acquired by gift directly or indirectly from an individual who, at the time of such acquisition, is a covered expatriate, and

''(B) any property acquired directly or indirectly by reason of the death of an individual who, immediately before such death, was a covered expatriate.

''(2) EXCEPTIONS FOR TRANSFERS OTHERWISE SUBJECT TO ESTATE OR GIFT TAX.—Such term shall not include—

''(A) any property shown on a timely filed return of tax imposed by chapter 12 which is a taxable gift by the covered expatriate, and

''(B) any property included in the gross estate of the covered expatriate for purposes of chapter 11 and shown on a timely filed return of tax imposed by chapter 11 of the estate of the covered expatriate.

''(3) TRANSFERS IN TRUST.—

''(A) DOMESTIC TRUSTS.—In the case of a covered gift or bequest made to a domestic trust—

''(i) subsection (a) shall apply in the same manner as if such trust were a United States citizen, and

''(ii) the tax imposed by subsection (a) on such gift or bequest shall be paid by such trust.

''(B) FOREIGN TRUSTS.—

''(i) IN GENERAL.—In the case of a covered gift or bequest made to a foreign trust, subsection (a) shall apply to any distribution attributable to such gift or bequest from such trust (whether from income or corpus) to a United States citizen or resident in the same manner as if such distribution were a covered gift or bequest.

''(ii) DEDUCTION FOR TAX PAID BY RECIPIENT.—There shall be allowed as a deduction under section 164 the amount of tax imposed by this section which is paid or accrued by a United States citizen or resident by reason of a distribution from a foreign trust, but only to the extent such tax is imposed on the portion of such distribution which is included in the gross income of such citizen or resident.

''(iii) ELECTION TO BE TREATED AS DOMESTIC TRUST.—Solely for purposes of this section, a foreign trust may elect to be treated as a domestic trust. Such an election may be revoked with the consent of the Secretary.

''(f) COVERED EXPATRIATE.—For purposes of this section, the term 'covered expatriate' has the meaning given to such term by section 877A(g)(1).''.

(2) CLERICAL AMENDMENT.—The table of chapters for subtitle B is amended by inserting after the item relating to chapter 14 the following new item:

''CHAPTER 15. GIFTS AND BEQUESTS FROM EXPATRIATES.''.

(c) DEFINITION OF TERMINATION OF UNITED STATES CITIZENSHIP.—

(1) IN GENERAL.—Section 7701(a) is amended by adding at the end the following new paragraph:

''(50) TERMINATION OF UNITED STATES CITIZENSHIP.—

''(A) IN GENERAL.—An individual shall not cease to be treated as a United States citizen before the date on which the individual's citizenship is treated as relinquished under section 877A(g)(4).

''(B) DUAL CITIZENS.—Under regulations prescribed by the Secretary, subparagraph (A) shall not apply to an individual who became at birth a citizen of the United States and a citizen of another country.''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 877(e) is amended to read as follows:

''(1) IN GENERAL.—Any long-term resident of the United States who ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)) shall be treated for purposes of this section and sections 2107, 2501, and 6039G in the same manner as if such resident were a citizen of the United States who lost United States citizenship on the date of such cessation or commencement.''.

(B) Paragraph (6) of section 7701(b) is amended by adding at the end the following flush sentence:

''An individual shall cease to be treated as a lawful permanent resident of the United States if such individual commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country, does not waive the benefits of such treaty applicable to residents of the foreign country, and notifies the Secretary of the commencement of such treatment.''.

(C) Section 7701 is amended by striking subsection (n) and by redesignating subsections (o) and (p) as subsections (n) and (o), respectively.

(d) INFORMATION RETURNS.—Section 6039G is amended—

(1) by inserting ''or 877A'' after ''section 877(b)'' in subsection (a), and

(2) by inserting ''or 877A'' after ''section 877(a)'' in subsection (d).

(e) CLERICAL AMENDMENT.—The table of sections for subpart A of part II of subchapter N of chapter 1 is amended by inserting after the item relating to section 877 the following new item:

''Sec. 877A. Tax responsibilities of expatriation.''.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to expatriates (as defined in section 877A(g) of the Internal Revenue Code of 1986, as added by this section) whose expatriation date (as so defined) is on or after the date of the enactment of this Act.

(2) GIFTS AND BEQUESTS.—Chapter 15 of the Internal Revenue Code of 1986 (as added by subsection (b)) shall apply to covered gifts and bequests (as defined in section 2801 of such Code, as so added) received on or after the date of the enactment of this Act, regardless of when the transferor expatriated.○

SA 4586. Mr. MENENDEZ submitted an amendment intended to be proposed by him to the bill H.R. 2881, to amend title 49, United States Code, to authorize appropriations for the Federal Aviation Administration for fiscal years 2008 through 2011, to improve aviation safety and capacity, to provide stable funding for the national aviation system, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. EXTENSION OF GRANT AUTHORITY FOR COMPATIBLE LAND USE PLANNING AND PROJECTS BY STATE AND LOCAL GOVERNMENTS.

Section 47141(f) is amended by striking ''September 30, 2007'' and inserting ''September 30, 2011''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Tuesday, April 29, 2008, at 10:30 a.m., in room 253 of the Russell Senate Office Building.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Tuesday, April 29, 2008 at 10 a.m. in room 406 of the Dirksen Senate Office Building to conduct a hearing entitled ''Oversight on EPA Toxic Chemical Policies.''

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

COMMITTEE ON FINANCE

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate

on Tuesday, April 29, 2008, at 10 a.m., in room 215 of the Dirksen Senate Office Building, to hear testimony on ''Oversight of Trade Functions: Customs and Other Trade Agencies.''

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

COMMITTEE ON FOREIGN RELATIONS

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, April 29, 2008, at 2:30 p.m. to hold a nomination hearing.

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet, during the session of the Senate, to conduct a hearing entitled ''When a Worker is Killed: Do OSHA Penalties Enhance Workplace Safety?'' on Tuesday, April 29, 2008. The hearing will commence at 10 a.m. in room 430 of the Dirksen Senate Office Building.

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

COMMITTEE ON THE JUDICIARY

Mr. CASEY. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary be authorized to meet during the session of the Senate, to conduct a hearing entitled ''Living on the Street: Finding Solutions to Protect Runaway and Homeless Youth'' on Tuesday, April 29, 2008, at 10 a.m., in room SD–226 of the Dirksen Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. CASEY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on April 29, 2008, at 2:30 p.m., to hold a closed mark-up.

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

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. CASEY. Mr. President, I ask unanimous consent that the Subcommittee on Emerging Threats and Capabilities of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 29, 2008, at 4 p.m., in closed session to mark up the emerging threats and capabilities programs and provisions contained in the National Defense Authorization Act for fiscal year 2009.

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

SUBCOMMITTEE ON PERSONNEL

Mr. CASEY. Mr. President, I ask unanimous consent that the Subcommittee on Personnel of the Committee on Armed Services be authorized to meet during the Session of the Senate on Tuesday, April 29, 2008, at 9:30 a.m., in closed session to mark up the personnel programs and provisions contained in the National Defense Authorization Act for Fiscal year 2009.

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

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. CASEY. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 29, 2008, at 3 p.m., in closed session to mark up the Readiness and Management Support Programs and provisions contained in the National Defense Authorization Act for fiscal year 2009.

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

SUBCOMMITTEE ON SEA POWER

Mr. CASEY. Mr. President, I ask unanimous consent that the Subcommittee on Seapower of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, April 29. 2008, at 2:30 p.m., in closed session to mark up the Seapower Programs and Provisions contained in the National Defense Authorization Act for Fiscal Year 2009.

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

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

Mr. CASEY. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs' Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia be authorized to meet during the session of the Senate on Tuesday, April 29, 2008, at 9:30 a.m. to conduct a hearing entitled, ''The Impact of Implementation: A Review of the REAL ID Act and the Western Hemisphere Travel Initiative.''

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

APPOINTMENT OF CONFEREES—H.R. 4040

Mr. MENENDEZ. Mr. President, with respect to H.R. 4040, which passed the Senate on March 6, 2008, I now ask unanimous consent the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

There being no objection, the Presiding Officer (Mr. BROWN) appointed Mr. INOUYE, Mr. PRYOR, Mrs. BOXER, Ms. KLOBUCHAR, Mr. STEVENS, Mrs. HUTCHISON, and Mr. SUNUNU conferees on the part of the Senate.

DISCHARGE AND REFERRAL—S. 2902

Mr. MENENDEZ. Mr. President, I ask unanimous consent the Committee on Health, Education, Labor and Pensions be discharged from further consideration of S. 2902, and the bill be referred to the Committee on Small Business.

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

COMMEMORATING THE LIFE AND WORK OF DITH PRAN

Mr. MENENDEZ. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 716, S. Res. 515.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 515) commemorating the life and work of Dith Pran.

There being no objection, the Senate proceeded to consider the resolution.

Mr. MENENDEZ. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table with no intervening action or debate, and any statements be printed in the RECORD.

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

The resolution (S. Res. 515) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 515

Whereas, between 1975 and 1979, Dith Pran dedicated his life and journalistic career to preventing genocide by exposing the atrocities perpetrated by the Khmer Rouge regime in his native Cambodia;

Whereas Dith Pran, the subject of the Academy Award-winning film ''The Killing Fields'', survived the genocide in Cambodia in which up to 2,000,000 men, women, and children, including most of Dith Pran's extended family, were killed by the Khmer Rouge;

Whereas Dith Pran assisted many of his fellow journalists who were covering the impending takeover of Cambodia by the Khmer Rouge to escape unharmed from the country when the capital of Cambodia, Phnom Penh, fell to the Khmer Rouge in 1975;

Whereas Dith Pran was subsequently imprisoned by the Khmer Rouge, and for 4 years endured forced labor, beatings, and unconscionable conditions of human suffering;

Whereas, in 1979, Dith Pran escaped from forced labor past the Khmer Rouge's ''killing fields'', a term Mr. Dith created to describe the mass graveyards he saw on his 40-mile journey to a refugee camp in Thailand;

Whereas Dith Pran, in the words of New York Times Executive Editor Bill Keller, ''reminds us of a special category of journalistic heroism, the local partner, the stringer, the interpreter, the driver, the fixer, who knows the ropes, who makes your work possible, who often becomes your friend, who may save your life, who shares little of the glory, and who risks so much more than you do'';

Whereas Dith Pran moved to New York in 1980 and devoted the remainder of his life and journalistic career to advocating against genocide and for human rights worldwide;

Whereas Dith Pran educated people around the world about the horrors of genocide in general, and the genocide in Cambodia in particular, through his creation of the Dith Pran Holocaust Awareness Project;

Whereas, in 1985, Dith Pran was appointed a United Nations Goodwill Ambassador by the United Nations High Commissioner for Refugees;

Whereas Dith Pran lost his battle with cancer on March 30, 2008, leaving behind a world that better understands the tragedy of the genocide in Cambodia and the need to prevent future genocides, largely due to his compelling story, reporting, and advocacy;

Whereas Dith Pran said, ''Part of my life is saving life. I don't consider myself a politician or a hero. I'm a messenger. If Cambodia is to survive, she needs many voices.''; and

Whereas the example of Dith Pran should endure for generations: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) Dith Pran is a modern day hero and an exemplar of what it means to be a citizen of the United States and a citizen of the world;

(2) the United States owes a debt of gratitude to Dith Pran for his tireless work to prevent genocide and violations of fundamental human rights; and

(3) teachers throughout the United States should spread Dith Pran's message by educating their students about his life, the genocide in Cambodia, and the collective responsibility of all people to prevent modern-day atrocities and human rights abuses.

REGARDING THE POLITICAL SITUATION IN ZIMBABWE

Mr. MENENDEZ. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Res. 533 and the Senate proceed to its immediate consideration.

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

The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 533) expressing the sense of the Senate regarding the political situation in Zimbabwe.

There being no objection, the Senate proceeded to consider the resolution.

Mr. MENENDEZ. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, with no intervening action or debate, and any statements related to the resolution be printed in the RECORD.

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

The resolution (S. Res. 533) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 533

Whereas, on March 29, 2008, parliamentary and presidential elections were held in Zimbabwe amid widespread reports of voting irregularities in favor of the ruling Zimbabwe African National Union-Patriotic Front (ZANU–PF) party and President Robert Mugabe, including, according to the Department of State, ''production of far more ballots than there were registered voters...[and] the allowance of police in polling places'';

Whereas official results showed that the opposition Movement for Democratic Change (MDC) won a majority of seats in the parliamentary elections, and independent monitors concluded based on initially posted results that MDC leader Morgan Tsvangirai received substantially more votes than President Mugabe in the presidential election;

Whereas, as of April 24, 2008, the Zimbabwe Electoral Commission has still not released the results of the presidential election, despite calls to do so by the African Union (AU), the European Union, the Government of South Africa, the Southern African Development Community (SADC), United Nations Secretary-General Ban Ki Moon, and the United States;

Whereas, on April 19, 2008, the Zimbabwe Electoral Commission officially commenced recounting ballots cast in 23 parliamentary constituencies, primarily in districts that did not support candidates affiliated with ZANU–PF;

Whereas, on April 21, 2008, British Foreign Secretary David Miliband stated that the ongoing recount was potentially a ''charade of democracy'' that ''only serves to fuel suspicion that President Mugabe is seeking to reverse the results that have been published, to regain a majority in parliament, and to amplify his own count in the presidential election,'' and accused him of trying ''to steal the election'';

Whereas, the Government of Zimbabwe has arrested numerous members of the media and election officials, and over 1,000 Zimbabweans have reportedly been fleeing into South Africa every day, while forces loyal to the government have engaged in a brutal and systematic effort to intimidate voters;

Whereas, on April 20, 2008, the MDC released a detailed report showing that more than 400 of its supporters had been arrested, 500 had been attacked, 10 had been killed, and 3,000 families had been displaced, and Human Rights Watch reported on April 19, 2008, that ZANU–PF is operating ''torture camps'' where opposition supporters are being beaten;

Whereas United States Ambassador to the United Nations Zalmay Khalilzad stated on April 16, 2008, that he was ''gravely concerned about the escalating politically motivated violence perpetrated by security forces and ruling party militias'';

Whereas, while there is currently no international embargo on arms transfers to Zimbabwe, a Chinese ship carrying weapons destined for Zimbabwe was recently prevented from unloading its cargo in Durban, South Africa, and has been denied access to other ports in the region due to concerns that the weapons could further destabilize the situation in Zimbabwe;

Whereas Secretary of State Condoleezza Rice stated on April 17, 2008, that President Mugabe has ''done more harm to his country than would have been imaginable...the last years have been really an abomination...,'' and called for the AU and SADC to play a greater role in resolving the crisis;

Whereas, the Department of State's 2007 Country Report on Human Rights Practices stated that, in Zimbabwe, ''the ruling party's dominant control and manipulation of the political process through intimidation and corruption effectively negated the right of citizens to change their government. Unlawful killings and politically motivated abductions occurred. State sanctioned use of excessive force increased, and security forces tortured members of the opposition, student leaders, and civil society activists''; and

Whereas annual inflation in Zimbabwe is reportedly running over 150,000 percent, unemployment stands at over 80 percent, hunger affects over 4,000,000 people, and an estimated 3,500 people die each week from hunger, disease, and other causes related to extremely poor living conditions: Now, therefore, be it

Resolved, That it is the sense of the Senate—

(1) to support the people of Zimbabwe, who have been subjected to incredible hardships, including violence, political repression, and severe economic deprivation, in their aspirations for a free, democratic, and more prosperous future;

(2) to call for an immediate cessation of politically motivated violence, detentions, and efforts to intimidate the people of Zimbabwe perpetrated by Zimbabwe's security forces and militias loyal to ZANU–PF;

(3) that the Zimbabwe Electoral Commission should immediately release the legitimate results of the presidential election and ratify the previously announced results of the parliamentary elections;

(4) that President Robert Mugabe should accept the will of the people of Zimbabwe in order to effect a timely and peaceful transition to genuine democratic rule;

(5) that regional organizations, including SADC and the AU, should play a sustained and active role in resolving the crisis peacefully and in a manner that respects the will of the people of Zimbabwe;

(6) that the United Nations Security Council should be seized of the issue of Zimbabwe, support efforts to bring about a peaceful resolution of the crisis that respects the will of the people of Zimbabwe, and impose an international arms embargo on Zimbabwe until a legitimate democratic government has taken power;

(7) that the United States Government and the international community should impose targeted sanctions against additional individuals in the Government of Zimbabwe and state security services and militias in Zimbabwe who are responsible for human rights abuses and interference in the legitimate conduct of the elections in Zimbabwe; and

(8) that the United States Government and the international community should work together to prepare a comprehensive economic and political recovery package for Zimbabwe in the event that a genuinely democratic government is formed and commits to implementing key constitutional, economic, and political reforms.

ORDERS FOR WEDNESDAY, APRIL 30, 2008

Mr. MENENDEZ. I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 9:30 a.m. tomorrow, Wednesday, April 30; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for use later in the day, and the Senate then resume consideration of H.R. 2881, the FAA reauthorization bill, with Senator DURBIN recognized to offer an amendment; that at 10:40 a.m., the Senate recess until 12 noon for the joint meeting of Congress.

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

PROGRAM

Mr. MENENDEZ. Mr. President, as a reminder, at 11 a.m. tomorrow, there will be a joint meeting of Congress with the Prime Minister of Ireland, Bertie Ahern. Senators attending the meeting should gather in the Senate Chamber at 10:30 a.m. and proceed as a body to the Hall of the House at 10:40 a.m.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MENENDEZ. If there is no further business to come before the Senate, I ask unanimous consent that it stand adjourned under the previous order.

There being no objection, the Senate, at 7:36 p.m., adjourned until Wednesday, April 30, 2008, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate:

DEPARTMENT OF STATE

ERIC J. BOSWELL, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF STATE (DIPLOMATIC SECURITY), VICE RICHARD J. GRIFFIN, RESIGNED.

ERIC J. BOSWELL, OF THE DISTRICT OF COLUMBIA, TO BE DIRECTOR OF THE OFFICE OF FOREIGN MISSIONS, AND TO HAVE THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE, VICE RICHARD J. GRIFFIN, RESIGNED.

PATRICIA MCMAHON HAWKINS, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE TOGOLESE REPUBLIC.

THE JUDICIARY

PAUL G. GARDEPHE, OF NEW YORK, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK, VICE CHARLES L. BRIEANT, JR., RETIRED.

CLARK WADDOUPS, OF UTAH, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF UTAH, VICE PAUL G. CASSELL, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. MARTIN NEUBAUER

IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. KENNY C. MONTOYA

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be major general

BRIGADIER GENERAL STEPHEN E. BOGLE
BRIGADIER GENERAL JAMES G. CHAMPION
BRIGADIER GENERAL JOSEPH J. CHAVES
BRIGADIER GENERAL MYLES L. DEERING
BRIGADIER GENERAL THOMAS C. LAWING
BRIGADIER GENERAL MARK E. ZIRKELBACH

To be brigadier general

COLONEL ROMA J. AMUNDSON
COLONEL MARK E. ANDERSON
COLONEL ERNEST C. AUDINO
COLONEL DAVID A. CARRION-BARALT
COLONEL JEFFREY E. BERTRANG
COLONEL TIMOTHY B. BRITT
COLONEL LAWRENCE W. BROCK III
COLONEL MELVIN L. BURCH
COLONEL SCOTT E. CHAMBERS
COLONEL DONALD J. CURRIER
COLONEL CECILIA I. FLORES
COLONEL SHERYL E. GORDON
COLONEL PETER C. HINZ
COLONEL ROBERT A. MASON
COLONEL BRUCE E. OLIVEIRA
COLONEL DAVID C. PETERSEN
COLONEL CHARLES W. RHOADS
COLONEL RUFUS J. SMITH
COLONEL JAMES B. TODD
COLONEL JOE M. WELLS

CONFIRMATIONS

Executive nominations confirmed by the Senate Tuesday, April 29, 2008:

DEPARTMENT OF STATE

PATRICIA M. HASLACH, OF OREGON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS UNITED STATES SENIOR COORDINATOR FOR THE ASIA-PACIFIC ECONOMIC COOPERATION (APEC) FORUM.

JOXEL GARCIA, OF CONNECTICUT, TO BE REPRESENTATIVE OF THE UNITED STATES ON THE EXECUTIVE BOARD OF THE WORLD HEALTH ORGANIZATION.

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA

SAMUEL W. SPECK, OF OHIO, TO BE A COMMISSIONER ON THE PART OF THE UNITED STATES ON THE INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA.

DEPARTMENT OF STATE

SCOT A. MARCIEL, OF CALIFORNIA, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS DEPUTY ASSISTANT SECRETARY OF STATE FOR EAST ASIAN AND ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN) AFFAIRS.

YOUSIF BOUTROUS GHAFARI, OF MICHIGAN, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SLOVENIA.

KURT DOUGLAS VOLKER, OF PENNSYLVANIA, A CAREER FOREIGN SERVICE OFFICER OF CLASS ONE, TO BE UNITED STATES PERMANENT REPRESENTATIVE ON THE COUNCIL OF THE NORTH ATLANTIC TREATY ORGANIZATION, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

ROBERT J. CALLAHAN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NICARAGUA.

HEATHER M. HODGES, OF OHIO, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ECUADOR.

BARBARA J. STEPHENSON, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PANAMA.

WILLIAM EDWARD TODD, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR EXECUTIVE SERVICE, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BRUNEI DARUSSALAM.

HUGO LLORENS, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HONDURAS.

NANCY E. MCELDOWNEY, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BULGARIA.

STEPHEN GEORGE MCFARLAND, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUATEMALA.

PETER E. CIANCHETTE, OF MAINE, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COSTA RICA.

FRANK CHARLES URBANCIC, JR., OF INDIANA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CYPRUS.

BARBARA MCCONNELL BARRETT, OF ARIZONA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF FINLAND.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROBERT G. MCSWAIN, OF MARYLAND, TO BE DIRECTOR OF THE INDIAN HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES, FOR THE TERM OF FOUR YEARS.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF JUSTICE

REBECCA A. GREGORY, OF TEXAS, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF TEXAS FOR THE TERM OF FOUR YEARS.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. BRUCE A. LITCHFIELD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIGADIER GENERAL C. D. ALSTON
BRIGADIER GENERAL BROOKS L. BASH
BRIGADIER GENERAL MICHAEL J. BASLA
BRIGADIER GENERAL PAUL F. CAPASSO
BRIGADIER GENERAL FLOYD L. CARPENTER
BRIGADIER GENERAL DAVID J. EICHHORN
BRIGADIER GENERAL GREGORY A. FEEST
BRIGADIER GENERAL BURTON M. FIELD
BRIGADIER GENERAL RANDAL D. FULLHART
BRIGADIER GENERAL BRADLEY A. HEITHOLD
BRIGADIER GENERAL RALPH J. JODICE II
BRIGADIER GENERAL DUANE A. JONES
BRIGADIER GENERAL FRANK J. KISNER
BRIGADIER GENERAL JAY H. LINDELL
BRIGADIER GENERAL DARREN W. MCDEW
BRIGADIER GENERAL CHRISTOPHER D. MILLER
BRIGADIER GENERAL HAROLD W. MOULTON II
BRIGADIER GENERAL STEPHEN P. MUELLER
BRIGADIER GENERAL ELLEN M. PAWLIKOWSKI
BRIGADIER GENERAL PAUL G. SCHAFER
BRIGADIER GENERAL STEPHEN D. SCHMIDT
BRIGADIER GENERAL MICHAEL A. SNODGRASS
BRIGADIER GENERAL MARK S. SOLO

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. DANA T. ATKINS

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. SCOTT G. WEST

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. WALTER L. SHARP

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. ANN E. DUNWOODY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. DAVID D. MCKIERNAN

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. ROBERT L. CASLEN, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. MITCHELL H. STEVENSON

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. FRANK G. HELMICK

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIGADIER GENERAL RANDOLPH D. ALLES
BRIGADIER GENERAL JOSEPH F. DUNFORD, JR.
BRIGADIER GENERAL ANTHONY L. JACKSON
BRIGADIER GENERAL PAUL E. LEFEBVRE
BRIGADIER GENERAL RICHARD P. MILLS
BRIGADIER GENERAL ROBERT E. MILSTEAD, JR.
BRIGADIER GENERAL MARTIN POST
BRIGADIER GENERAL MICHAEL R. REGNER

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. DARRELL L. MOORE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. KEITH J. STALDER

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. JAMES M. LARIVIERE

COL. KENNETH J. LEE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

BRIG. GEN. JOSEPH F. DUNFORD, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN M. PAXTON, JR.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. DENNIS J. HEJLIK

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. RICHARD F. NATONSKI

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE UNITED STATES MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. DUANE D. THIESSEN

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. JOHN M. BIRD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) VICTOR C. SEE, JR.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPTAIN DOUGLASS T. BIESEL
CAPTAIN BARRY L. BRUNER
CAPTAIN JERRY K. BURROUGHS
CAPTAIN JAMES D. CLOYD
CAPTAIN THOMAS A. CROPPER
CAPTAIN DENNIS E. FITZPATRICK
CAPTAIN MICHAEL T. FRANKEN
CAPTAIN BRADLEY R. GEHRKE
CAPTAIN ROBERT P. GIRRIER
CAPTAIN PAUL A. GROSKLAGS
CAPTAIN SINCLAIR M. HARRIS
CAPTAIN MARGARET D. KLEIN
CAPTAIN PATRICK J. LORGE
CAPTAIN BRIAN L. LOSEY
CAPTAIN MICHAEL E. MCLAUGHLIN
CAPTAIN WILLIAM F. MORAN
CAPTAIN SAMUEL PEREZ, JR.
CAPTAIN JAMES J. SHANNON
CAPTAIN CLIFFORD S. SHARPE
CAPTAIN TROY M. SHOEMAKER
CAPTAIN DIXON R. SMITH
CAPTAIN ROBERT L. THOMAS, JR.
CAPTAIN DOUGLAS J. VENLET

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTIONS 5133 AND 5138:

To be rear admiral

REAR ADM. (LH) CAROL I. TURNER

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING WITH DAVID M. ABEL AND ENDING WITH MICHAEL M. ZWALVE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 26, 2008.

AIR FORCE NOMINATIONS BEGINNING WITH SUSAN S. BAKER AND ENDING WITH JON C. WELCH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

AIR FORCE NOMINATIONS BEGINNING WITH DAVID A. BARGATZE AND ENDING WITH AARON E. WOODWARD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

AIR FORCE NOMINATIONS BEGINNING WITH MARK E. ALLEN AND ENDING WITH CHARLES E. WIEDIE, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

AIR FORCE NOMINATIONS BEGINNING WITH KERRY M. ABBOTT AND ENDING WITH WILLIAM F. ZIEGLER III, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

AIR FORCE NOMINATIONS BEGINNING WITH RICHARD T. BROYER AND ENDING WITH BRIAN K. WYRICK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

AIR FORCE NOMINATIONS BEGINNING WITH JOHN T. AALBORG, JR. AND ENDING WITH MICHAEL A. ZROSTLIK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

AIR FORCE NOMINATIONS BEGINNING WITH DAVID L. BABCOCK AND ENDING WITH WAYNE A. ZIMMET, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 31, 2008.

AIR FORCE NOMINATION OF HOWARD P. BLOUNT III, TO BE LIEUTENANT COLONEL.

AIR FORCE NOMINATION OF ERRILL C. AVECILLA, TO BE MAJOR.

AIR FORCE NOMINATION OF MARK Y. LIU, TO BE MAJOR.

AIR FORCE NOMINATIONS BEGINNING WITH BRYCE G. WHISLER AND ENDING WITH TIMOTHY M. FRENCH, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 7, 2008.

AIR FORCE NOMINATIONS BEGINNING WITH PHIET T. BUI AND ENDING WITH MICHAEL J. MORRIS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 7, 2008.

IN THE ARMY

ARMY NOMINATIONS BEGINNING WITH MARIO AGUIRRE III AND ENDING WITH SCOTT B. ZIMA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

ARMY NOMINATIONS BEGINNING WITH BARRY L. ADAMS AND ENDING WITH TIMOTHY M. ZEGERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

ARMY NOMINATIONS BEGINNING WITH KEVIN S. ANDERSON AND ENDING WITH RUFUS WOODS III, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

ARMY NOMINATIONS BEGINNING WITH ROBERT B. ALLMAN III AND ENDING WITH RICHARD F. WINCHESTER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

ARMY NOMINATION OF BARRY L. SHOOP, TO BE COLONEL.

ARMY NOMINATION OF BRIAN J. CHAPURAN, TO BE MAJOR.

ARMY NOMINATION OF GREGORY T. REPPAS, TO BE MAJOR.

ARMY NOMINATION OF VANESSA M. MEYER, TO BE MAJOR.

ARMY NOMINATIONS BEGINNING WITH THOMAS E. DURHAM AND ENDING WITH DANIEL P. MASSEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 31, 2008.

ARMY NOMINATIONS BEGINNING WITH CHARLES L. GARBARINO AND ENDING WITH JUAN GARRASTEGUI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 31, 2008.

ARMY NOMINATIONS BEGINNING WITH MILTON M. ONG AND ENDING WITH MATTHEW S. MOWER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 31, 2008.

ARMY NOMINATION OF CRAIG A. MYATT, TO BE LIEUTENANT COLONEL.

ARMY NOMINATION OF JOHN C. KOLB, TO BE COLONEL.

ARMY NOMINATION OF KENNETH D. SMITH, TO BE MAJOR.

ARMY NOMINATION OF JOHN M. HOPPMANN, TO BE LIEUTENANT COLONEL.

ARMY NOMINATIONS BEGINNING WITH AMY M. BAJUS AND ENDING WITH ROBERT P. VASQUEZ, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 2008.

IN THE COAST GUARD

COAST GUARD NOMINATION OF TREVOR M. HARE, TO BE LIEUTENANT.

COAST GUARD NOMINATION OF SUSAN M. MAITRE, TO BE LIEUTENANT COMMANDER.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING WITH ANDREW TOWNSEND WIENER AND ENDING WITH TROY A. LINDQUIST, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 5, 2008.

IN THE MARINE CORPS

MARINE CORPS NOMINATIONS BEGINNING WITH DAVID G. MCCULLOH AND ENDING WITH PAUL W. VOSS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 2008.

IN THE NAVY

NAVY NOMINATION OF THOMAS M. CASHMAN, TO BE CAPTAIN.

NAVY NOMINATION OF KELLY R. MIDDLETON, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATION OF THERESA A. FRASER, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATIONS BEGINNING WITH LEE R. RAS AND ENDING WITH ELIZABETH M. SOLZE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 2008.

NAVY NOMINATION OF AARON J. BEATTIE IV, TO BE LIEUTENANT COMMANDER.

NAVY NOMINATIONS BEGINNING WITH KRISTIAN E. LEWIS AND ENDING WITH LUTHER P. MARTIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 31, 2008.

NAVY NOMINATIONS BEGINNING WITH SAMUEL G. ESPIRITU AND ENDING WITH PAUL G. SCANLAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 2008.

NAVY NOMINATIONS BEGINNING WITH TERRY L. BUCKMAN AND ENDING WITH THOMAS M. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 15, 2008.