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 Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:29 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

RENEWABLE ENERGY AND JOB CREATION ACT OF 2008—Continued

The PRESIDING OFFICER. Who seeks recognition?

Mr. FEINGOLD. Mr. President, I suggest the absence of a quorum and I ask unanimous consent that the time be equally divided.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ENSIGN. Mr. President, I rise today to speak about the importance of the renewable energy amendment that is coming before us on the next vote in the Senate. For the past several months I have worked with Senator CANTWELL, as well as many other Members of this body, in a bipartisan manner to develop a way forward on renewable energies.

We know and agree that more renewable green energy is needed for the United States. That was evidenced by an amendment that Senator CANTWELL and I brought to the floor on the housing bill last April that passed by a vote of 88 to 8. We all realize that there is broad bipartisan consensus and that we want more renewable green energy for the United States.

The question was, how do we get it enacted into law? What we have before us today, through working together in a bipartisan way once again, is a compromise of how to offset the cost of some of these tax credits.

I am very pleased that, with the help of Chairman BAUCUS and Ranking Member GRASSLEY of the Finance Committee, Senator CANTWELL and I were able to come up with this renewable energy amendment that is fully offset and fully paid for, so that we can get this bill finally passed into law.

What does this mean for our country? Well, first, I think most Americans are well aware of what is going on in Washington right now. Our country is on the brink of financial catastrophe. We are working very hard to stop this from happening and bring consumer confidence back to our financial markets.

This, however, only solves the immediate crisis. We have a longer term economic problem in this country. There is nothing more important to our economy than having a comprehensive energy plan for the United States. Renewable energy is only part of that comprehensive energy plan for the United States though.

Within the bill we have before us, there are strong incentives for all types of clean energy, including solar power, geothermal, wind, and biofuels. If somebody wants to add solar power panels to their home, there are currently some incentives in today's law, but those incentives are not adequate. We encourage more and more people to put solar power into their own homes so they can actually help solve the energy problems we have in this country in their own home.

I think it is important that the Senate say to the House of Representatives, let's pass this bill in a strong bipartisan fashion. This is so the House of Representatives will take up this bill, pass it, and send it to the President where he can sign this bipartisan piece of legislation into law.

I strongly believe that we need a comprehensive energy plan for the United States of America that includes an all-of-the-above approach. This would include alternative green energies, drilling for more oil and natural gas, more clean coal energy, and clean nuclear energy, all of which include more conservation for the United States. We need all of this if we are to stop sending $700 billion overseas. A lot of that money is going to countries who do not like us. Some is even going to fund terrorist organizations that want to do harm to the United States of America.

It is critical that we have a comprehensive energy plan. Let's at least do the renewable energy part of the energy plan, today. I want to thank all who have worked so hard on this. On the solar part of this bill alone, it is estimated that 400,000 jobs could become permanent in the United States between now and the year 2016. These people would be building solar panels for houses, for businesses, for powerplants and the like. Over 1 million jobs will be produced in the building of a powerplant.

This is a good bill for our economy. It is a good bill for the power generation of the United States of America, and it is a good bill for our environment.

In many ways, this is a very exciting bill. Right now, unfortunately, it is being overshadowed by what is happening in our financial markets. But that does not mean this bill is not important; it is more important than ever. I encourage all of our Senators to vote for it, and then the message needs to go to the House of Representatives: Let's not delay on this bill; let's get this bill signed because this is the last week of business we have this year. Let's get it passed in the House and sent to the President so that he can sign this bill into law and we can start getting these jobs now.

I yield the floor. I suggest the absence of a quorum and ask unanimous consent that the time be equally divided between both sides.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. 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. DORGAN. Mr. President, this afternoon we will vote on energy tax extenders or tax incentives for renewable energy. I wanted to make a comment about the importance of this legislation. I believe this will be our tenth vote to try to extend the tax incentives for renewable energy. It has been previously blocked nine times, which is almost unbelievable to me.

But at a time when we face a very severe energy problem in this country, and when we need to incentivize and begin developing additional renewable sources of energy to make us less dependant on Saudi Arabia and Kuwait, Venezuela, Iraq, at a time when we need to be less dependent and produce other kinds of energy, we have been blocked in extending these energy tax credits. It makes no sense at all to me.

If you are going to address the energy problem in this country, we need to do a lot of things. We need to conserve more. Yes, we need to drill more, and we need much greater energy efficiency. We need to do a whole lot of things, but this country needs to move ahead with respect to renewable energy on a much more aggressive path.

A substantial amount of energy comes every day from the Sun, and we use precious little of it. A substantial amount of energy is available from the wind, and we use too little of it.

How does this compare to other energy resources? Now, here is what we have done in the past for those who look for oil and gas. In 1916 this country said: If you are searching for oil and gas, we are going to give you a big fat set of tax breaks, because we want you to find oil and gas. That has existed for nearly 100 years, those tax incentives for those who search for oil and gas. Contrast that with what we have done for those who want to proceed with renewable energy such as wind and solar.

In 1992, we put in place the production tax credit. These were short-term and rather shallow tax incentives. They have been extended short term five times. They have been allowed to expire three times. We have seen projects to put up new wind turbines and new solar projects put on the shelf because these tax incentives have been in a start-stop, stutter step approach. It makes no sense. It is a pathetic, anemic response.

This country should be saying: Here is where we are headed for the next decade. For the next decade you can count on this. We are going to develop wind resources and solar energy all across the country that will make us less dependent on Saudi Arabia, Kuwait, and others. That is what this country should do.

We have had great difficulty getting a 1-year extension from these production tax credit for wind energy, as an example until December 31 next year. I am going to celebrate today, if we pass this legislation. I believe we will. It is an achievement, but it is not a giant step forward. It is a baby step in the right direction because we have been blocked nine times by the minority from passing this legislation during this Congress. My hope is that today, finally, we will get it done and get this finally sent back to the House and to the President for signature.

We have had a lot of time on the floor of the Senate in recent weeks, a lot of wringing of hands, mopping of brows and gnashing of teeth about energy. This country's economy runs on energy. Sixty-five percent of the oil we use comes from overseas. We are unbelievably dependent on foreign sources of energy. How do we overcome that dependence to make us less vulnerable? We can do that by producing more here, which means drilling and by substantial amounts of conservation. We are prodigious users of energy, and we waste a lot. So while we produce more, we need to conserve more too. In everything we use every single day, from the time we turn the light switch on in the morning, to all of our appliances like refrigerators, air-conditioners, dishwashers, and more, we must make them more efficient. Many of these machines are more efficient now than they were in terms of all appliances. But we can impose even greater standards and create greater efficiency. So production, conservation, and efficiency—all are elements of an important national energy program.

I believe most important is the decision to pursue renewable energy. We do it with ethanol by taking alcohol from corn and extending our energy supply. We do it with biodiesel too. We do it with a range of areas. Especially in the area of biomass, wind, solar, and geothermal energy, there is such great potential. We have had so much difficulty providing certainty about where America is going to head with renewable energy.

I have introduced legislation saying we ought to do this for a full decade. We ought to say to the world, to investors and businessmen and women: Here is where America is headed. You can count on it. We will produce a lot of energy from renewable sources. We will maximize the opportunity to receive energy from the Sun. We have some projects that are interesting, but we have fallen far behind on solar energy. We are not anywhere near where we ought to be in producing solar energy. We are not near where we can be in producing energy from the wind. We have unbelievable turbines now that are much more powerful. They can take energy from the wind and use that energy to extend America's energy supply.

This is a very important vote, but it is only a small step forward in the right direction. It needs to be followed by a much larger step that tells the world where America is going. Yes, we will drill, conserve, all those things, but this country needs to decide that we want substantial amounts of additional renewable energy to make this economy less dependent on Saudi Arabia, Kuwait, Iraq and Venezuela. They provide us energy that comes from off our shores. Using more renewable energy and using this energy wisely are very important elements to sustain our country's economic strength and opportunity in the future.

I yield the floor.

Mr. ALEXANDER. Mr. President, today I will vote for the renewable energy tax legislation, Baucus-Grassley Amendment No. 5633, included in the tax extenders package because it is the best balanced approach to encourage renewable and alternative forms of clean energy that the Senate has had a chance to consider. I especially like the fact that, after many years, Congress is finally encouraging solar power in a serious way.

But the proposal would be much better if it would use the subsidy money designated for wind power instead for a dramatic new Federal investment in clean energy research and development.

This legislation adds nearly $5 billion to the $11.5 billion in Federal taxpayer dollars that are already committed to subsidize wind power over the next 10 years. This means that Congress will be spending two-thirds as much over the next 10 years to subsidize wind turbines as it did—in today's dollars—on the Manhattan Project to build the atom bomb. Wind power is a proven technology, useful in some places for clean electricity, but this disproportionate allocation of tax dollars is unwise because:

Wind turbines produce 1 percent of America's electricity.

There is only one wind farm in the southeastern United States because the wind doesn't blow hard enough in that part of the country.

There is almost nowhere in the U.S. where consumers can rely mainly on wind power without also needing coal, nuclear or gas—or maybe solar thermal—plants.

Wind power provides 2.7 percent of U.S. carbon-free electricity, which helps deal with climate change, but nuclear power provides 69 percent of U.S. carbon-free electricity.

Under existing law—without the new subsidies in this energy tax legislation—beginning in 2010 the largest Federal taxpayer subsidy for producing electricity would go to wind.

Per kilowatt hour, Federal subsidies for wind in 2007 were: 53 times the subsidy for electricity made from coal; 15 times the subsidy for nuclear power; and 27 times the subsidy for all other forms of renewal electricity.

If the Federal Government were to subsidize each kilowatt hour that nuclear power produces at the same rate it now subsidizes wind power, the cost to taxpayers for the nuclear subsidy over the next 10 years would be $289 billion.

On average, for every dollar Texas utilities pay wind developers, the Federal taxpayer pays another 69 cents.

Some say that by 2030 wind could generate 20 percent of America's electricity. Over 10 years the Federal tax subsidy for this much wind power would be enough to give 55 million Americans $3,000 to help buy an electric plug-in car or truck.

Wind turbines are a dramatic disruption to the landscape. A typical 1.5 megawatt wind turbine is as tall as a 40-story building. Its blades reach from 10 yard line to 10 yard line on a football field, and its blinking lights are visible for up to 20 miles.

I suspect the value of my vacant lot on Nantucket Island will go up when values go down on the other side of the island where a wind farm is being built.

Wind power is useful but not a true alternative energy because it blows only when it wants to—turbines operate, on average, 34 percent of the time—and can't be stored for baseload power, the kind our jobs and homes depend on, or for peaking power, the kind utilities buy in the late afternoon when every home appliance is on. When cost of transmission from remote locations is added, wind power can become very expensive.

Instead of spending another $5 billion to subsidize a proven technology, wouldn't it be wiser to make a dramatic new Federal investment in energy research and development—a series of mini-Manhattan Projects, for example—to: Make electric cars and trucks commonplace, make solar power cost competitive, capture and store carbon from coal-burning power plants, reprocess and store nuclear waste, make advanced biofuels from crops we don't eat, encourage green buildings, and provide energy from fusion.

According to MIT president Susan Hockfield, Federal funding for energy research has "dwindled to irrelevance"—$2.4 to $3.4 billion a year—less than half the R&D budget of America's largest pharmaceutical company.

Use the wind subsidy money for new Manhattan projects, and use wind turbines where the wind blows and where transmission line costs make sense—and where both don't spoil the natural beauty of the great American outdoors.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 5634

(Purpose: To provide alternative minimum tax relief, and for other purposes)

Mr. CONRAD. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside so I may call up amendment No. 5634.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD] proposes an amendment numbered 5634.

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

Mr. CONRAD. What is the time on this amendment?

The PRESIDING OFFICER. One hour equally divided.

Mr. CONRAD. Mr. President, I have offered this amendment to prevent the alternative minimum tax from hitting 26 million taxpayers in 2008. My amendment is fully paid for. That is how we should provide alternative minimum tax relief.

We need to wake up around here. We are facing a fiscal crisis, in part because of the massive deficits and debt we have run up as a Nation that has helped propel this bubble. Our markets are in turmoil. The Bush administration is now proposing to spend hundreds of billions of taxpayer dollars to stabilize Wall Street. We simply cannot continue to pile debt on top of debt. We have to begin to send a signal that the United States is going to start paying its bills. We are running massive budget deficits, massive trade deficits. The debt of the country has mushroomed.

In one fell swoop, the administration is proposing adding $700 billion more. That is on top of the $100 billion dedicated to Fannie Mae, the $100 billion dedicated to Freddie Mac, and the $85 billion dedicated to AIG. Let's add that up. That is nearly a trillion dollars. Let's add the $30 billion for Bear Sterns. We are over a trillion dollars.

Let's think very carefully about what is happening. Yesterday, the Washington Post reported the dollar declined in value against the euro by more than 2 percent in a single day. I ask people who are watching and listening to think very carefully now about how these events are connected. The dollar has gone down in value sharply. Already in the last 6 years it has gone down about 40 percent against the Euro. Yesterday, in one day, it went down 2 percent. In one day, the stock market went down almost 400 points. In one day, the price of oil went up by a record amount for a single-day increase. These events are all connected. We have to connect the dots. The dollar goes down in value, oil sells in dollar terms. That puts upward pressure on oil prices.

Of course, as people see that we are headed toward some kind of economic weakness, they look for safe havens. One place to look is commodities. A key reason people are losing confidence in the dollar is the mushrooming debt. To add in just a matter of days almost a trillion dollars to a debt that already stands at $9.6 trillion has an effect on people's confidence in the ability of the United States to repay. That means they are going to insist on higher interest rates in order to continue to extend us credit.

As we run up these massive deficits and debt, where do we get the money to pay for this? We get it by borrowing, and increasingly we have been getting it from borrowing from other countries. We cannot afford to continue on this course of not paying for things.

We can look back now and see the results of these irresponsible fiscal policies. In the last eight years, we have seen the five highest deficits ever recorded, with the highest of those now projected to come in 2009. The 2009 estimate of the deficit does not include the still unknown cost of the Federal intervention to help the financial markets. But our budget situation is actually even worse. The debt is going up much more rapidly than the reported deficit. For example, the increase in the debt in 2008 will be far greater than the estimated $407 billion deficit. That is because the general fund of the United States is taking the surpluses from Social Security and Medicare and using those funds to pay other bills. Let me repeat that: The debt increase in 2008 will not be the $407 billion advertised deficit. The increase in the debt will be $647 billion. For next year, the deficit is estimated to go up $438 billion. The debt will go up by more than $800 billion. And all that is before we include those bailouts. We could easily see the debt of the country go up a trillion dollars next year. The debt, as we sit here today, is $9.6 trillion. That is the gross debt of the United States.

This President has been building a wall of debt: $5.8 trillion at the end of his first year; now they want to increase the debt ceiling to over $11 trillion. This chart shows $10.4 trillion in 2009. That has now been erased because what they are proposing to do is increase the debt ceiling to over $11 trillion, nearly a doubling of the debt in that short period of time.

Here is what the New York Times headline from this weekend said: "Administration Is Seeking $700 billion for Wall St.; Bailout Could Set Record." That could mean hundreds of billions of dollars of debt added to the wall of debt we already face. That is an unsustainable circumstance. It is a key reason why the dollar went down 2 percent in value in one day.

One of the great risks that is being run by this fiscal policy is the risk of a sharp downward break in the value of the dollar. If that were to occur, we would be faced with a series of unpleasant alternatives. One would be a sharp cut in spending by the United States. A second possibility would be a dramatic increase in taxes. A third would be a substantial increase in interest rates to attract additional capital to float this boat.

I hope people are listening. I know this is hard to fully comprehend because economic issues are complex. But they are related. They are tied together. The fact that we have dramatically increased the debt and deficit has an impact on the value of our dollar. When we flood the world with dollars, the value of those dollars goes down. When those dollars go down in value, that puts us in a position of having to find some way to attract additional dollars. One way open to us is to increase the rent we pay for those dollars we call interest. If we had to dramatically increase the interest rate to attract dollars to be able to float this enterprise, that would have an adverse effect on economic growth and economic activity.

So all of these things are connected. They are related, and they matter. We are already seeing the dollar fall further in response to the prospect of billions of dollars of additional debt being piled on.

The Washington Post article I showed earlier said "Currency's Dive Points to Further Pain." "Currency's Dive Points to Further Pain"—again, a 2-percent reduction in the value of our currency in a single day. This is after the dollar has already lost about 40 percent of its value against the euro since 2002.

I am not the only one who believes we have to start paying for things. Earlier this month, the former Chairman of the Federal Reserve reiterated his opposition to deficit-financed tax cuts. This is what Alan Greenspan said on Bloomberg Television:

> [U]nless [tax cuts are] paid for on the so-called pay-go, I'm not in favor of it. I'm not in favor of financing tax cuts with borrowed money.

To my colleagues who say: Well, it is the people's money so let's give it back to them in a tax cut, what people are we talking about here? It is the people's money, so we give it back to them. The problem is, the people's Government does not have any money. The people's Government is out of money. It is borrowing money, and increasingly it is borrowing from foreign entities. So when people say: We ought to give the people's money back to them, it is a little late. We already did that. We did that, and much more. We went and borrowed money to give it to them.

Now, who is going to get stuck with the tab? It is going to be the American taxpayer. Because you can only continue to stack up debt for so long. At some point the chickens come home to roost. That is why I support a fully paid-for alternative minimum tax relief amendment. This alternative minimum tax relief provides tax relief in the first year costing $76 billion, but it is paid for over the next 10 years.

I remind my colleagues that pay-go does not require that these bills be paid for immediately. It requires the legislation be paid for over 6 and 11 years. Given the economic downturn and turmoil we now confront, I would not call for paying for AMT relief right now. But we can provide offsets over time to cover the cost. That would be the responsible thing to do, and it would send a signal to the financial markets that we are serious about putting our fiscal house back in order.

Some have argued we should not be raising taxes to pay for alternative minimum tax relief. We are not talking about raising taxes. We are talking about closing tax loopholes and making hedge fund managers and oil companies pay their fair share.

Here is a list of the offsets or the pay-fors included in my amendment.

One, ending deferral of offshore compensation by hedge fund managers trying to evade current taxation. Two, delaying implementation of a new worldwide interest allocation provision designed to benefit some multinational corporations. Three, correcting underpayment of royalties for oil and gas production on federal land in the Outer Continental Shelf. Four, codifying economic substance—prohibiting transactions with no economic rationale, done solely to evade taxes.

Does anyone oppose closing these loopholes? Does anyone oppose these offsets, these means of paying for what is needed? Because certainly alternative minimum tax relief is needed. Otherwise, 26 million people are going to get hit by the alternative minimum tax.

It is important to recognize these annual alternative minimum tax fixes, as costly as they are, conceal the much longer and larger long-term cost of fixing this problem. The cost to reform the alternative minimum tax over the next 10 years is a staggering $1.6 trillion. Let me repeat that. To fix the alternative minimum tax over the next 10 years would cost $1.6 trillion.

So if we continue to pass alternative minimum tax patches that are not offset, that is the real amount, as shown on this chart, we are going to be adding to the Nation's debt. Over the summer, I asked the Congressional Budget Office to examine the impact on our budget and economy from continuing to pass these unoffset tax cuts. CBO found that the debt absolutely explodes if we continue with unoffset alternative minimum tax reform and unoffset extension of the President's tax cuts—rising to 602 percent of the gross domestic product by 2082.

Let me repeat that. This is what the Congressional Budget Office has told us will happen if we continue on this course. As shown on this chart, this is the debt if we proceed with the current policies. That is the green line. Now, this is the debt that will accrue if we continue to pass alternative minimum tax reform unpaid for. That is the black line. Finally, the red line is what happens to the debt with unoffset alternative minimum tax reform and extension of the Bush tax cuts. In that case, the result is the debt of the country goes to 600 percent of gross domestic product. That is five times the record amount. That is five times the record amount of debt to gross domestic product in our Nation's history.

What is the implication of such an explosion of debt? What would it mean? I asked the Congressional Budget Office to tell me what would happen if we fail to pay for alternative minimum tax reform and the Bush tax cuts. What would happen to economic growth? Here is what they concluded. As shown on this chart, the black line is the economic loss from not paying for alternative minimum tax reform. You can see, it is very dramatic, the drop in GNP per person. Here is what happens to economic loss from not offsetting the alternative minimum tax reform and the extension of the Bush tax cuts. CBO projects that, over time, it would reduce American living standards by 50 percent.

It is because the debt operates as a gigantic drag on the economic growth of the country. How is that possible? Well, very simply, as I described earlier, if you keep adding to the debt, you have to finance it. How do you finance it? You borrow it. Increasingly, we borrow from abroad. That undermines the value of the dollar. That puts upward pressure on interest rates. Rising interest rates stifle economic growth. Again, that is not just my view. Here is what the Congressional Budget Office said in a letter to me on July 17 of this year concerning their estimates:

> Despite the substantial economic costs generated by deficits in that model, such estimates may significantly understate the potential loss to economic growth from financing the tax changes with deficits . . . In reality, the economic effects of rapidly growing debt would probably be much more disorderly and could occur well before the time frame indicated in the scenario.

Is anyone listening to what our own advisers are telling us? Deficit financing of tax cuts hurts long-term economic growth, and the reaction could be disorderly changes in the markets well before the models suggest. I believe that, in part, that is what we are seeing today: a sharp drop in equity values, a sharp drop in the value of the dollar, and all the while we see a massive increase in our deficits and debt.

As shown on this chart, this is the long-term budget scenario of the Congressional Budget Office. This is where we are to this point. This is where we are headed without fundamental changes. If we keep patching the alternative minimum tax without paying for it, if we extend the Bush tax cuts without paying for them, there is going to be, according to those who advise us, a sharp reduction in economic growth, a sharp reduction in the economic strength of our country.

We have to start somewhere. I propose we start today by paying for the alternative minimum tax relief that is needed. We could do it today. We could open a new chapter. We could get serious about the long-term economic prospects of our country. The alternative is to stay on the current course, keep running up the debt, keep running the risk of a sharp break in the value of the dollar, keep running the risk of a sharp break in the economic strength of our country.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. SANDERS). Who seeks recognition?

The Senator from Utah.

AMENDMENT NO. 5633

Mr. HATCH. Mr. President, I appreciate my colleague from North Dakota. He is diligent. He means well. And I care for him a great deal. He has an impossible job, in my opinion. One reason he does is because one side thinks the only way to solve our problems is to increase taxes. Our side believes the only way to solve our problems is to reduce spending. We all know the only way you can do that and be significant is to take on some of the entitlement problems that exist, and that causes even more of an explosion. But I respect him very much for the fight he wages all the time.

I rise today to express my support for the Baucus-Grassley substitute and perfecting amendments to the tax extenders bill before us today. These amendments may sound a bit confusing, so I will try to clarify briefly what they do.

The Baucus-Grassley substitute amendment is a bipartisan compromise on the soon-to-be expired tax provisions dealing with energy production, alternatives, and conservation. This important group of tax incentives enjoys a great deal of support from Members on both sides.

Unfortunately, the passage of these energy extender provisions has been held up over discussions about energy policy in general, and more particularly, over the question of whether and how to offset the lost revenue.

The Baucus-Grassley perfecting amendment is also a bipartisan compromise, but this amendment features the retroactive extension of important tax provisions that expired at the end of last year, as well as extending the so-called alternative minimum tax patch for 2008, and a package of disaster relief tax provisions.

This long-delayed group of provisions also enjoys broad support among Senators, but it too has been held up by the question of how or if to pay for the lost revenue.

I want to first congratulate those of my colleagues whose hard work and flexibility have made these compromises possible. Getting to this point where we can hopefully pass this tax extenders bill today is a big achievement, and one that should not be overshadowed by the necessities of dealing with other urgent legislative business this week.

The chairman and the ranking Republican of the Finance Committee, Senators BAUCUS and GRASSLEY, along with the majority leader and the republican leader, deserve all of our thanks for guiding us to this compromise.

As with all compromises, this one is completely satisfactory to no one. My position all year long on the offset question, along with that of most of my Republican colleagues, can be summed up in two sentences. First, it is wrong to raise taxes on one group of Americans in order to prevent another group of Americans from suffering a tax increase. Second, it is wrong to raise taxes on a permanent basis in order to pay for the temporary extension of expired or expiring tax provisions.

The other side has put forward the position that, in the name of fiscal responsibility, we should not allow the budget deficit to grow higher as a result of extending current law tax provisions. I respect this position, and as someone who has long been concerned with this Nation's fiscal health, I also do not want to see the deficit climb.

However, the rate of Federal spending for the past several years has grown alarmingly high. According to the CBO's latest baseline budget projection, the deficit is estimated to explode from last year's $161 billion to $431 billion by 2010. So, yes, it is obvious that we have a deficit problem. However, over this same 3-year period, annual Federal revenues are projected to increase by $313 billion from fiscal year 2007 levels. This is an increase of more than 12 percent.

Over that same period, however, the amount of annual Federal spending is projected to climb by $583 billion. This is an increase of more than 21 percent. Therefore, it seems obvious that we do not have a problem with revenues. We have a problem with spending growing much faster than revenues are growing.

It seems to me that the answer to the offset question is not to raise taxes but to cut spending growth. And yet after months of impasse, we made no progress in getting the other side to line up for spending restraint instead of tax increases.

However, the leadership on both sides, along with the two leaders of the Finance Committee, have found a way to move us forward in a manner acceptable to both sides.

The energy extenders amendment is fully offset, as has been insisted upon by the Democrats. However, it is true that much of this amendment is comprised of expansions of current policy and not strictly extensions of current law. Therefore, some offsets are acceptable. I wish they were offsets in the form of spending cuts, but my voice is in the minority on this desire.

Moreover, the tax increases in the energy amendment have been moderated from earlier versions. Instead of a full repeal of the deduction for the domestic production of oil and gas, the amendment freezes the current deduction at 6 percent. And, instead of an obnoxious and unprecedented new Federal severance tax on oil drilled in the Gulf of Mexico, the amendment includes a small set of offsets that are relatively acceptable in light of the positive provisions included in the package.

In the AMT and extenders amendment, the other side has conceded that it need not be fully offset. This amendment does include a large tax offset dealing with offshore deferred compensation. I am not fully convinced that current law is in need of reform in this area. However, again the benefit to our economy and to taxpayers of having the expired provisions extended on a retroactive basis justifies this compromise.

We are obviously in a time of great economic peril. While the size of this combined tax extenders package might pale in comparison with the larger number of dollars involved with legislation we are considering this week to ensure the liquidity of our financial markets, we should not underestimate the importance of these tax provisions to our economy.

We must not subject another 23 million American families to the cruelties of the alternative minimum tax. What a nasty and unfair surprise to these unsuspecting households we would be leaving at their doorsteps absent this bill. Because the AMT patch will save these taxpayers almost $62 billion, in just one year, not passing the AMT patch would go a long way toward reversing the benefits of this year's economic stimulus tax rebates.

Let me mention two other vital provisions that are extended in this package, among many important ones.

First is the provision to extend the exemption of active financing. I know this sounds confusing, but it is critically important to keeping America's financial services firms competitive with their overseas counterparts.

The Internal Revenue Code imposes worldwide taxation on its citizens and domestic corporations. Many of our trading partner nations do not impose this kind of taxation on their home-based companies. Without the exemption for active financing income, which expires at the end of this year, our firms will have a significant disadvantage in competing with companies based in these other nations.

The second, and I believe, the most important, is the research credit, which expired at the end of last year. Research and development is the lifeblood of American innovation. This is an area where our Nation has clearly held the lead for decades.

However, we are at serious risk of losing this edge to other countries. No longer is the U.S. the only place to find talented scientists and other researchers. No longer does the U.S. have the only world class research facilities. And certainly, no longer do we have the only tax incentives for research in the world. Many other countries, each of which would love to take our lead away, are vying for this research.

We simply cannot afford to allow this credit to lose its incentive value and thus allow research to escape our shores. I fear it is already happening, but passing this bill is the first step in fighting to keep this indispensable segment.

This is obviously a historic week in a monumental year. Hugely important questions with tremendous ramifications lie before the Congress and before the American people and must be decided in the next few days and weeks.

The issue at hand today might be overshadowed by other matters, but is nevertheless a vital one. We must pass this tax extenders and energy incentives bill, and I hope the House can get it done this week as well. Let us put this part of our financial house in order today.

Then, I hope and pray we as a Congress can make the right decisions in solving our financial and liquidity crisis, and that the people of America choose wisely in the elections that are just a few weeks away.

As a Nation and as a Congress, we have a lot of work ahead of us to bolster the confidence of the people. We need health care reform and we need a tax system that helps us compete in the world, instead of leaving us at a disadvantage.

I personally compliment the distinguished Senator from Montana and the distinguished Senator from Iowa, Senators BAUCUS and GRASSLEY, for the work they have done, and, of course, others who have participated in this. Let's build on this work as we move forward.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I yield 10 minutes from the time in opposition to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Ms. CANTWELL. Mr. President, I rise to talk about the series of votes we are going to be having on the extenders package and to thank my Chairman, Senator BAUCUS, for his leadership on this legislation because this is important legislation my colleagues are going to be voting on in a short period of time.

Senator BAUCUS has been diligent in working with Senator GRASSLEY on various provisions that I believe are good for Washington State and for the country—specifically, the R&D tax credit and the continuation of that credit for 2 years. I thank Senator BAUCUS and Senator HATCH, who worked out a more robust tax credit for the future. We also are extending the college expense deduction; a continuation of that at $4,000. Many parents are struggling with many financial obligations, and college education costs that are continuing to rise. This legislation makes sure they can deduct some of these expenses and helps out those taxpayers.

For us in Washington State, it also is critically important we be able to continue to deduct sales tax from our Federal income tax obligations. It was about 22 years ago that Congress took away this opportunity for Washingtonians to be treated fairly, just like other States in the Union, to be able to deduct sales tax. We recently reestablished this policy, and this bill continues it for another 2 years, so that we are able to deduct what obligations we pay to the State of Washington from our Federal income tax obligation. This is stimulus to us in Washington State, and it is about tax fairness. We are glad that, for 2 more years, Washington residents will be able to either take a standard deduction or itemize their deductions and claim these taxes against their Federal tax obligation.

I remind my colleagues, too, about the importance of the energy provisions we are about to vote on. We are making a significant change in energy policy by promoting clean energy solutions for our country. In fact, were we to look at the 2005 bill we passed, which had many similar tax provisions in it related to energy production, it was probably two-thirds tilted toward fossil fuel and one-third for green energy. This bill turns that equation on its head; it is two-thirds for green energy solutions and one-third for fossil fuel. That heads us in the right direction as a Congress and as a country, it is where we should put our priorities.

This legislation unleashes the ability for us to focus on solar power in America. It unleashes the ability of solar power by giving it an 8-year tax credit horizon, the same we are giving to fuel cell technology. Concentrating solar power technology is a new endeavor that holds great promise for us in America and particularly in the Southwest. We think that over 400,000 jobs could be created in the next 8 years thanks to this technology, and those are jobs right here in the United States. That gives the United States the ability to produce enough power for probably over 7 million American households. It is also a $232 billion investment that we expect to see into our economy coming from these investment in solar energy. We are truly unleashing that power and producing what will be emission-free fuel for our homes and businesses.

For plug-in electric cars, this bill provides up to a $7,500 tax credit so an American citizen will be able to get a plug-in car and use that to drive down their cost of transportation. If you think about it, instead of spending $4 a gallon for gasoline, with a plug-in vehicle, your cost per gallon would probably be only about a dollar. That would be significant savings for the American consumer.

Third, we are including, for the first time in the Tax Code, faster depreciation for what are called smart meters. This technology is going to help us as consumers understand the power we are using and how we can manage that usage to reduce our energy costs. Tom Friedman has done a good job of evangelizing this. He believes this is where IT meets ET—where Internet technology meets energy technology. The fact is that we can build a smart electricity grid that understands what consumers are using and empowers those consumers to help drive down their costs. Once we get these meters installed throughout the country we will begin to realize energy savings just by moving power more efficiently around the electricity grids. We can save 10 percent on what power we are using today by just consuming it in a more efficient fashion.

This provision will help with the deployment of smart meters and smart grid technology that will help us move forward.

When we think about this platform of distributed generation, smart grid technology, the advent of efficiencies, we can see how we can build a national smart grid that will help us immensely because we know we are going to have an increase in demand, we know we want to reduce carbon emissions, we know there are intermittent sources of power such as we are talking about with wind and solar that we can work in cooperation with our other power sources, and we know that substituting electricity for oil can make a major transition for us in getting off our dependence on foreign oil.

All of these are improvements to that electricity grid. It is like taking our current two-lane dirt road highway and turning it into a superhighway of a smart electricity grid that can empower us in making this transition.

I am very happy that the accelerated depreciation provision made it into the legislation. I thank Chairman BAUCUS and Senator GRASSLEY for making that part of the tax incentives we are going to pass here today.

Lastly, there are over $10,000 in tax breaks to American consumers to try to help them lower their energy costs into the future. I know from the Presiding Officer that in the Northeast part of our country, a lot of people have suffered under the high cost of home heating fuel. This legislation helps them with tax breaks on wood-burning stoves so they can install the latest technology to turn wood pellets into a better, more efficient source of fuel and help drive down the demand on home heating oil. Hopefully this can help reduce the cost to many of the Northeast residents who are still using oil as their primary heating source.

The $10,000 in tax breaks, as I said, for items such as plug-in automobiles, wood stoves, solar panels on the homes, small wind farms, and a variety of things are going to help the American consumer reduce the burden they are now facing from higher energy costs.

We are taking this direction and moving closer to what we think the United States can be—a world leader in green technology. We are creating the platform and putting in place the right incentives in this legislation that will move our country away from its dependence on fossil fuel and on to the clean energy technologies that will make the United States a world energy leader.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

AMENDMENT NO. 5635 TO AMENDMENT NO. 5633

(Purpose: To amend the internal Revenue Code of 1986 to extend certain expiring provisions, and for other purposes)

Mr. BAUCUS. Mr. President, I ask unanimous consent that the pending amendments be temporarily set aside and I be allowed to call up my amendment No. 5635.

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

The clerk will report.

The bill clerk read as follows:

The Senator from Montana [Mr. BAUCUS], for himself, Mr. GRASSLEY, and Mr. REID, proposes an amendment numbered 5635 to amendment No. 5633.

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

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

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

Mr. BAUCUS. Mr. President, I yield 10 minutes of the time in favor of the third amendment to the senior Senator from New Mexico, a lead sponsor of the mental health parity provisions in the amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, my thanks to the chairman.

First, I wish to thank a number of individuals and institutions.

First and foremost, I thank Senator KENNEDY. Senator KENNEDY is my long-time partner and friend in our work on parity and other mental health issues. Obviously, he cannot be here today, but he is fully aware of what we are doing. I know he is very pleased with what we are doing and thrilled that we have found the offset for our bill, the bill that has been accepted by the House.

The question is whether our bill with the offset or our bill with a different offset becomes law. There should be no doubt that we will now get parity of treatment for a large number of Americans suffering from mental illness.

My further thanks go to Senator ENZI. I could not have asked for a better colleague to help work on this issue of mental health parity.

Senator DODD, my long-time friend, has done an admirable job standing in for Senator KENNEDY, not to mention his own work on mental health issues.

Chairman BAUCUS and Senator GRASSLEY: Simply put, we could not be here without you.

Leaders REID and MCCONNELL: I cannot say enough about the fantastic assistance the leaders have provided and they should certainly share with us the optimism that comes from this bill.

Members of the House of Representatives KENNEDY and RAMSTAD, the chairmen and members of the committees of jurisdiction and the leadership in the House; our superb coalition outside the Senate and House. Mental health groups, insurance companies, and business organizations banded together and stayed together to ensure a broadly supported bill.

It might shock some, but I read the long list of those who banded together. And yes, you will see that this bill is supported by businesses—by big businesses—by those who pay for the large numbers of people who are covered by insurance and who are going to be guaranteeing parity of treatment under this bill. Finally, my dear friend Paul Wellstone. He was always the one who pushed and prodded me to move quicker and faster. I know he is watching us today and is extremely proud of what we have accomplished.

Let me take a couple of minutes to talk about the historic mental health parity compromise before the Senate.

Twelve years have passed since the Mental Health Parity Act of 1996 became law. The compromise is the product of 3-plus years of continuous work and thousands of hours of labor. Rather than say just thousands, I will say a thousand hours at a minimum. For those 3-plus years I would walk into my office from time to time and I would see my conference room occupied by 30 or 40 people. Whenever that conference room was full, I knew that the member of my staff who handles mental health parity, Edward Hild, who is sitting at my right hand today, was among them. He was working with them to see what they could agree on and to see which problems could be solved. Joined with him was Senator KENNEDY's aide, Connie Garner. I thank the two of them especially. Without them we could not have completed this bill. They worked and worked in order to get all sides to agree. And now we have what many have waited for a long time. My thanks to Ed Hild, and Connie Garner, who works for Senator KENNEDY.

What does this bill do? It provides mental health parity for about 113 million Americans who work for employers with 50 employees or more. It ensures that 98 percent of the businesses that provide a mental health benefit do so in a manner that is no more restrictive than the coverage of medical and surgical benefits.

It ensures that health plans do not place more restrictive conditions on mental health coverage than on medical and surgical coverage; parity for financial requirements, such as deductibles, copayments, and annual and lifetime limits; parity for treatment limitations, and the number of covered hospital days and visits.

It provides an out-of-network parity for mental health coverage if a plan provides out-of-network coverage for medical and surgical benefits.

It provides a small employer exemption for companies with fewer than 50 employers and provides a cost exemption to all covered employers.

Simply put, our legislation will ensure that individuals with a mental illness have parity between mental health coverage and medical and surgical coverage. No longer will people with mental illness have their mental health coverage treated differently than their coverage for other illnesses. That means there will be parity between the coverage of mental illness and other medical conditions such as cancer, heart disease, and diabetes.

No longer will people be treated differently only because they suffer from a mental illness. And that means 113 million people in group health policy plans will benefit from our bill.

We have worked with the mental health community and business and insurance groups to carefully craft a compromise that all members of the coalition support.

I wish to take a minute to talk about what we are doing and what we are not doing. I have done that in all of my remarks, talking about what we are doing and what we are not doing.

Mr. President, I say to everyone here, I do believe that if Senator KENNEDY had his way, he would be standing over there where his chair is and he would be speaking as long as I speak or maybe longer. He and I would be discussing how difficult it has been to get this very basic American insurance coverage for the mentally ill.

Parity means fairness. We have been unfair to the mentally ill since we started medical insurance coverage for people with illnesses. Somehow we got off the track. We said, of course, we will treat everything that has to do with the heart, but, for instance, we won't do anything having to do with illnesses that affect the brain. Perhaps, it was because we didn't know that illnesses such as schizophrenia were diseases of the brain. We started talking about them as if they were something else. So we began saying they don't get the kind of coverage that people with heart problems do, or people with cancer do, or people with tuberculosis do.

What we have had is millions of Americans, since health insurance was first started, to this date, millions of Americans have been born and died with mental illnesses. Illnesses never covered by health insurance. However, over time the unfairness has been whittled away, and we have become more and more fair.

Today this bill says all of the group insurance policies in the United States of America, no matter who wrote them, no matter where they were written, no matter which company they were written by or for, will have to provide for the mentally ill who are covered. If they are going to have any mental health coverage, those insurance companies must cover them with the exact same coverage they give to others who suffer from other diseases as I have described in the last 6 or 7 minutes.

This is a red-letter day for fairness, a red-letter day for doing something very positive. This was a tough one, and it should have been easy. But it was tough. It took many years to get it through here. In fact, the last effort we had, believe it or not, we had a Senator who was so concerned about his work that he said he wanted one more weekend. To which I said: What can you do in one more weekend? And his response—and he was sincere—he said: I want to finish reading the bill. Nobody tells us that, but he did. He finished reading the bill. I thank him. I said: You must be a genius to understand what we wrote. I compliment you. That was one of our last hurdles. That was months ago in the Senate. Then it got to the House, this final bill, this bill before us today.

We had a parity bill a number of years ago which was quasi almost parity. That got through here a little easier, although even that bill was resisted in the House. Many of us have warmed to the idea finally that the mentally ill of our country are truly people who are sick, and if they are treated by doctors or in hospitals for that ailment—be it schizophrenia, be it bipolar, be it depression, any of those doctors have to treat—those patients ought to be covered by general health insurance.

I am so pleased we are finally doing this bill. I am so unhappy that my friend Senator KENNEDY cannot be here today. He and I spent many hours talking about this legislation, changing it, moving it around. I know he would have loved to have been here. So I say on behalf of Senator KENNEDY that he and I thank the Senate for this bill. It will be adopted shortly.

My 10 minutes is up. This is on a bill which is destined to pass. We were glad to put it on the bill. Maybe we helped the bill; maybe the bill helped us. In any event, we are trying to do everything that anybody asks of us. We even had the Congressional Budget Office say this bill costs the Government money, and that was a hard thing to eat and buy, but we did buy it. It took us a long time because we had to have an offset. We did get one.

For those people interested in the bill, I have said everything about the bill and the people with mental illness across our land. I have seen these people by the thousands—the mothers and fathers and relatives of the mentally ill. They are my friends across the land. Today, we have added other things and we are getting close to covering the mentally ill, as we should—as a concerned, considerate country should do.

I yield the floor. 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. WYDEN. 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. WYDEN. Mr. President, I ask unanimous consent to speak for up to 10 minutes on the third amendment.

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

Mr. WYDEN. Mr. President, I particularly wish to thank my friend from North Dakota, Senator CONRAD, for his courtesy because I know his remarks are extremely important, given these tough fiscal times.

I will be speaking on the third amendment and particularly the part of that third amendment that addresses the extraordinary economic hurt in much of rural America. Senator BAUCUS and the ranking minority member, Senator GRASSLEY, have worked very closely with me and a number of Members of the Senate who represent rural communities where the Federal Government owns much of the land, and tonight it looks like there is some promising news ahead for these desperately hard-hit rural communities.

More than 100 years ago, our rural communities entered into an agreement with the Federal Government. What these rural communities said was that, in effect, they would give up their land so there could be a national forest system, and in return the Federal Government would ensure that these rural communities would have sufficient funds for schools and basic services.

This was facilitated by tying these payments to the rural communities to the amount of timber that was cut in these areas.

Now, this went quite well for many years. But as the environmental laws in our country began to change, this money shriveled up. It shriveled up and we were faced, in rural communities, with the prospect of having school 3 days a week. In my part of the country, our law enforcement officials were faced with not having the funds that they desperately needed to fight this epidemic of methamphetamines. Suffice it to say there was a real question—and there continues to be—as to whether some of these communities and some of these rural counties would actually survive. We have three in our State that are walking on an economic tightrope right now.

So what Chairman BAUCUS and Senator GRASSLEY have done, working with a host of us from these communities—myself, Senator BINGAMAN, Senator FEINSTEIN, Senator CANTWELL, Senators MURRAY, SMITH, BOXER, CRAPO, CRAIG, and other colleagues on both sides of the aisle—is they have given us the opportunity, if this third part of the extenders package passes tonight, to give new hope to these rural areas. The hope comes in the form of a multiyear reauthorization of the law that I wrote in 2000 with Senator CRAIG to the Secure Rural Schools legislation.

It provides a safety net for these communities in our part of the country so they can educate their kids, fight drugs and crime, and pay for essential services. Right now, pink slips have been sent out in my State and elsewhere to county workers, teachers, and others. Without the legislation that has been put together so carefully by Chairman BAUCUS and Senator GRASSLEY, my view is we will see devastating losses to the very fabric of rural communities. Some of those rural communities will not survive. Today's vote—the vote we are going to have this afternoon—provides the best opportunity we have seen in many months to ensure that rural communities do not drown in this economic crisis.

The reason this proposal is so very important is that it is a multiyear reauthorization of the law that Senator CRAIG and I wrote in 2000. The reason we feel so strongly about a multiyear reauthorization is it will give our rural communities an opportunity to plan for new economic development efforts where they can create good-paying jobs for their people.

I know for a fact, given the huge problems we have had with fires in the West, that it will be possible to put together a strong thinning program, where we can thin out, for example, the overstocked second growth stands and get those merchantable materials—they are merchantable materials—to the mills and put our people to work.

We are going to be able to take other steps. We want to have new clean energy programs, using biomass, something where the Senate has brought together the forest product sector, the environmentalists, scientists, and others. We are looking at new opportunities in carbon sequestration. But to have the time for our rural communities to get into the thinning, to get into biomass, to get into carbon sequestration, we desperately need this 4-year reauthorization program to take these rural communities off the economic roller coaster they have been on since the time in which these funds ran out.

We have had wave after wave of bad economic news in rural America. We are now in a position to vote for a measure that will give new opportunity to these rural communities and particularly the opportunity over the next few years to survive and to look at additional business ventures that are tailor-made for the times. They are going to be greener, they are going to be sustainable, but they are going to create family wage employment.

In our part of the country, we recognize this is a different day than it was 100 years ago, when folks in the Northwest and other parts of rural America made this agreement with the Federal Government. Times have changed, and they are certainly tough fiscal times, made tougher by the events of the last few weeks. But the people I have the honor to represent in the Senate are up to making these changes.

On this legislation that we will vote on shortly, I am very hopeful that this time the other body will finally approve it; we have had 74 votes in the Senate in favor of this package. What Chairman BAUCUS and Senator GRASSLEY have added to the legislation virtually mirrors the vote that we had on the amendment I offered earlier in the Congress. Chairman CONRAD worked very closely with westerners to ensure that this was fiscally responsible. Senator GRASSLEY, the ranking Republican on our Finance Committee, on which Senator CONRAD and I serve, worked closely with us. This is truly bipartisan. It is a vote that would bring new hope to rural America, ensuring their survival and the chance for better days ahead.

I urge my colleagues to support the third part of the tax extenders package.

I thank my colleague from North Dakota for the courtesy of speaking at this time, and I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise to address the extenders package and the alternative minimum tax amendment now under consideration.

Earlier this morning, we debated an amendment to provide several critical energy tax provisions which was fully offset—it was fully paid for. They were important items, such as provisions that will promote renewable and alternative sources of energy. But now we are debating another important amendment, the underlying provisions of which I also support, such as the extension of the research and development tax credit, and other important extender provisions that will help middle-class families and promote economic growth, and another 1-year fix for the alternative minimum tax to ensure that 26 million taxpayers are not thrown onto the alternative minimum tax in 2008.

But as the chairman of the Budget Committee, I wish to be clear to my colleagues that the provisions in this amendment are not paid for. The extender and other provisions are only partially paid for, and the alternative minimum tax relief is not paid for at all. That, I believe, is a serious mistake. I fully support these provisions, but they should be paid for. I earlier offered an alternative minimum tax package that was paid for—fully paid for—and paid for in a way that it should be.

This spring, I made a commitment to the Blue Dogs in the House that I would raise a point of order against any unpaid alternative minimum tax bill in the Senate. The Blue Dogs are to be commended for fighting for fiscal discipline. I intend to keep my commitment to them and to raise a pay-go point of order against this bill. I do it not just because I made that commitment but because I believe it is the right policy as well.

I wish to remind my colleagues that pay-go does not require that these bills be paid for immediately. Pay-go requires that the legislation be paid for over 6 and 11 years. Given the economic downturn and turmoil we now confront, I would not call for paying for these tax reductions right now. But I also do not believe we can simply add them to the national debt without any offset over any period of time. That I believe is a mistake.

We can provide offsets to pay for these measures over the longer term, and we should. That would be the responsible thing to do, and it would send a signal to our financial markets that we are serious about putting our fiscal house back into order. So I will vote to uphold my point of order today, but I also recognize my point of order will fail and that this legislation will pass and be sent to the House.

Now, why is there a need to have alternative minimum tax relief? Well, the simple answer is: Because if we don't, 26 million people will be hit with additional taxes. In 2008, we would have 4.2 million affected if we passed the alternative minimum tax relief. With no AMT fix, 25.7 million would be affected. In other words, we would have 21 million more affected if we don't have a 1-year fix.

The 1-year cost of this alternative minimum tax and extender package is $104 billion. But these annual fixes, as costly as they are, conceal the much larger long-term cost of fixing this problem. The cost to reform the alternative minimum tax over the next 10 years is $1.6 trillion. Let me repeat that. The cost to fix the alternative minimum tax over the next 10 years is $1.6 trillion.

On the path we are following, we will absorb all that additional debt without a dime of it being paid for. I believe that is a profound mistake. Not only do I believe it, but the Congressional Budget Office confirms it. Over the summer I asked the Congressional Budget Office to examine the impact on our budget—and, more importantly, on our economy—from continuing to pass these unpaid-for, unoffset tax reductions. The Congressional Budget Office found that the debt absolutely explodes if we continue to pass the alternative minimum tax fixes without paying for them, without offsets. To go further, to pass an extension of the President's tax cuts without paying for them, without offsets, would increase the debt as a share of the gross domestic product to 602 percent.

Is anybody fiscally responsible in this Chamber anymore? Does anybody care about the effect on the debt, and more importantly, on the economy? The Congressional Budget Office, let me repeat, made it very clear. Here is what is going to happen to the debt without fixes to the alternative minimum tax, without extending the President's tax cuts. You can see the debt under any scenario is going to rise dramatically, but, if we keep passing alternative minimum tax fixes without paying for them, the debt will skyrocket. If we add to that an extension of the President's tax cuts without it being paid for, the red line shows what happens to the debt. Under that scenario, according to the Congressional Budget Office, the debt will reach 602 percent of the gross domestic product in 2082.

After World War II, the debt as a share of GDP was about 125 percent. The debt was about 125 percent of the gross domestic product. The Congressional Budget Office is telling us if we continue to pass these alternative minimum tax fixes without paying for them, and add in the cost of the President's tax cuts, the debt will reach over 600 percent of gross domestic product in 2082.

More importantly, the Congressional Budget Office concluded that the effect on economic growth would also be dramatic and devastating. Specifically, the Congressional Budget Office found that a failure to pay for these policies, the alternative minimum tax fixes and extension of the President's tax cuts, will result in an economic loss of almost 50 percent in the gross national product, per person, in roughly the next 65 years. In other words, instead of growing the economy, the Congressional Budget Office is finding and telling us that the debt created by these unoffset tax cuts will act as a giant anchor on this economy, dragging us down with debt and deficits, leading to higher interest rates, leading to less economic growth, more unemployment, and a weaker America.

In CBO's letter to me presenting the results of its analysis, the agency noted that the economic disruption caused by these deficits and debt is likely to be far worse than their own models show. Here is what they said:

> Despite the substantial economic costs generated by deficits in that model, such estimates may significantly understate the potential loss to economic growth from financing the tax changes with deficits . . . In reality, the economic effects of rapidly growing debt would probably be much more disorderly and could occur well before the time frame indicated in the scenario.

Mr. President, I ask unanimous consent for an additional minute.

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

Mr. CONRAD. Mr. President, I don't know when we are going to absorb this cruel lesson, but deficits and debt do matter. It is not just numbers on a page. This is the question of the economic performance of this country. What the Congressional Budget Office is telling us is that the explosion of deficits and debt hurt long-term economic growth and hurt it a lot—a reduction of 50 percent of the gross national product per person of this country.

I deeply believe one of the reasons we have the economic turmoil we have now is because of the explosion of deficits and debt fueling a gigantic bubble. That bubble is bursting and the pain is spreading.

We have to make a judgment. We have to make a determination. When do we start paying for things around here? When do we quit shuffling it off onto the debt? When do we stop threatening long-term economic growth and the economic strength of the country?

Today could be the day that we begin the march toward responsibility. For that reason I will offer a budget point of order on this measure that is unpaid for and urge my colleagues to support the previous amendment I offered to fully pay for the alternative minimum tax fix that otherwise will hit over 25 million Americans.

Mr. President, under the rules of the Senate I will offer the budget point of order as we approach that vote.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

AMENDMENT NO. 5634

Mr. GRASSLEY. Mr. President, I want to speak on the second or third amendments we are going to be voting on. But before I do that, I think the Senator from North Dakota has asked a very important question that I want to address: Is anyone around here concerned about the debt?

I want to remind everybody that it seems uncharacteristic to be able to speak about concern about the debt when it comes to the issue of tax policy, and not reducing taxes but basically in this bill keeping taxes where they have been for years and in some instances for more than a decade, but at the same time not think in terms of the debt when it comes to spending policy.

I have heard the Senator from North Dakota speak about concern about the debt when it comes to tax policy and the necessity to raise taxes to keep the existing tax policy in place. But at a time that we have increases in spending, I do not hear people talking about offsetting increases in expenditures.

I spoke this morning about pay-as-you-go somehow applying to taxes, but when it comes to increased spending we do not see the same concern about spending as it is with tax policy. That is an inconsistency that shows to me that the other party—at least the Senator from North Dakota—is concerned about the debt when it comes to talking about taxes, but when it comes to talking about spending I do not see that same concern. Hence I see an inconsistency in the debate on the issue of pay-as-you-go.

On this issue in this tax bill we are not talking about reducing taxes, we are talking about taxes that have sunset and periodically Congress deals with: Should we keep those same tax policies in place? For the most part, this bill is nothing more than keeping existing tax policy in place. As on the alternative minimum tax, it has been a policy of this Congress for a long period of time, at least since 2001, that we would not tax middle-income people because the alternative minimum tax was not indexed. This bill does that for the year 2008, so 25 million middle-income families do not pay more. They were not intended to pay it with tax policy of that nature—keeping it right where it is.

It is one thing to say we ought to raise taxes on other Americans to keep that tax policy where it has been, of not taxing the middle-income folks with the alternative minimum tax. But the game around here and in the amendment suggested by the Senator from North Dakota is to raise taxes permanently but to reduce the alternative minimum tax—I should not say reduce it, keep it so it doesn't hit 25 million Americans, where it has been, for 1 more year. So you have a tax increase forever to offset the tax policy that is for 1 year and sunsetting and have to deal with it next year. So next year we come back and if you follow his analogy, you raise taxes someplace else forever but probably deal with the alternative minimum tax for a short period of time of a year or probably at most 2 years.

We see it as a gimmick to raise taxes forever but not to take care of the problems of middle-income taxpayers not being hit by the alternative minimum tax, but for 1 year—once in a while for 2 years but in this bill for 1 year. So that is my response to the Senator from North Dakota. I hope people, as we have, do as we have done before. This body last year decided that when we keep tax policy where it has been for a long period of time and we want to extend it for 1 more year, we do not raise taxes on other Americans to continue doing what we have done for a long period of time.

While Members of this body may disagree on a lot of issues, there are some concepts that I think we should all be able to agree on. For instance, I think we can all agree it is not fair to penalize one group of people for another group of people's mistakes; second, that two wrongs don't make a right. Despite the fact that all of us may agree on these basic ideas, the amendment we have before us today suggests otherwise. So the Conrad amendment attempts to violate these principles—first by punishing taxpayers for the repeated mistakes of Congress not indexing the alternative minimum tax and, second, by attempting to correct Congress's original mistakes with yet another mistake.

The original mistake I am referring to, of course, is the alternative minimum tax. We all know the story. The alternative minimum tax was created 40 years ago in response to the discovery that a few people, 155 wealthy taxpayers, were able to eliminate their entire tax liability through legal means. The goal of the AMT was to guarantee that extremely wealthy people were not able to game the system and avoid paying some income tax. While this doesn't sound like a bad plan—on the surface, at least—the design and execution of this plan could not have been worse. That is because it was not indexed. Today, nearly 40 years after this travesty of a law that was put into place, the alternative minimum tax continues to fail on every level as a policy instrument while plaguing more than 4 million American taxpayers on a yearly basis. If we do not do something, 25 million more people will be hit this very year.

Since 2001 the Finance Committee has produced annual legislation to do what we call hold harmless the amount of families and individuals who are subject to this AMT. The amendment before us, if agreed to, would fully offset the alternative minimum tax fix for the year 2008. While I have said it on numerous occasions in the past, I want to say it again: The alternative minimum tax is a phony revenue source. It should not be offset, since it collects revenue that was never meant to be collected in the first place. In other words, it was meant to be collected only from very wealthy people and not from middle-income Americans. Therefore, I urge my colleagues to join me in rejecting this amendment.

Let's look at some of the reasons the 2008 AMT fix should not be offset. First, we need to go back to the original purpose of the alternative minimum tax. As I said earlier, 155 wealthy taxpayers were able to completely avoid Federal income taxes in 1969, and the AMT was put in place to make sure this practice did not continue.

So in 2008 has this problem been eliminated? Well, the answer is, absolutely not. In 2004, IRS Commissioner Mark Everson informed the Finance Committee that the same number of taxpayers, as a percentage of the tax-filing population at large, continued to pay no Federal income tax. In fact, the most recent IRS data available on high-income returns show that this problem is getting worse. According to an IRS analysis of tax year 2004, 2,351 taxpayers with incomes of $200,000 or more who do not use the medical or dental expense deduction had no income tax. In 2005, the number rose to 6,640. In other words, 6,640 taxpayers with incomes of $200,000 or more paid no income tax in 2005, which is over 42 times greater than the number—the 155—of wealthy taxpayers who paid no income tax in 1969. After nearly 40 years of failure and futility by the alternative minimum tax, the problem of wealthy taxpayers legally eliminating their entire tax liability is over 40 times worse than it was in 1969.

Clearly, the alternative minimum tax was and is a mistake. It is not doing what it was proposed to do. If you keep it on the books, it is going to kill the middle-income taxpayer.

Despite widespread agreement that the alternative minimum tax is a mistake and that something needs to be done about it, agreement on what exactly to do is not so widespread. A major factor in the disagreement relates to the massive amount of money the alternative minimum tax brings into the Federal Government, which is the only thing the AMT actually does well. In 2006, AMT filers paid more than $21.8 billion into the Federal Treasury, which is up from $17.2 billion in 2005 and greater than the $12.8 billion in 2004.

If we do not extend the most recent AMT hold harmless, that number is projected to balloon to a much greater amount, and long-term budget forecasts currently show this greater amount coming into the Treasury. When forecasters put their projections together, they are working under assumptions that the hold harmless that was extended last year will not be extended again because they base their assumptions on what the law says right now. Because of this, budget planners make the assumption that revenues will be much higher than everyone who is frustrated with the AMT thinks they ought to be because we have concluded that middle-income people never have paid this tax, never should pay it, so consequently the revenue is not going to come in. But the reason for this is then the AMT balloons the revenue base as it is projected to increase revenues as a percentage of GDP. There is a great deal of evidence to support this. Therefore, since these projections showing the AMT ballooning revenues are used to put together budgets, the central problem in dealing with the AMT is money.

There are some people who say we can only address the AMT if offsetting revenue can be found to replace the money the AMT is currently forecast to collect. Anyone who says this sees the forecasts showing revenues being pumped up as a percentage of GDP and wants to keep them there.

This argument is especially ridiculous when one considers that the AMT was never meant to collect nearly so much revenue. Subscribers to this argument want taxpayers to pay the price for a tax that was designed poorly and, through a comedy of errors, was allowed to flourish. It is simply unfair to expect taxpayers to pay a tax they were never intended to pay.

Offsetting the AMT would be a clear case of attempting to correct a past congressional mistake by punishing innocent taxpayers both today and into the future. If we are going to solve this problem, we need to look on the other side of the ledger; that is, the spending side. Budget planners need to take off their rose-colored glasses when looking at long-term revenue projections and read the fine print. In general, it is a good idea to spend money within your means, and that wisdom holds true in this case as well. If we start trying to spend revenues we expect to collect in the future because of the AMT, we will be living beyond our means. We need to stop assuming that record levels of revenue are available to be spent and recognize that the AMT is a phony revenue source.

As we continue to consider how to deal with the AMT, we must first remember that we do not have the option of not dealing with it. The problems will only get worse every year and make the solution even more difficult.

We must also be clear that offsetting the revenue that the AMT would fail to collect as a result of repeal or reform should not be a condition of repeal or reform. We should not call it ''lost revenue'' because it is revenue that we never had to begin with. Making the offsetting of the AMT's ill-gotten gains a condition of an AMT fix is to punish the American taxpayer for ill-conceived and poorly executed policy that has been a total failure.

Aside from not increasing the proportion of wealthy taxpayers who pay income tax, the AMT is projected to balloon Federal revenues over historical averages and to become a greater source of revenue than even the regular income tax. Budget forecasters need to recognize that the AMT is not a legitimate source of revenue, and Congress needs to be disciplined enough to show restraint on spending so that the AMT solution does not boil down to the replacement of one misguided policy with another. The amendment before us would certainly be such a misguided policy, so I urge my colleagues to reject this amendment because two wrongs certainly do not make a right.

We are almost three quarters of the way through the year 2008, and since January 1 of this year, several tax relief provisions have expired. These are what we call the tax extenders. The biggest one I have just referred to is the alternative minimum tax affecting 25 million Americans. There are a number of other widely applicable tax relief provisions in the bill. One provides millions of families with the deduction for college tuition, and another provides a deduction for teachers for out-of-pocket expenses. There is one that is very important to innovation in American business, which is a research and development tax credit.

All of these tax relief provisions expired over 8 months ago. So far, the Senate has not passed these popular expiring and expired tax extender provisions. However, the Senate has now reached a bipartisan agreement that should enable us to pass this third amendment we will be voting on shortly. The third amendment contains these popular individual and business tax extender provisions as well as the alternative minimum tax fix, the incentive stock option AMT fix, disaster tax relief, and other important provisions such as the secure rural schools and mental health parity provisions.

You might ask, now that the Senate is expected to pass these tax extenders and other tax relief in this third amendment, what could hold up these important, bipartisan, time-sensitive tax relief measures? They are time sensitive. In short, the answer is, the philosophy in the other body by the Democratic leadership's version of pay-go.

I have worked with the Senate Democratic leadership, including my friend Chairman BAUCUS, in putting together this bipartisan tax relief package. However, it seems in the other body the leadership is saying that instead of taking this amendment we will pass today, along with the energy tax extenders we will pass today, they will instead insist that more of this tax relief be offset with tax increases elsewhere.

I have spoken on this before, and the hangup the leadership in the other body has is that they obsess over raising taxes to offset continuing current tax relief policies. I offered a deficit-neutral path for these tax extenders, a restraint on new spending, but I got no takers. The leadership of the other body has been so obsessed with raising taxes that they were willing to hold hostage popular, bipartisan tax relief measures. Now the House leadership is threatening to kill these tax extenders unless they get the tax increase they want so badly.

It reminds me of the nursery rhyme story. I am referring to the story of the big bad wolf. I have a chart here that depicts the big bad wolf. You remember the story—the big bad wolf that threatened the three little pigs. He said: I am going to huff and puff and blow your house down. The Democratic leadership is playing the role of the big bad wolf right now. There is some serious huffing and puffing from my friends in the Democratic leadership in the other body.

For those millions of families sending their kids to college, forget about your tax deduction unless Democrats get their offsetting tax increases. They have ignored the spending cut proposals I circulated a few months ago. So they are not holding tax extenders hostage to a pledge to pay for them; they are holding tax extenders hostage to their version of pay-go, which is guaranteed tax increases. More revenue means more spending and bigger Government.

What we have is huffing and puffing and a threat to blow the tax extenders house down by the big bad wolf. A partisan obsession with a tax-increase version of pay-go will not, at the end of the day, trump bipartisan, popular tax relief measures that millions of families are counting on. The House should take up the bill we have passed today and pass it through the House as well so we can send it to the President for his signature. If the House does not do this, the House leadership will have some explaining to do to millions of families and hundreds of thousands of businesses that will ask: What is more important—a partisan agenda or doing the taxpayers' business? Will House Democrats tell their constituents that having a big Government was more important to them than providing tax relief to their constituents suffering from natural disasters, as one example? Will House Democrats tell their constituents that partisan politics was more important to them than providing tax incentives to lower the high gas prices they are paying and moving away from our dependance on foreign oil, as another example? I will wait for a response from the House leadership. More importantly, the House Democrats' constituents should hear the answer.

I urge you to vote yes on this third amendment. I also urge our friends in the House to pass this genuine compromise.

I ask unanimous consent to have printed in the RECORD a copy of the President's Statement of Administration Policy dated September 23 in support of this compromise.

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

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET, WASHINGTON, DC,
September 23, 2008.

STATEMENT OF ADMINISTRATION POLICY

SENATE AMENDMENTS TO H.R. 6049—ENERGY IMPROVEMENT AND EXTENSION ACT OF 2008 AND TAX EXTENDERS AND ALTERNATIVE MINIMUM TAX RELIEF ACT OF 2008

The Administration supports prompt passage of the above-named Senate amendments to H.R. 6049. This legislation is important to protect about 26 million Americans from an unwelcome tax increase in the form of the Alternative Minimum Tax. This legislation would also extend the tax credit for research and experimentation (R&E) expenses, incentives for charitable giving, subpart F active financing and look-through exceptions, and the new markets tax credit. The Administration supports these provisions and supports the passage of this legislation, despite the inclusion of several provisions that the Administration opposes.

The Administration supports tax incentives for renewable energy and has proposed replacing the current complicated mix of temporary incentives with a comprehensive unified approach that is carbon-weighted, is technology-neutral, and provides long-term certainty. The Administration believes this approach would be preferable to the provisions included in the Senate amendments.

It is the policy of this Administration that efforts to avoid tax increases on the American people should not be offset by provisions to increase revenue and treated as the equivalent of additional government spending under budgetary guidelines. Protecting taxpayers from the higher 2008 AMT liability and extending current rules for business taxation should not be impeded by the same procedural barriers as provisions to increase Congressional spending. For this reason, the Administration supports the provisions in the Senate amendments that provide individual and business tax relief without subjecting Americans to offsetting tax increases.

The Administration remains strongly opposed to provisions that would freeze the domestic manufacturing deduction for one industry, change the tax treatment of foreign income for American energy companies operating abroad, and eliminate the cap on the oil spill liability trust fund, raising the price of a barrel of oil. These provisions will increase the costs of American oil production, will give further advantages to foreign suppliers, and will likely result in higher prices at the pump. At a time when consumers are already struggling with the high price of gasoline and diesel fuel, Congress should not put additional upward pressure on fuel prices. As a matter of general principle, the Administration opposes singling out particular industries, based on political considerations, to be denied the full amount of broadly available tax advantages. In addition, the Administration strongly opposes the provision in the bill treating U.S. citizens with deferred compensation from certain employers, in all industries, more unfavorably than other U.S. citizens. The Administration is also concerned about certain incentives included in the bill, such as expensive and highly inefficient tax credit bonds. The Administration urges Congress to eliminate all such provisions from the final bill. Finally, the Administration opposes new mandatory funding for Payments in Lieu of Taxes, and believes that any extension of rural community payments should be phased out, as it has previously proposed. The Administration urges Congress to eliminate all such provisions from the final bill.

The Administration supports passage of mental health parity legislation included in the Senate amendments to H.R. 6049 that eliminates disparities between mental health benefits and medical and surgical benefits without significantly increasing health coverage costs. Also, the Administration is pleased that the Senate amendments include the President's Budget proposal to restructure and eventually retire the debt of the Black Lung Disability Trust Fund.

The PRESIDING OFFICER (Mrs. McCASKILL.) The Senator from Montana is recognized.

Mr. BAUCUS. Madam President, I yield 10 minutes from the time on the bill to the senior Senator from Connecticut, a senior member of the HELP Committee and a longstanding advocate of the mental parity part of the third amendment. I also yield 10 minutes to the Senator from Minnesota from the time on the bill for her to use after the Senator from Oregon speaks, following the Senator from Connecticut.

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

The Senator from Connecticut is recognized.

Mr. DODD. Madam President, first let me thank my dear and longtime friend, Senator MAX BAUCUS, for his kind comments. I appreciate them very much. And let me thank him and Senator GRASSLEY as well. There are a lot of people to thank about all of this, but we wouldn't be here today talking about this were it not for MAX BAUCUS and CHUCK GRASSLEY making it possible, as part of the tax extenders bill, to deal with this longstanding issue, mental health parity, that affects so many millions of our fellow citizens. I am confident mental health parity is going to become the law of the land before we adjourn, in a few days, this session of Congress.

I rise in strong support of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008, which, as I mentioned, is included in the tax extenders package. This is a very proud moment for millions of Americans who have fought for this but also who know, who are themselves, have family members, neighbors, friends, neighbors, coworkers affected by mental illness.

Let me begin by commending someone who is not here today, Senator TED KENNEDY, who we all know is recovering from a strong challenge himself at his home in Massachusetts. He asked me, along with BARBARA MIKULSKI, to take on a couple issues when he had to leave and go back home to try and get his health back. BARBARA MIKULSKI did a remarkable job in dealing with the higher education bill. Senator KENNEDY asked me to monitor and work with our Senate colleagues and our colleagues in the other body on the mental health parity bill. While it has not yet been adopted, we are about to do so in the Senate. It is a moment to congratulate our friend and colleague from Massachusetts who needs no further words from me about his commitment or his family's commitment, his remarkable sisters, Eunice Shriver, Jean Kennedy Smith, and his brothers over the years. This has been a family crusade, the issue of mental health parity, in addition to the work of Paul Wellstone and PETE DOMENICI.

This is also a great triumph. I know it is a matter of deep pride but also of relief as well that at long last we will recognize the importance of mental health. Let me mention PETE DOMENICI. PETE is a wonderful friend of mine. We are two people of opposite political parties who don't agree on a lot, looking back over the years we have been here together. We have taken different sides of many issues. But PETE and Nancy Domenici are remarkable people. He will be leaving the Senate in a few days after a distinguished career. I had the honor of being with PETE and Nancy in Las Cruces, NM, to speak at a dinner for him at the Pete Domenici Center for Public Policy, which is now going to be part of New Mexico State University. I had dinner with PETE and several colleagues, past and present, who have worked with him over the years. The Domenicis know about this issue, not just from an intellectual standpoint but a personal one as well. It is a matter of great pride to PETE and his family as well that our country, at least by the expression of this body and the other, recognizes the deep importance of this issue. We will hear shortly from my friend from Oregon who understands this matter very well indeed, personally, as well.

I thank all those involved. Paul Wellstone was a remarkable guy. What a tragedy to lose him a few years ago, him and his family, in that dreadful plane crash. No one cared more about this issue day in and day out than Paul Wellstone. The first day he arrived, he started talking about it and never stopped during his tenure. Today, we are recognizing him by calling this the Paul Wellstone and Pete Domenici mental health parity bill. His son Dave has been a champion on behalf of his father's cause. I wish to mention Dave and how proud his parents would be that he has carried this cause on to both Chambers. PATRICK KENNEDY as well has championed this issue on the House side, Senator TED KENNEDY's son, who is a distinguished Member in his own right of the House of Representatives and has done a great job on this issue. I know there are a lot of others who are part of this. I don't want to forget anyone.

I ask unanimous consent that a list of some 250 organizations that have been a part of this crusade be printed in the RECORD. I also ask unanimous consent that a statement by Mrs. Rosalynn Carter, Former First Lady of the United States and Chairwoman of the Carter Center's Mental Health Task Force, in support of passage of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 be printed in the RECORD.

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

MENTAL HEALTH LIAISON GROUP,
September 10, 2008.

Hon. NANCY PELOSI,
Speaker of the House,
House of Representatives, Washington, DC.
Hon. JOHN BOEHNER,
Minority Leader,
House of Representatives, Washington, DC.
Hon. HARRY REID,
Majority Leader,
U.S. Senate, Washington, DC.
Hon. MITCH MCCONNELL,
Minority Leader,
U.S. Senate, Washington, DC.

DEAR SPEAKER PELOSI, LEADER BOEHNER, LEADER REID, AND LEADER MCCONNELL: We are writing to express our support for the mental health and addiction parity compromise developed by House and Senate negotiators. We urge Congress to pass this important legislation before adjourning in September.

Congress has taken a major step forward in developing this thoughtful and balanced bipartisan legislation. We applaud the long, hard work engaged in by you and your colleagues in approving and reconciling the bipartisan House and Senate parity bills (H.R. 1424, S. 558). We urge Congress to take the last, most important step by passing this legislation.

Passage of the balanced and bipartisan mental health and addiction parity legislation would represent the fruition of many years of work by members of Congress, advocates, employer organizations and health plans to build on the Mental Health Parity Act of 1996. This broad and diverse coalition stands united in support of the parity compromise. Now, Congress has the chance to reach the goal of enacting this consensus legislation, before a new administration and a new Congress take office, and broader health policy issues begin demanding policymakers' time and attention.

We ask Congress to pass federal mental health and addiction parity legislation now.

Sincerely,

Active Minds, Inc.; ADAP Advocacy Association; Aetna; AFL–CIO; Alliance for Children and Families; Alliance for Eating Disorders Awareness; America's Health Insurance Plans; American Academy of Child and Adolescent Psychiatry; American Academy of Cosmetic Surgery; American Academy of Family Physicians;

American Academy of Neurology Professional Association; American Academy of Pediatrics; American Academy of Physician Assistants; American Association for Geriatric Psychiatry; American Association for Marriage and Family Therapy; American Association of Children's Residential Centers; American Association of Pastoral Counselors; American Association of People with Disabilities; American Association of Practicing Psychiatrists; American Association of Suicidology.

American Association on Intellectual and Developmental Disabilities; American Benefits Council; American Counseling Association; American Dance Therapy Association; American Federation of Teachers; American Foundation for Suicide Prevention; American Group Psychotherapy Association; American Hospital Association; American Humane Association; American Jail Association; American Mental

Health Counselors Association; American Music Therapy Association; American Nurses Association; American Occupational Therapy Association; American Orthopsychiatric Association; American Psychiatric Association; American Psychiatric Nurses Association; American Psychoanalytic Association; American Psychological Association; American Psychotherapy Association.

American Public Health Association; American School Health Association; American Society of Addiction Medicine; American Society of Plastic Surgeons; American Thoracic Society; Anxiety Disorders Association of America; Aspire of Western New York; Association for Ambulatory Behavioral Healthcare; Association for Behavioral Health and Wellness; Association for Psychological Science; Association for the Advancement of Psychology; Association of American Medical Colleges; Association of Jewish Family & Children's Agencies; Association of Recovery Schools; Association of University Centers on Disabilities; Association to Benefit Children; AstraZeneca Pharmaceuticals—US; Autism Society of America; Barbara Schneider Foundation; Bazelon Center for Mental Health Law.

Betty Ford Center; BlueCross BlueShield Association; Bradford Health Services; Brain Injury Association of America; Caron Treatment Centers; Carter Center Mental Health Program; Center for Clinical Social Work/ABE; Center for Policy, Advocacy and Education, Mental Health Association of NYC; CENTERSTONE Child, Adolescent and Family Division (Nashville, TN); Child and Family Guidance Center (Tacoma, WA); Child Neurology Society; Child Welfare League of America; Children & Families First (Wilmington, DE); Children and Adults with Attention Deficit/Hyperactivity Disorder; Children's Healthcare Is a Legal Duty; Children's Hospital Boston; Children's Aid and Family Services, Inc. (Paramus, NJ); Children's Defense Fund; Church Women United; Clinical Social Work Association.

Clinical Social Work Guild 49; College of Psychiatric and Neurologic Pharmacists; Community Anti-Drug Coalitions of America; Corporation for Supportive Housing; Council for Children with Behavior Disorders; Council for Exceptional Children; Council of Family and Child Caring Agencies (New York, NY); Council of State Administrators of Vocational Rehabilitation; County of Santa Clara, CA; CT Chapter National Alliance Methadone Advocates; Cumberland Heights; Davis Y. Ja and Associates, Inc.; DePelchin Children's Center; Depression and Bipolar Support Alliance; Disability Rights Education and Defense Fund; Easter Seals; Eating Disorder Hope; Eating Disorders Coalition for Research, Policy & Action; Emerge—Career Services (Minneapolis, MN); Emergency Nurses Association.

Empowered and Supporting Treatment of Eating Disorders (FEAST); Ensuring Solutions to Alcohol Problems; Epilepsy Foundation; Faces & Voices of Recovery; Families First; Families for Depression Awareness; Families USA; Family & Children First (Louisville, KY); Family & Community Service of Delaware County (PA); Family and Children's Center, Inc; (Mishawaka, IN); Family Conservancy (Kansas City, KS); Family Counseling Service (Aurora, IL); Family Service Association (Langhorne, PA); Family Service Association (Moreno Valley, CA); Family Service Association of New Jersey; Family Service Centers, Inc. (Clearwater, FL); Family Service of Greater Baton Rouge; Family Services of Northeast Wisconsin; Family Services, Inc. (North Charleston, SC); Family Violence Prevention Fund; Family Voices.

Federation of American Hospitals; Feeling Blue Suicide Prevention Council; General Board of Church and Society of the United Methodist Church; Hazelden Foundation; Higher Education Consortium for Special Education; Human Rights Campaign; Jewish Family Service of Bergen County, Inc. (NJ); Jewish Family Service of Los Angeles; Jewish Family Services, Inc. (Milwaukee, WI); Jewish Federation of Metropolitan Chicago; Johnson Institute; Judson Center (Royal Oak, MI); Kids Hope United; Kids Project; Kristin Brooks Hope Center; Learning Disabilities Association of America; Legal Action Center; LifeSpan, Inc. (Hamilton, OH); Light For Life Foundation International.

McShin Foundation; Mental Health America; Methodist Home for Children (Philadelphia, PA); Metropolitan Family Service (Portland, OR); Metropolitan Family Services (Chicago, IL); Minnesota Council of Child Caring Agencies; Minnesota Indian Women's Resource Center; Missouri Recovery Network; NAADAC, The Association for Addiction Professionals; National Advocacy Center of the Sisters of the Good Shepherd; National Advocates for Pregnant Women; National African-American Drug Policy Coalition, Inc.; National Alliance for Hispanic Health; National Alliance for Research on Schizophrenia and Affective Disorders; National Alliance on Mental Illness; National Alliance to End Homelessness; National Asian American Pacific Islander Mental Health Association; National Association for Children of Alcoholics; National Association for Children's Behavioral Health; National Association for Rural Mental Health. National Association for the Dually Diagnosed; National Association of Addiction Treatment Providers; National Association of Anorexia Nervosa and Associated Disorders—ANAD; National Association of Councils on Developmental Disabilities; National Association of Counties; National Association of County and City Health Officials. National Association of County Behavioral Health and Developmental Disability Directors; National Association of Health Underwriters; National Association of Mental Health Planning and Advisory Councils; National Association of Pediatric Nurse Practitioners; National Association of Psychiatric Health Systems; National Association of School Psychologists; National Association of Social Workers; National Association of State Alcohol and Drug Abuse Directors; National Association of State Directors of Developmental Disabilities Services; National Association of State Directors of Special Education; National Association of State Mental Health Program Directors; National Coalition for the Homeless; National Coalition of Mental Health Consumer/Survivor Organizations; National Coalition of Mental Health Professionals and Consumers.

National Council for Community Behavioral Healthcare; National Council of Jewish Women; National Council on Alcoholism and Drug Dependence; National Council on Family Relations; National Council on Independent Living; National Council on Problem Gambling; National Disability Rights Network; National Down Syndrome Congress; National Down Syndrome Society; National Eating Disorders Association; National Education Association; National Empowerment Center; National Federation of Families for Children's Mental Health; National Foundation for Mental Health; National Law Center on Homelessness & Poverty; National Mental Health Awareness Campaign; National Organization of People of Color Against Suicide; National Partnership for Women & Families; National Physicians Alliance; National Research Center for Women & Families.

National Respite Coalition; National Retail Federation; National Spinal Cord Injury Association; Neighborhood House, Inc. (Columbus, OH); New Jersey Alliance for Children, Youth, and Families; NISH; Northamerican Association of Masters in Psychology; Obsessive Compulsive Foundation; Our Family Services (Tucson, AZ);

PACER Center; Paralyzed Veterans of America; Pennsylvania Educational Network for Eating Disorders; Presbyterian Church (USA) Washington Office; Remuda Ranch; Renfrew Center for Eating Disorders; RiverzEdge Arts Project (Woonsocket, RI); Rogers Behavioral Health System, Inc.; Rogers Memorial Hospital; Schizophrenia and Related Disorders Alliance of America; School Social Work Association of America.

Shaken Baby Alliance; Sjögren's Syndrome Foundation; Society for Adolescent Medicine; Society for Personality Assessment; Society for Research in Child Development; Society of Professors of Child and Adolescent Psychiatry; Specialized Alternatives for Families and Youth; State Associations of Addiction Services; Substance Abuse and Addiction Recovery Alliance of Northern Virginia; Suicide Awareness Voices of Education; Suicide Prevention Action Network USA; Teacher Education Division of the Council for Exceptional Children; The Advocacy Institute; The Arc of the United States; The Bridge, Inc. (Caldwell, NJ); The Emily Program; Therapeutic Communities of America; Title II Community AIDS National Network; Tourette Syndrome Association; U.S. Chamber of Commerce.

Union for Reform Judaism; Unitarian Universalist Association of Congregations; United Cerebral Palsy; United Church of Christ Mental Illness Network; United Church of Christ, Justice and Witness Ministries; United Jewish Communities; US Psychiatric Rehabilitation Association; Wellstone Action; White Fields, Inc. (Piedmont, OK); Wisconsin Association of Family & Children's Agencies; Witness Justice; Word of Hope Ministries, Inc. (Milwaukee, WI); Yellow Ribbon Suicide Prevention Program.

STATEMENT FOR THE RECORD IN SUPPORT OF THE PASSAGE OF THE PAUL WELLSTONE AND PETE DOMENICI MENTAL HEALTH PARITY AND ADDICTION EQUITY ACTION OF 2008, BY MRS. ROSALYNN CARTER, FORMER FIRST LADY OF THE UNITED STATES, CHAIRWOMAN, CARTER CENTER'S MENTAL HEALTH TASK FORCE, ATLANTA, GEORGIA

I am pleased to have the opportunity to express my strong support for the passage of a critical health issue facing millions of Americans: parity for the treatment of mental illnesses and substance use disorders.

I have been working on mental health issues for more than 35 years. When I began no one understood the brain or how to treat mental illnesses. Today everything has changed—except stigma, of course, which holds back progress in the field.

Because of research and our new knowledge of the brain, mental illnesses now can be diagnosed and treated effectively, and the overwhelming majority of those affected can lead normal lives—being contributing citizens in our communities.

I join many individuals and hundreds of national organizations calling for an end to the fundamental, stigmatizing inequity of providing far more limited insurance coverage for mental health care than for treatment of any other illnesses. Again, I join forces with my friend Betty Ford in urging action on this important issue.

Jimmy and I founded The Carter Center 25 years ago, and I have a very good mental health program there. Annually we bring together leaders to take action on major mental health issues of concern to the nation. We have focused many times on stigma and discrimination and the importance of insuring adequate, equitable coverage for people with mental illnesses.

To me, it is unconscionable in our country and morally unacceptable to treat 20 percent of our population (1 in every 5 people in our country will experience a mental illness this year) as though they were not worthy of care. We preach human rights and civil rights and yet we let people suffer because of an illness they didn't ask for and for which there is sound treatment. Then we pay the price for this folly in homelessness, lives lost, families torn apart, loss of productivity, and the costs of treatment in our prisons and jails.

I have always believed that if insurance covered mental illnesses, it would be all right to have them. This may be why the stigma has remained so pervasive—because these illnesses are treated differently from other health conditions.

All mental illnesses are potentially devastating. But today living a life in recovery from a mental illness is not only possible, but expected. We had an intern at The Carter Center this spring, for example, who has obsessive compulsive disorder and depression. While she was in high school, she once spent two solid weeks in her house, unable to leave or be with her friends. I am happy to say that she received treatment, is a college graduate with Phi Beta Kappa honors, and just got a job in Washington, DC. Without resources and support, she could still be sick and shut in her home, which is what happens to so many who do not get the help they need because of lack of the ability to pay for services. We as a country lose all the many contributions of these wonderful people.

I have the pleasure of being friends with Tom Johnson, the former publisher of the Los Angeles Times and former CEO of CNN and a person who has struggled with depression. He has been interested in the mental health benefits offered by employers in Atlanta. He and two other prominent CEOs in the Atlanta community—all of whom have suffered from severe depression and are now great leaders—have had an enormous impact on businesses in the area.

Through the research of people like Howard Goldman and Richard Frank, we know that parity in insurance benefits for behavioral health care has no significant increase in total costs when coupled with management of care. We also know that a number of enlightened companies such as AT&T, Delta Air Lines, Eastman Kodak, General Motors, and IBM have provided comprehensive coverage for their employees. (Report to the Office of Personnel Management, by Washington Business Group on Health)

Since the mental health commission we held during Jimmy's presidency, there have been several major reports released including the first Surgeon General's Report on Mental Health, President Bush's New Freedom Commission on Mental Health, and the Institute of Medicine included mental and substance use conditions in its series of reports on the quality of American health care. All of the reports reinforce the statement that effective treatments are available, but most people who need them do not get them.

The whole nation has learned a lot about the importance of mental health issues through the events of Hurricane Katrina and the needs of our returning soldiers and National Guard troops. We support our troops in the field, and it is critical that we continue to support them when they come home.

Finally, I would like to comment on the number of states that have moved ahead with parity. These have been long-fought battles with some states managing wonderful successes. It is so important that stronger state parity laws continue to improve the lives of people with mental illness and addiction. It is also critically important that plans not override the intent of this legislation by discriminating against those with certain diagnoses of mental illness and addiction in their coverage. I am glad to see that this legislation includes efforts to keep a close watch on this issue. The intent of this law is fairness, not discrimination.

After waiting for 15 years, we finally have mental health and addiction parity legislation in sight. If this legislation is passed, many of our citizens will be healthier, and our nation will be stronger, more resilient, and more productive.

On behalf of the millions of people affected by mental illnesses, I applaud your efforts to pass the mental health and addiction parity legislation. I know the work has been hard, but the benefits to our nation will be enormous.

Mr. DODD. I thank them and others who have been a part of this. Senator HARRY REID, the majority leader, doesn't often get recognized, but without him, none of this happens. While we associate mental health parity issues with Senator KENNEDY and Paul Wellstone and PETE DOMENICI and others, the majority leader makes all this possible. While he probably wouldn't say so himself on this issue, I can guarantee you we were not going to leave for this session of Congress without a chance to vote on this issue. HARRY REID made it a quiet, personal commitment that this body would have a chance to express itself on this issue. Without that kind of commitment from the distinguished majority leader, these matters often can slip away and disappear. To HARRY REID, the majority leader, the Senator from Nevada, to the millions of people affected by this issue as well, we thank him for his commitment.

This legislation has the potential to impact 1.8 million insured individuals from my home State of Connecticut, 150 million Americans in the United States, but with 1 in 5 American families directly affected by mental illness, the impact of this legislation will be much broader. Every one of us, every American knows a friend, has a relative, a neighbor, a coworker, colleague whose life has been touched by mental illness in one way or the other. With this legislation, we are saying that mental illness will no longer take a backseat to physical illness.

With this legislation, we are taking an important step toward tearing down the stigma that people with mental illness face every single day and have for decades. The Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act will end health insurance discrimination between mental health and substance abuse disorders and medical and surgical conditions. Upon passage of this bill, health insurers will no longer be permitted to charge higher copays or limit the frequency of treatment for people with mental illness than what they would for a medical or surgical condition. The bill before us builds on what the Senate passed unanimously 1 year ago. The bill strengthens the requirements around out-of-network benefits for mental illness and improves the transparency of decisions made by insurance companies with respect to mental health coverage.

A component of the bill I wish to highlight is its protection of State laws that provide for greater consumer protection than what exists in Federal law. I take pride in the fact that I represent the small State of Connecticut. Yet my State recognized the disparity between insurance coverage for physical and mental illness years ago. They did so by taking a significant step to address mental illness by enacting strong mental health parity and consumer protection laws. These laws far exceed what currently exists in Federal law, and I believe the bill before us today will allow my State and others to maintain those strong laws in the future. The protection and preservation of State law is an issue I have fought long and hard for during Senate consideration of this bill. It is an issue of crucial importance to my State and will no doubt be a central issue next year, when I hope this body acts on legislation to finally make mental health care universal in this country as part of a universal health care effort.

Of all the health care issues I have worked on, it is a rarity to find an issue with as many diverse interests putting their full weight behind passage of a bill such as this. As I mentioned, more than 250 national organizations, representing consumers, family members, advocates, professionals, and providers have signed a letter urging Congress to pass this legislation into law. It is so important that we have that kind of support. I will not go through all the organizations involved, but I wish to highlight the work of the Connecticut Psychological Association, Aetna, which is headquartered in Hartford, and the Connecticut Insurance Department and Office of Healthcare Advocacy. They have all played an important role in this legislation.

Again, I urge my colleagues to act now and pass this bill. We tip our hat to TED KENNEDY, Paul Wellstone, PETE DOMENICI, and all those who fought and care about this issue. It is a great moment for the country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH. Madam President, I thank the Senator from Connecticut, Mr. DODD, for his statement on health parity. When I first began wrestling with this issue, he was unusually helpful to me in breaking the dam, this cause of mental health and suicide prevention. I thank him for that. I will never forget him for that. I think of Senator KENNEDY and of PETE DOMENICI and others who have been my allies to move not just the youth component but mental health parity as an essential ingredient, to help move it forward and put it on a basis that is equal with physical health. The truth is, if you have physical health and you don't have mental health, you do not have health. In fact, you may have something just as lethal as leukemia or any other dreaded disease.

America is taking a great step forward with the passage of this extenders package today. I suspect many of my colleagues are having their phones ring off the hook as we speak on the issue of financial insecurity that is leading the headlines of the papers and on all the news shows and talk shows. It is something that is deeply distressing to every American and certainly to this American.

What we have in this country that we are dealing with, at its root, is a crisis in confidence over credit. Right or wrong, like it or not, commerce in this country runs on credit. Small businesses without cashflow have to take out loans. As I evaluate this package—and I have made no decision on it—I am going to be looking to make sure there are no golden parachutes, to make sure this is not a bailout of fat cats but that this goes to Main Street in ways that help people who are already suffering the consequences. We can do things such as extending unemployment insurance, improving LIHEAP. We can even add additional funds to food stamps. But at the end of the day, what does matter to the people who have a job and go to work is to have employers who are creditworthy. If their banks are not creditworthy, if their banks have written their assets down so much that when you put your money in, they keep it, they don't lend it out—when that happens, commerce stops. Jobs are lost. The carnage spreads. That is what we are dealing with in this very difficult week in the Senate, to make sure we do the best we can in this deliberative body that the Constitution gives the purse strings.

We have to do it right. If it comes up wrong, we have to start over and do it better. There is no place for golden parachutes for those who have taken advantage of the rules on Wall Street in ways that have victimized many people. We have already put $300 billion toward the bailout of Fannie Mae and Freddie Mac. These are government-sponsored enterprises. In those institutions, apparently the leaders, the boards, were playing fast and loose with the terms Congress gave them in their charter in a way that is both deplorable and more than lamentable. There are people who need to be held accountable for what has happened. But Fannie and Freddie are the central plank in the problem of our credit. That is what started the dominos.

Having said that, I do wish to suggest that this extenders package is most worthy of passage, not just because of the mental health parity that is included, but I wish to talk about another feature that my colleague RON WYDEN and I have been working on ever since we have been in the Senate together. That is the secure rural schools extension. This has been most difficult because it has not been easy to explain to our colleagues all over the country who do not know what it is like to have the Federal Government own most of your State. When the Federal Government owns your State, the local governments cannot tax the Federal Government. So dating back to the beginning of statehood in Oregon in 1859, there was a relationship developed between the Congress and Oregon, and other similarly situated States, whereby they would receive 25 percent of what are called timber taxes or mining taxes or extraction taxes, these kinds of resources that come from public lands.

It is through that, because the counties don't have a tax base, that rural folks are able to have schools, streets, and neighborhoods that are safe, with police protection. That worked very well, even through a big reformation period under Teddy Roosevelt, when these things were redone. It has worked very well. But in the 1990s, there came a great effort to save the spotted owl. There came a change in forest policy with the Clinton administration. The purpose was to save the spotted owl. We learned now, decades later, that the spotted owl was not imperiled by logging. It is now imperiled by catastrophic wildfire. It is now imperiled by a nonnative owl called the bard owl, and the bard owl likes to eat the spotted owl. Nevertheless, the carnage has been done. At the end of the Clinton administration, the President was good enough to sign replacement revenues which are called county payments or secure rural schools funding.

It has been hard to get these funds reauthorized. We had it extended by one year last year. This package extends it 4 years. It needs to be extended. This is not a golden parachute. This is keeping the covenant with rural counties. This is vital if we are to keep faith with rural places and people in very vulnerable areas.

I am delighted this legislation is included in the package. The Senate has passed it before with huge majorities because Senator WYDEN and I—he has worked that side of the aisle and I have worked this side of the aisle—made sure we got it in, that we keep enough support on both sides that it could make it to the House of Representatives, where I hope and I pray it will be accepted.

But I would conclude my remarks by saying: I understand from some of my neighboring States that the formula had to be changed. This bill represents a declining interest to Oregon of 60 percent. The 60 percent is based on a cut to Oregon, which is based on a new formula. The new formula is not based on history. You see, the old formula was that the money goes to those counties where God put the trees. Now, it is distributed differently, so our neighboring States can get more, and Oregon gets less. I do not like that.

But I want to say there is a way to remedy that deficiency, and that is to go back to a balance on forest policy that allows for a sustainable yield, allows for the creation of timber jobs, allows for the development of American timber for American homes and American commerce. Instead of being a nation that imports lumber, we can once again be a self-sufficient country in lumber.

We need the help of the administration. We have had it with President Bush. We have not had it with the courts. But the courts, I hope, are changing because this is literally a matter of economic life and death for vulnerable rural communities. So what we have to have is this, which is the best we can get, and we need it for 4 years.

Then we need to make up this deficiency the old-fashioned way, by letting men and women in rural places go back to work, to manage our forests, these public lands that can be managed in a way that is consistent with the environment and creates the economic blessings Oregon and other places have known in the past. Those blessings, in short, are family-wage jobs, the kinds of jobs that pay property taxes, build schools, pave streets, and keep neighborhoods safe. If we can do that, all will be well and this day will represent a good day for the State of Oregon and particularly its rural parts and places.

With that, I thank the Presiding Officer for the time and yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Ms. KLOBUCHAR. Madam President, I thank the Senator from Oregon for his support for the Paul Wellstone and

Pete Domenici mental health parity bill, something I am going to talk about in a minute.

Madam President, as we focus on the very serious and urgent challenge facing our financial system, we must not lose sight of the equally serious challenge of building a solid foundation for America's economy in the long term. Today, we have the opportunity to vote on a bipartisan bill—the Energy Improvement and Extension Act—which will help America build that long-term foundation.

I thank Senator GRASSLEY and Senator BAUCUS for their work on this bill. The bill we vote on today provides an opportunity for the first step to move America forward. The way we have been handling these energy incentives has been like a game of red light, green light: on again, off again, on again, off again. While our country develops so much of the technology for wind and solar, we have now been leapfrogged by other countries that have more long-term policies in place that encourage investment in these areas.

You can drive past hundreds of massive wind turbines along Buffalo Ridge in southwestern Minnesota. My State is the third leading producer of wind power, and that is because our State, on a bipartisan basis, has set some standards and put those incentives in place. On the Iron Range in northeastern Minnesota, a large mining company has just announced it will invest $15 million to build a facility to produce a renewable biofuel using a variety of sources, such as switchgrass, corn husks and stover, wood byproducts and oat hulls. This is about the future of energy.

When I get questions about this and how we need to move with energy, I always remind people of the first start of the computer age when we had those big computers in those big rooms and they were inefficient, and over time they got more and more efficient, so those computers can fit in the palm of someone's hand. But to do that, as a country we are going to have to have that individual focus and that determination to invest and set those standards.

Today is the first step. I think our energy challenge offers similar opportunities that we had when we put a man on the Moon. So we have to ask ourselves this: Will the United States be a leader in creating the clean energy technology jobs and industries of the future or are we just going to sit back and watch the opportunities pass us by with Japan and Europe and India leading the way? Today, with the bill before us, we have the opportunity to be that energy leader.

AMENDMENT NO. 5635

We also have a chance to be a better leader in an area of health care where we have come up short for far too long. I am referring to the mental health parity bill that is included in this package. We have tried to pass this legislation through the Senate over and over again. These efforts predate my time in the Senate, and they continue to this day.

My friend and our former colleague, the Senator from Minnesota, Paul Wellstone, fought for this law as a matter of justice and fairness. Senator DOMENICI, on the other side of the aisle, was right there with him and has continued to press for this legislation. Senator KENNEDY has been a champion for this legislation, and Senator DURBIN. In the House, there is PATRICK KENNEDY and one of my favorite Republican Congressmen, JIM RAMSTAD from Minnesota. He is stepping down this year, and he does not want to leave until this bill gets done.

As Paul Wellstone always insisted: A mental health parity law is about equality and fairness. It is also about human dignity. Although much has changed over the years, people who suffer from a mental illness continue to suffer from a deep social stigma—something that can be just as challenging to live with as their illness. Their families suffer too. This legislation is not just about health insurance. It is also about eliminating the stigma and affirming the dignity of the Americans who suffer from a mental illness or an addiction.

Paul knew about this and cared about this issue because of his brother Steven who had a mental illness. He was hospitalized. His family was thrown into debt. Paul would often talk about how, during those years, there was a darkness in their home. Paul's brother eventually got proper treatment and secured his dignity at great cost to their family. Paul did not want anyone else to go through what their family went through.

He also cared about this bill because he always cared about the underdog, the person for whom it seemed as though there was nothing else there for them. That is what Paul Wellstone was about: putting those people first in the Halls of the Senate.

Whenever I walk through the Senate and say I am a Senator from Minnesota, I hear stories from other Senators about Paul. But the stories I remember most are those I hear from the secretaries in the front offices or the tram drivers or the police officers who guard the front of the Capitol. They, too, tell me about Paul and how good he was to them and how he treated them with respect. That is what Paul brought to this job. That is why he cared so much about this legislation.

In 1995, Minnesota enacted a mental health parity law that is among the strongest in the Nation. In the past 10 to 15 years, other States have enacted some version of mental health parity. The problem is that despite these State laws, 82 million Americans do not benefit because their employers' self-insurance plans come under the jurisdiction of the Federal Employee Retirement Income Security Act, or ERISA. It is time for them to receive the same protection as Americans whose insurance does not come under ERISA.

I think about the legendary Supreme Court Justice, Justice Brandeis, who had a famous saying about States being the laboratories of democracy. He said:

> It is one of the happy incidents of the federal system that a single courageous state may, if its citizens choose, serve as a laboratory; and try novel social and economic experiments without risk to the rest of the country.

But Justice Brandeis did not mean that ''novel social and economic experiments'' must forever stay at the State level. If an experiment is successful at the State level—especially in many States—then it may very well be something that should be taken up on a larger national scale. Mental health parity has proven its value in State after State. Now it is time to take this well-tested innovation to the national level so our country has a uniform, equal standard of mental health parity that applies to self-insurance plans under the jurisdiction of ERISA.

There are so many good reasons for our Nation to have a mental health parity law: economic reasons, health reasons, criminal justice reasons, and reasons of basic fairness and human dignity. For me, there is one special reason why we must pass this legislation. That reason is Paul Wellstone. This legislation is about everything he stood for—about fighting for people who do not have power and do not have a voice, people who would rather hide than speak up because of the stigma and the shame, people who needlessly suffered because of discrimination and prejudice. This bill is about Paul. It is about his brother Steven. It is about his family. And it is about his determination to help bring justice and dignity to millions of Americans who live in the shadow of mental illness. When Paul was alive, many people in this Chamber said they wanted to pass this bill, and when Paul died, they said they wanted to pass this bill. Well, the time has come to pass this bill.

Senator KENNEDY, home watching everything that goes on in this Chamber, wants to get this done. Before he retires, JIM RAMSTAD wants to get this done. And Paul Wellstone's sons have been here day after day walking the halls of the Capitol, knocking on doors, trying to do this for their father's memory. We have waited too long.

We have the opportunity to finally get this bill into law. It is an opportunity to put aside all the excuses and, instead, to put front and center all of the many good reasons this law will serve our Nation well. I hope, when this vote comes up today, this bill will pass and it will pass by a large margin. It is a tribute to Paul and to all the people who have waited for so long to get their dignity.

I thank the chair.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Madam President, this third amendment, which I hope we vote on successfully very soon, addresses tax relief for American families and tax relief for American businesses. The amendment addresses jobs, families, disaster relief, and mental health parity.

I was particularly struck by the last speaker. She is right. The mental health parity provision is so important for so many reasons, especially for the people who deserve equal treatment, in addition to being in honor of Senator TED KENNEDY and also in honor of Paul Wellstone.

This amendment also prevents the alternative minimum tax from hitting millions more American families. Our economy is struggling, and so are America's working families. Markets are experiencing volatility. At times such as these, Americans need tax cuts that they have come to count on and that can help them get by. That is why this amendment includes a 1-year patch for the alternative minimum tax. This patch would protect more than 21 million Americans from falling victim to the AMT. We will not let more taxpayers fall into the alternative minimum tax.

In addition, the amendment would extend expiring individual and business tax provisions for 2 years. These provisions include the qualified tuition deduction to give families relief from high tuition costs. In my home State of Montana alone, almost 14,000 families would get help with high college tuition.

The amendment also includes the teacher expense deduction. This deduction gives back to teachers some of the money they spend on school supplies to educate America's children.

The amendment includes a State and local sales tax deduction for those States without an income tax.

The amendment covers several business incentives that help keep American businesses competitive and create jobs. The amendment includes incentives such as the research and development credit. This credit gives an incentive to businesses to invest in research. It helps to create and keep American jobs with good wages, and it helps to keep America competitive in the global economy.

This package does more than just extend expiring provisions. It expands the refundable child tax credit. By expanding this valuable credit, nearly 3 million more children will be eligible for this tax incentive.

This amendment would also help to improve health care for countless families dealing with mental illness. This mental health parity legislation would mandate equal assistance for those suffering from mental illness. This legislation has been championed by our late colleague, Paul Wellstone, and our colleagues TED KENNEDY and, of course, PETE DOMENICI. It has long been a goal in the Senate and it is a goal that we can finally meet today.

The amendment would provide much-needed relief to families and businesses that have been devastated by natural disasters.

Right now, our country is experiencing rough economic times. Congress should do more than just extend legislation; Congress needs to meet the needs of the American people.

Let us help to create jobs. Let us help working families make ends meet. Let us achieve mental health parity once and for all. Let us provide relief for those who have suffered from natural disasters.

I urge my colleagues to support the amendment.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BAUCUS. Madam President, I ask unanimous consent that at 4:45, all time be considered yielded back, and the Senate then proceed to vote in relation to the amendments and the motion to waive the Budget Act in the order in which offered; that prior to each vote, there be 2 minutes of debate equally divided and controlled in the usual form; that after the first vote in the sequence, the remaining votes be 10 minutes in duration, with the remaining provisions of the previous order governing consideration of H.R. 6049 still in effect.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BAUCUS. Madam President, I further ask unanimous consent that upon disposition of H.R. 6049, the Senate then proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

Mr. BAUCUS. Madam President, a couple words on the first amendment to be voted on. The energy amendment would help create well-paid jobs in the growing field of new energy technology, help to secure our independence from high-priced foreign oil, and move us closer to addressing global warming. I urge my colleagues to vote for the amendment.

The PRESIDING OFFICER. Who yields time in opposition?

The Senator from Iowa is recognized.

Mr. GRASSLEY. Madam President, I speak in favor of the Baucus-Grassley amendment, which is an important step in our effort to free America from our addiction to foreign oil. The amendment converts tax incentives for conventional energy and, in turn, puts that as an incentive for alternative energy, as well as conservation.

The amendment continues the path to development of clean coal, hybrid vehicles, and biofuels. A vote for this amendment is a vote for a brighter American future for all families, for cleaner fuel. I ask that you all support the amendment.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from South Carolina (Mr. DEMINT) and the Senator from Arizona (Mr. MCCAIN).

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

The result was announced—yeas 93, nays 2, as follows:

[Rollcall Vote No. 202 Leg.]

YEAS—93

Akaka	Domenici	Menendez
Alexander	Dorgan	Mikulski
Allard	Durbin	Murkowski
Barrasso	Ensign	Murray
Baucus	Enzi	Nelson (FL)
Bayh	Feingold	Nelson (NE)
Bennett	Feinstein	Pryor
Bingaman	Graham	Reed
Bond	Grassley	Reid
Boxer	Gregg	Roberts
Brown	Hagel	Rockefeller
Brownback	Harkin	Salazar
Bunning	Hatch	Sanders
Burr	Hutchison	Schumer
Byrd	Inhofe	Sessions
Cantwell	Inouye	Shelby
Cardin	Isakson	Smith
Carper	Johnson	Snowe
Casey	Kerry	Specter
Chambliss	Klobuchar	Stabenow
Clinton	Kohl	Stevens
Coburn	Landrieu	Sununu
Cochran	Lautenberg	Tester
Coleman	Leahy	Thune
Collins	Levin	Vitter
Conrad	Lieberman	Voinovich
Corker	Lincoln	Warner
Cornyn	Lugar	Webb
Craig	Martinez	Whitehouse
Dodd	McCaskill	Wicker
Dole	McConnell	Wyden

NAYS—2

Crapo
Kyl

NOT VOTING—5

Biden	Kennedy	Obama
DeMint	McCain	

The amendment (No. 5633) was agreed to.

The PRESIDING OFFICER. The motion to reconsider is made and laid on the table.

AMENDMENT NO. 5634

There will now be 2 minutes of debate equally divided on Conrad amendment No. 5634.

The Senator from North Dakota.

Mr. CONRAD. Mr. President, the amendment I have offered today is a fully paid for alternative minimum tax fix. To go down the road of fixing the alternative minimum tax without offset, without paying for it, will only grow the debt dramatically. The 10-year fix for the alternative minimum tax costs $1.6 trillion, all of it added to the debt.

Yesterday, I say to my colleagues, the dollar dropped 2 percent in value in 1 day, after already falling 40 percent in value over the last 2 years. The key reason analysts gave was burgeoning debt in the United States that undermines the credibility of our national credit.

It is time to start paying for things. This is a fully paid for, fully offset alternative minimum tax, paid for in ways that are not controversial.

I thank the Chair, and I urge my colleagues to vote aye.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, everyone, of course, agrees with the Senator from North Dakota that the fiscal situation is unsustainable. So as an alternative—as the minority ought to offer a reasonable alternative—on this side, our leader a few weeks ago offered a deficit-neutral proposal on AMT and on extenders. That proposal would have reduced new above-baseline spending nondiscretionary appropriations for future years. That deficit-neutral proposal was rejected. In its place is this amendment, which insists that AMT relief be conditioned on a tax increase.

A vote for this amendment is a vote to hold AMT relief now, and in the future, hostage to a tax increase. That is not reasonable. I urge my colleagues to reject the amendment.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 5634.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from South Carolina (Mr. DEMINT) and the Senator from Arizona (Mr. MCCAIN).

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

The result was announced—yeas 53, nays 42, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—53

Akaka	Coleman	Klobuchar
Baucus	Collins	Kohl
Bayh	Conrad	Landrieu
Bingaman	Dodd	Lautenberg
Boxer	Dorgan	Leahy
Brown	Durbin	Levin
Byrd	Feingold	Lieberman
Cantwell	Feinstein	Lincoln
Cardin	Harkin	McCaskill
Carper	Inouye	Menendez
Casey	Johnson	Mikulski
Clinton	Kerry	Murray

Nelson (FL)	Salazar	Tester
Nelson (NE)	Sanders	Voinovich
Pryor	Schumer	Webb
Reed	Smith	Whitehouse
Reid	Snowe	Wyden
Rockefeller	Stabenow	

NAYS—42

Alexander	Crapo	Lugar
Allard	Dole	Martinez
Barrasso	Domenici	McConnell
Bennett	Ensign	Murkowski
Bond	Enzi	Roberts
Brownback	Graham	Sessions
Bunning	Grassley	Shelby
Burr	Gregg	Specter
Chambliss	Hagel	Stevens
Coburn	Hatch	Sununu
Cochran	Hutchison	Thune
Corker	Inhofe	Vitter
Cornyn	Isakson	Warner
Craig	Kyl	Wicker

NOT VOTING—5

Biden	Kennedy	Obama
DeMint	McCain	

The PRESIDING OFFICER. Under the previous order, 60 votes being required to adopt the amendment, the amendment is withdrawn.

AMENDMENT NO. 5635

There is now 2 minutes of debate equally divided on the Baucus-Grassley perfecting amendment. Who seeks recognition?

The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, 53 Senators voted to pay for an alternative minimum tax fix. That is a majority. I am now raising the point of order, a budget point of order against an unpaid-for alternative minimum tax fix, again reminding our colleagues the cost to continue on this path to fix the alternative minimum tax for 10 years is $1.6 trillion, all added to the debt.

Yesterday the dollar went down 2 percent in value in 1 day. Colleagues, we simply have to begin to pay for things; otherwise, the creditworthiness of our country will be in question and at risk.

Therefore, I raise a point of order that the pending amendment violates the pay-go section 201 of the S. Con. Res. 21, a concurrent resolution on the budget for fiscal year 2008.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I move to waive the applicable budget provisions for the consideration of the Baucus-Grassley amendment No. 5635.

I might say, if this point of order is not waived, then the underlying extenders bill will not pass and AMT will be felt by millions of taxpayers next year. As much as we would like to pay for everything, we cannot pay for everything in this context at this time. Without this amendment, the tax extenders will not pass. The underlying bill for the AMT should pass for a year. It fixes the child tax credit, provides support for rural schools, the mental health parity provisions, as well as finally it provides disaster relief for families and businesses. I urge my colleagues to support the amendment and waive the point of order.

Mr. REID. Mr. President, if I could direct a question to my friend, the chairman of the Budget Committee. We already had this vote. Do we need another one? It is obvious it is not going to get it. I committed to the House we would have a vote. What purpose is there of this vote? We have already proven we cannot get 60 votes, so why do we need another vote?

Mr. CONRAD. We have raised the point of order. I made a commitment to our colleagues in the House to carry that out. I feel honor bound to have a vote.

The PRESIDING OFFICER. The Senator from Montana is recognized.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from South Carolina (Mr. DEMINT) and the Senator from Arizona (Mr. MCCAIN).

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

The yeas and nays resulted—yeas 84, nays 11, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—84

Akaka	Dorgan	Menendez
Alexander	Durbin	Mikulski
Allard	Ensign	Murkowski
Barrasso	Enzi	Murray
Baucus	Feinstein	Nelson (FL)
Bayh	Graham	Nelson (NE)
Bennett	Grassley	Pryor
Bingaman	Gregg	Reed
Bond	Hagel	Reid
Boxer	Harkin	Roberts
Brownback	Hatch	Rockefeller
Bunning	Hutchison	Salazar
Burr	Inhofe	Schumer
Cantwell	Inouye	Sessions
Cardin	Isakson	Shelby
Casey	Johnson	Smith
Chambliss	Klobuchar	Snowe
Clinton	Kohl	Specter
Coburn	Kyl	Stabenow
Cochran	Landrieu	Stevens
Coleman	Lautenberg	Sununu
Collins	Leahy	Tester
Cornyn	Levin	Thune
Craig	Lieberman	Vitter
Crapo	Lincoln	Warner
Dodd	Lugar	Webb
Dole	Martinez	Wicker
Domenici	McConnell	Wyden

NAYS—11

Brown	Corker	Sanders
Byrd	Feingold	Voinovich
Carper	Kerry	Whitehouse
Conrad	McCaskill	

NOT VOTING—5

Biden	Kennedy	Obama
DeMint	McCain	

The PRESIDING OFFICER. On this vote, the yeas are 84, the nays are 11. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Pursuant to the previous order, the amendment is agreed to and the motion to reconsider is considered made and laid on the table.

NATIONAL DISASTER RELIEF

Mrs. BOXER. I thank Senator BAUCUS, for joining me to discuss the Senate Finance Committee's substitute amendment to H.R. 6409.

Mr. BAUCUS. It is my understanding that the Senator would like to speak about an issue related to the national disaster relief section of the Finance Committee substitute to H.R. 6409.

Mrs. BOXER. The Senator is correct. Throughout the summer a swarm of dry lightning storms sparked more than 2,000 fires across drought-ridden land in California, burning over 900,000 acres of public and private land. These fires damaged and destroyed homes and businesses across the State.

As the Senator knows, his bill makes taxpayers in ''federally declared disaster'' areas under the Robert T. Stafford Disaster Relief and Emergency Assistance Act eligible for certain tax relief provisions.

Under the Stafford Act, the President has the ability to designate a disaster area under a ''major disaster declaration'' or an ''Emergency Declaration.'' Areas affected by wildfires in California this year were provided an ''Emergency Declaration'' by the President.

In the matter of what ''federally declared disaster'' areas are eligible under the bill on the floor, the Senator's Finance Committee staff and the Congressional Research Service have indicated that both categories of disaster declaration have historically been eligible for disaster tax relief purposes.

Is it the Senator's understanding that the term ''federally declared disaster'' includes both categories of disaster declarations, and that Californians affected by the 2008 wildfires are eligible under division B, title VII, subtitle B, sections 706–711 of the substitute to H.R. 6409?

Mr. BAUCUS. Yes, it is the committee's intention that Californians in federally declared disaster areas will be eligible for tax relief in the sections the Senator has referenced.

Mrs. BOXER. I thank the Senator.

Mr. COLEMAN. Mr. President, I rise today in support of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008.

Enacting comprehensive parity legislation is long overdue. This is simply a matter of fairness and I hope the Senate will pass this compromise legislation so it can be sent to the House today. We owe nothing less to the more than 80 million Americans suffering with mental illness and addiction.

Thoughtful compromises were made so that the bill we are considering today provides mental health and addiction benefits on par with other medical and surgical conditions and, for the first time after 12 years, a compromise is supported by all of the business, insurer, addiction and mental health groups.

Throughout my time in office, I have been a strong advocate for ending the discrimination against people suffering from mental illness and addiction and ensuring those in need have access to effective treatment services. This passion was shaped by the many Minnesotans who have raised their voices to get us to where we are today in this important fight. In particular, I want to thank all the people at Hazelden Foundation, Kitty Westin from the Anna Westin Foundation, NAMI Minnesota, the Minnesota Psychological Association, Mental Health America's Minnesota advocates and others. Finally, this bill will not only be a living legacy to their tireless efforts, but also to the unwavering support from Senators Paul Wellstone and PETE DOMENICI, and Representative JIM RAMSTAD.

As a supporter of parity legislation since I arrived in the Senate, I know that passage of comprehensive parity legislation and ensuring access to treatment is long overdue. I know that effective mental health and addiction treatment can mean the difference between happiness and hopelessness and in some cases, even life and death. The good news is that those of us on both sides of the aisle and both wings of the Capitol finally recognized this and are coming together to send a strong bill to the White House.

The time is now. Let's end the discrimination by passing the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008.

Mr. LEVIN. Mr. President, while this is far from being a perfect bill, I am pleased that the Senate is finally taking up this package of ''tax extenders'' after repeated filibusters of this effort by the minority.

I am a strong supporter of advanced and alternative energy technologies and believe that the tax incentives included in this bill are an essential component of bringing these technologies to the commercial market place. We need a balanced energy strategy that includes energy from a broad array of sources—renewable technologies such as solar, wind, and biomass, as well as more conventional sources such as clean coal and natural gas. We also need to reduce our consumption and dependence on petroleum by promoting expanded use of advanced, more fuel-efficient vehicle technologies and alternative fuels such as ethanol and other biofuels. Critical to the success of all of these advanced and alternative energy technologies are tax incentives, which will both spur development of these technologies and make them accessible and affordable to consumers.

The energy tax extender package was a long time in coming. The Senate considered it first in June 2007, again in December 2007, and then multiple times in this calendar year. This package extends many critical existing tax incentives—including those for renewable production of electricity from wind, solar, and biomass; it extends existing tax credits in the area of alternative fuels production and alternative fuel infrastructure; and it extends tax incentives for energy efficient appliances and residential home energy improvements. The package also includes new tax incentives for plug-in hybrid vehicles, small residential wind investments, and carbon capture and sequestration technologies.

This package of energy tax provisions will take important steps forward to develop and commercialize all of these technologies. Renewable technologies such as wind and solar are becoming more economical every year and our manufacturing sector can play a major role in the production of these technologies. Extension of these tax credits is critical to the development of these technologies and critical to our manufacturers ability to commit to projects that will utilize these technologies. Similarly, extension of the tax credit for alternative fuel pumps for ethanol and natural gas, and extension of tax credits for production of ethanol and other biofuels are essential to both the production and distribution of these fuels.

I am particularly pleased to see in this package establishment of a new tax credit for consumers for plug-in hybrid and all-electric vehicles. All of our auto manufacturers are working to develop new vehicle technologies that will use advanced batteries and will draw a greater percentage of their power from electricity. These technologies will revolutionize the way in which we drive and the distances that we can go without refueling. But the development and commercialization of these technologies are also expensive. Therefore, these tax incentives are key not only to the development of these technologies and but also to consumer acceptance and widespread use of these vehicles.

This bill also provides help to those affected by the numerous floods, tornadoes, and severe storms that occurred this summer in the Midwest. I am pleased that those individuals and businesses that suffered losses this past June in Michigan's declared disaster areas will be eligible for these benefits.

I am also glad that this bill extends the research and development tax credit. At a time of increasing globalization, America's prosperity depends more than ever on its capacity for innovation. For decades, our Nation's leadership in basic and applied research has led to discoveries that have dramatically improved living standards and given rise to new industries that have in turn created millions of high paying jobs in engineering, research and technology. Other countries are well aware of the significant economic benefits that flow from R&D activities, and many have created strong tax incentives designed to increase levels of local R&D and attract R&D investment from around the world. Particularly for large multinational corporations, the question is often not whether to invest in R&D, but where. I hope that in the near future we can cement our commitment to this incentive by making the R&D credit permanent.

There are a number of other good policies that I am pleased are in this bill, including the IRA rollover provision which allows individuals over the age of 70½ to donate up to $100,000 from their individual retirement accounts to qualifying charitable organizations on a tax-free basis. This provision has contributed to a considerable increase in IRA donations to eligible charities across our country. Unfortunately, the provision was only temporary, and it expired at the end of 2007.

I am also glad that this bill extends the critically important adjustment to the alternative minimum tax. Relief from the AMT is needed to avoid imposing an unintended tax increase on millions of middle income families. But in order to have money for other priorities, AMT relief should be done without busting the budget. I wish that the amendment that would have paid for this provision had been adopted.

There is another part of this bill that deserves mention: the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act. This critical piece of legislation will address inequities between health insurance coverage for medical and surgical benefits and coverage for mental health and substance abuse disorders for group health plans with more than 50 employees.

Under most health insurance plans, beneficiaries of mental health or substance abuse services do not receive the same level of coverage as medical and surgical services. An earlier piece of legislation, the Mental Health Parity Act of 1996—title VII of Public Law 104–204—sought to address this issue by providing limited parity for mental health coverage under employer-sponsored group plans. While the 1996 parity law prohibits insurers from establishing more restrictive annual and overall lifetime limits on mental health coverage than for other health coverage, it is far from adequate. For example, the Act did not require that mental health benefits be offered as part of a health insurance package. Additionally, it did not require parity in copayments or deductibles for mental health services nor does it require health plans to cover a minimum number of inpatient days or outpatient visits. As a result, many health plans have found ways to discourage the use of mental health care by setting higher copayments and deductibles, or by lowering limits on the number of hospital days and physician visits for which they would pay.

Under this new legislation, if such a group health plan provides both medical and surgical benefits as well as mental health or substance abuse benefits, the plan's requirements and limitations must not be more restrictive as applied to mental health or substance abuse benefits. For example, if such a plan provides out-of-network coverage for medical and surgical benefits, then it must also provide parity in out-of-network coverage for mental health or substance abuse disorder benefits. If the change leads to increases in cost for a particular plan, the legislation establishes a procedure whereby an employer can apply for 1-year exemptions.

Mental health parity is about basic fairness and equity. Individuals suffering from mental health illnesses deserve access to adequate and appropriate health care. I am glad that Congress is righting this wrong.

My concerns with this bill are not over what is included, but rather what is not. The main dispute in the long drawn-out battle over these extenders has been whether we could do this in a way that is fiscally responsible, so that we do not leave our children and our children's children to foot the bill. I am troubled by the fact that this bill pays for only $42 billion of the $161 billion 10-year cost of extending these incentives. Some of my colleagues argue that Congress should just add the $62 billion cost of the AMT fix to the deficit and leave it at that. But while taxpayers are given necessary relief, if we don't pay the cost, but merely increase the debt, the burden is shifted to our children and grandchildren.

Paying for these extenders does not need to be controversial, and we do not need to raise taxes on the middle class. It is estimated that the use of offshore tax havens by tax dodgers robs our Treasury of more than $100 billion in revenue each year, leaving honest taxpayers to foot the bill. Last year I introduced the Stop Tax Haven Abuse Act, S.681, which would provide important tools to combat offshore tax abuses and would bring in a significant amount of that lost revenue. I will continue to fight to enact that bill and other commonsense measures to close tax loopholes.

Mr. DOMENICI. Mr. President, as a Senator that not only represents a leader in renewable energy technology but also helps run the Energy and Natural Resources Committee, I am pleased that we have finally reached a compromise which will allow us to extend important tax credits for renewable energy.

History tells us that our most promising technologies frequently need government assistance in order to get off the ground and become economically viable. One of the most effective ways we can do this is through our Tax Code.

Our Nation is facing unprecedented challenges in our financial markets and in energy. I have spent much of my time over the last few months talking about the need to build a bridge toward our energy future. I believe that bridge consists of increased oil and gas production from American lands offshore. I am pleased to note that since the time I first introduced legislation to open up lands offshore in May, there has been a sea change in both public opinion and the opinions of my colleagues on this issue.

But the domestic oil and gas that I am talking about is not the entire solution. In fact, as I said, it is just a bridge to the ultimate solution, and that is the development of new technologies that will allow us to use far less oil. Those technologies include plug-in hybrid cars as well as renewable energy sources like wind, solar, biomass and geothermal.

In 2005, as chairman of the Energy Committee, I was pleased to lead the Senate to pass the largest and longest tax credits for renewable energy in history. We have renewed those tax credits several times since then, but these credits are once again set to expire. Every time they get close to expiring, investments in the industry begin to dry up, and the uncertainty hurts our Nation's ability to deploy these technologies in a timely and cost-effective manner.

We have struggled with the tax extensions during this Congress, because, frankly, the majority has decided to play politics with them. For the first time in history, they have demanded that they be offset through tax increases. Although the Senate voted 88–8 to extend them without those tax increases earlier this year, the House refused to consider our proposal, and the renewable energy industry has suffered as a result.

At last, there appears to be a light at the end of the tunnel if the House of Representatives doesn't seek to politicize this issue once again. A reasonable, commonsense agreement to extend the tax credits for renewable energy, as well as do several other important things like mental health parity and fixing the AMT problem, has been reached. I will address those subjects in greater detail, but it should be noted that the agreement now before us does offset much of the cost of the tax credit extensions, but it does so in a way that will not harm domestic production of energy.

I urge my colleagues to support this agreement in its totality, and I sincerely hope that the House will take up this entire package and pass it so that these essential tax credits will once again not be allowed to expire.

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

● Mr. KENNEDY. I thank all my colleagues in the Senate and their staffs who have worked so long and hard and well to bring us to this historic day on mental health parity.

In particular, I recognize our late friend and colleague, Senator Paul Wellstone, who championed this fight for so many years. Without the leadership of Senator Wellstone and our colleague Senator DOMENICI, we would not be here today.

Americans believe we are all created equal. This legislation brings us closer to that ideal by ending a particularly invidious form of discrimination—discrimination in health insurance against tens of millions of Americans who suffer from mental illness.

One in five Americans will face mental illness this year. Today at least, the Senate can say to them loud and clear, you will no longer have to suffer in the shadows.

Through the miracle of modern medicine, mental illnesses are just as treatable as physical illnesses—but patients with mental illnesses are still treated very differently.

That difference is unfair and unacceptable. It makes no sense for health insurance companies to charge patients more for mental health care than they do for physical health services.

It is tragic when any family member is diagnosed with an illness; it is heartwrenching for a parent to watch their child suffer.

But the tragedy is even greater, when treatment is denied solely because the child's illness is a mental illness.

This discrimination can tear families apart, exactly when they should be coming together to support their loved one. The last thing any parent should have to worry about is whether insurance will pay for the needed care and treatment.

When mental illnesses of our fellow citizens are treated, they get their health back—and we get back our friends, our family members, and our coworkers.

The parity legislation before us is a landmark agreement after 10 years of stalemate, not only in Congress, but also with the mental health community, businesses, and the insurance industry.

Now, we have come together and agreed at long last to end the senseless discrimination at all levels of society that has plagued persons living with mental illness.

Together, we have worked to end injustice that has denied them the care and treatment they deserve. We have agreed that equal treatment of mental illness is not just an insurance issue—it is also an issue of civil rights.

At its heart, mental health parity is an issue of fundamental justice, and today that fundamental justice arrives in the lives of millions of our fellow Americans, and I thank all my colleagues on both sides of the aisle for making this day possible.●

● Mr. ENZI. Mr. President, for far too long, American workers and businesses have awakened each day to wave after wave of bad news: rising foreclosures, $4 gasoline, job losses, inflation, bank runs, credit crises, embassy bombings, triple-digit stock losses, devastating hurricanes . . . the bad news just keeps coming. The burden is heavy and Americans are tired.

But today, a ray of sunlight is peeking through the storm clouds. Today, I am happy to share some good news with you. It is good news when the Senate can rise above partisan politics and find solutions to tough problems. And it is very good news when that solution lets taxpayers keep more of their hard-earned money.

The legislation before us will provide much needed tax relief to individuals, families, and American industry and put us on the path towards recovery. It will spur the development of alternative energy sources and help free our dependence on foreign oil. It will protect working Americans from the overarching reach of the alternative minimum tax and expand the child tax credit to help low-income working families.

This bill also includes some very good news for Wyoming. It preserves the sales tax deduction on taxable income. This will enable residents of Wyoming and other States that have no State income tax to deduct their State sales taxes when filing their Federal income tax returns. Without it, Wyoming residents would shoulder an unfair share of the Federal tax burden.

This bill also enhances funding for rural schools. In States like Wyoming where a large percentage of land is federally owned, local and State governments lose property tax revenues which are traditionally used to fund education and other local government functions. Historically, the Federal Government shared timber sale produced receipts with rural counties with Federal forests but timber receipts have been inconsistent creating budget uncertainty for rural counties to provide for schools, roads, and other county needs. This tax extenders bill would reauthorize and expand the Secure Rural Schools and Community Self-Determination Act and provide additional support for Wyoming schools.

The bill also includes important tax provisions that promote charitable giving and reward the tireless volunteers who help rebuild our communities after natural disasters.

This legislation will encourage business research and development—the twin engines that power our economy by spurring the development of new technology and creating more jobs.

And for the first time, the Senate will establish health insurance parity between mental health coverage and medical surgery coverage.

The Presidential campaigns spend a lot of time engaged in endless volleys about reforming health care, but my colleagues Senators KENNEDY and DOMENICI—and I have actually done something about it. This is an accomplishment we have worked long and hard to achieve and I would like to take a moment and explain how important this is.

In 1996, Senator DOMENICI and the late Senator Paul Wellstone authored a law that provided parity specifically for annual and lifetime limits between mental health coverage and medical surgical coverage. Although it was a landmark accomplishment and an important step forward, it was just the first step in the effort to address this issue.

Our bill will improve upon the 1996 law by including deductibles, copayments, out-of-pocket expenses, out-of-network benefits, coinsurance, covered hospital days, and covered outpatient visits. Essentially, it will require health insurance plans that offer coverage for mental health to offer it in parity with their coverage for physical health. It will help ensure Americans with serious mental illnesses like schizophrenia and bipolar disorder are treated fairly and can receive appropriate care. It will not mandate mental health coverage, but it will improve coverage that is available to 113 million Americans.

Mental health parity has been a long time coming. We are here today because my colleagues and I worked together with business, insurance and mental health groups for thousands of hours over many years to forge a common solution. Instead of fighting for the same old positions, where one side wins and the other loses, we worked hard to find a third way to get it done.

I often say that on any given issue, people can agree on about 80 percent of it, and they will never agree on the other 20 percent. By focusing on the 80 percent we could agree on, instead of the 20 percent where we'll never reach agreement, we found common ground on mental health parity and a third way that addressed the concerns of stakeholders.

The broader tax extenders package before us today isn't perfect. It is expensive and some of the temporary tax credits are offset with permanent tax increases, but it's a start. I think Americans are tired of watching Congress pit the ''perfect'' against the ''pretty good'' so that both sides lose and nothing gets done. We have accomplished something today and makes today a good day.

Indeed, this bill is good news and I am happy to share it with the people of Wyoming and all hard-working Americans.●

● Mr. GRASSLEY. Mr. President, we are reaching the end of a long road. We are about to pass the compromise on the AMT patch, extenders, energy tax incentives, and disaster relief.

I urge my friends in the House leadership to take a careful look at the votes the Senate took this afternoon. Also, they should take a look at the White House policy statement. House Democrats will see $42 billion of revenue raisers. House Republicans will see an unoffset AMT patch, extenders and other items.

There must be a majority to match the supermajority here.

I thank Chairman BAUCUS, Leader REID, Leader MCCONNELL, and their staffs. I wish to single out Russ Sullivan, Bill Dauster, Cathy Koch, Josh Odinitz, Pat Bousilman, Tiffany Smith, Mary Baker, Bridget Mallon, and Ryan Abraham.

I also wish to thank the Senate legislative team led by Jim Fransen. Finally, the crew at Joint Tax went above and beyond the call of duty. Ed Kleinbard, Tom Barthold, and the Joint Tax team moved effectively and efficiently.●

●Mr. FEINGOLD. Mr. President, I will support this measure, but I do so reluctantly because in passing this bill the Senate is also passing its cost on to our children and grandchildren rather than paying for it. With the exception of the provisions relating to emergency disaster relief, the provisions of this measure were entirely predictable and as such could have been fully offset with spending cuts, revenue increases, or some combination of both. The emergency disaster relief provisions are another matter, and I do not suggest that they should have been offset, though it is always preferable to do so whenever possible. But the disaster relief provisions, which I strongly support, represent a tiny fraction of the entire cost of this bill. The bulk of the cost stems from one provision, namely the so-called 1-year patch of the alternative minimum tax to ensure that tax does not expand its reach to millions of average families. The need for this fix has been known for some time. Indeed, it has become almost an annual ritual to extend the AMT patch, and regrettably Congress has done so without paying for the fix. Instead, we have just added the cost to the debt. This year, the 10-year cost of that provision will amount to over $60 billion, every penny of it added to our already massive debt.

As I have noted frequently on this floor, every dollar that we add to the Federal debt is another dollar that we are forcing our children and grandchildren to pay back in higher taxes or fewer government benefits. When the government in this generation chooses to spend on current consumption and to accumulate debt for our children's generation to pay, it does nothing less than rob our children of their own choices. We make our choices to spend on our wants, but we saddle them with debts that they must pay from their tax dollars and their hard work. And that is not right.●

● Ms. SNOWE. Mr. President, although long overdue, I am very pleased that the Senate has come to an agreement to renew expiring tax provisions critical to families across America, as well as to provide incentives for the production of clean energy and conservation that could create 100,000 new jobs. As working families are struggling to put food on the table and gas in their cars, I am especially grateful that the package assists the least fortunate among us by including a proposal to lower the income threshold for the refundable child tax credit that Senator LINCOLN and I have championed.

I urge my colleagues to support this responsible and balanced package. And, I would like to especially thank Senators BAUCUS and GRASSLEY as well as their staffs for working days, nights, and weekends in forging this agreement. These two gentlemen exemplify the bipartisan tradition of this Senate and how this body can get its work done if Members are willing to reach across the aisle to find some middle ground.

Unfortunately, partisan gridlock too often ties the hands of even these Senate stalwarts. Frankly, it is unconscionable that in what could potentially be the closing hours of this Congress, we are only now moving a step closer to enacting this legislation. At a time when renewable energy projects are being mothballed because of this uncertainty and Americans are demanding action on energy policy, I cannot believe that we have been abrogating our duty to serve the American people by our inaction on this time-sensitive issue. It seems to me that these tax extensions should have been the low-hanging fruit that we could have done much sooner.

We could have unleashed sooner renewable energy projects creating jobs, provided targeted tax relief to low-income working families struggling to pay the high cost of food and fuel, encourage an infusion of capital into rural and urban communities, provide tax incentives for retail businesses looking to grow their business, and help keep the jobs associated with film production within our borders.

This is occurring at a time when our economy teeters on the brink of recession; when we have seen the collapse of a banking institution founded in 1850; when the U.S. government has seen no other way but to take over and buy the assets of other major financial institutions; when unemployment surged to 6.1 percent last month the highest rate since 2003; when gasoline at the pump is near $4 a gallon; when oil costs are have risen to over $120 per barrel; and when foreclosures have hit historic level, do we really want to say that we can't extend a renewable energy tax credit that caused 45 percent growth in wind energy production last year and that we can't adopt energy efficiency tax credits that create necessary incentives to reduce energy demand?

Consider the economic impact of inaction. Dr. Mark Cooper of the Consumer Federation of America estimates that from 2002 to 2008 annual household expenditures on energy increased from about $2600 to an astonishing $5300. In my state of Maine, where 80 percent of households use heating oil to get through winter, it is going to be even worse.

Last year at this time, heating oil prices were at a challenging $2.70 a gallon—for a Mainer who on average uses 850 gallons of oil that is $2,295. With current prices at $3.80 per gallon, the cost per Mainer just to stay warm will be $3230, and that is not even considering gasoline costs. That is the difference between a burden and a crisis.

Now is not the time to allow energy efficiency tax incentives and the renewable production tax credit to expire. But that is what we are doing unless we pass this bipartisan package today. Energy efficiency is by far the most effective investment that our country can make to address the calamity of an absent energy policy. It constitutes a dereliction of duty if Congress allows energy efficiency tax credits to expire. In fact, some tax credits already have expired, and as a result, there are currently no incentives to purchase efficient furnaces. At a time when Americans are worried about paying heating bills this winter, we must provide the assistance to encourage investment in energy efficient products that will reduce our collective demand for energy, and save Americans money.

Yet, we have jettisoned a $300 tax credit to purchase a high efficiency oil furnace, which would produce more than $430 in annual savings for an average home—according to calculations based on Department of Energy data and recent home heating prices. We have sidelined an extension of a tax credit for highly efficient natural gas furnaces that would save an individual $100 per year. However, this tax credit ended at the beginning of this year—when oil prices began their historic rise.

And for businesses that are competing against countries that subsidize oil, the situation is untenable. Earlier this summer, Katahdin Paper Company in my state announced that the cost of oil used to operate its boilers has caused the company to consider closing the mill's doors. Talks are under way to find alternative solutions to re-start the mill's operations and revive its 208 jobs, but it is undeniable that these jobs hang in the balance because of unprecedented energy costs.

One remedy would be to create more renewable energy jobs that would help right a listless economy and invest in a secure energy future. Indeed, more than 100,000 Americans could have been put to work this year if clean energy production tax credits had been extended.

We could have already unleashed renewable energy projects creating jobs, but instead, projects currently underway may soon be mothballed. Clean energy incentives for energy efficient buildings, appliances, and other technologies, as well as additional funding for weatherizing homes, would similarly serve to stimulate economic activity, reduce residential energy costs, and generate new manufacturing and construction jobs. It is irresponsible to allow a bright spot in our economy, the renewable energy industry and energy efficiency industries, to falter, when the output of these industries is so essential to the future of this country.

Extending these expiring clean energy tax credits will ensure a stronger, more stable environment for new investments and ensure continued robust growth in a bright spot in an otherwise slowing economy. I am encouraged by the bipartisan agreement that is before us today. We must not lose yet another opportunity to raise the bar for future domestic energy systems and energy efficiencies, benefiting our economy, our health, our environment, and our national security. I hope that the House of Representatives will quickly take up and pass this package.

Some may argue this is an election year and we must lower our expectations for getting things accomplished. I couldn't disagree more. And I met a remarkable woman from Maine earlier this year who couldn't disagree more—because time is quickly running out on this Congress to take necessary steps to help Americans like her. She told me she had three jobs—the first to pay for the mortgage, the second to pay for heating oil, and the third to pay for gas to be able to drive to her other two jobs and this was back in April.

Solving this crisis isn't about party labels. It isn't about Republicans or Democrats—or red states or blue states. It is about what is good for America, and what unites us as Americans under the red, white, and blue. We must move in that direction as a country.

But, there is much more in this package beyond energy tax incentives. The legislation before us will extend the New Markets Tax Credit through 2009. Based on the New Markets Tax Credit Extension Act of 2007, which I introduced with Senator ROCKEFELLER, this provision will help to ensure that investment dollars continue to flow to underserved communities.

Additionally, the tax extenders package will enable retailers who own their properties to depreciate over 15 years, instead of 39 years, improvements to those structures. Based on my legislation, this Main Street-friendly provision levels the playing field between owner-occupied and leased retail space and will help to generate additional construction and renovations to stores nationwide by lowering the cost of capital in a tightening credit market.

Also included is a provision that will allow companies to claim accelerated depreciation for the purchase of recycling equipment. This provision is based on my Recycling Investment Saves Energy, RISE, Act and will save energy, create jobs, strengthen local recycling programs, and improve the quantity and quality of recycled materials.

So as you can see, this package is more than just extending expiring tax provisions. This legislation will create jobs, move us closer to energy independence, encourage investment in low-income communities, and provide much-needed relief to low-income families struggling to meet just their basic needs.

I would hope that when we finally adjourn, we can say we extended this critical tax relief. I would also hope that at the beginning of next year, when a new Congress is sworn in, we will commit ourselves to serving those who have entrusted us with their votes, where reaching across the aisle is the norm, not the exception—where looking for consensus is viewed as the answer, not an aberration.●

The PRESIDING OFFICER. The majority leader is recognized.

Mr. REID. Mr. President, for the benefit of all Members, we are going to shortly have our last vote of the evening. The work we have accomplished today is historic. This is the ninth time we voted on renewing and extending the renewable tax credits. We finally did it.

We are going to send over to the House a package that is remarkably good, a 2-year extension of the business tax extensions that are so necessary. For the first time in a long time, it is not 1 year, it is 2 years. The business community thinks this is extremely important, as do I.

As I said earlier this morning, I hope the House accepts what we do. I do my very best to get along with the House, Democrats and Republicans. But everyone should understand we have had a very difficult time getting to the point where we are, in passing the final version of this bill. If the House does not pass this, the full responsibility of not passing this is theirs, not ours.

Now, people may say: Well, we want all the tax credits paid for. But I say to my friends in the House, AMT is not going to be paid for. Much of what we do around here is not paid for. It is nothing I necessarily like. But are we asking that the war be paid for? I ask what is more important, to extend these tax credits for 2 years and bring about some stability in the business community or have, out of the blue, the House telling us that everything has to be paid for? AMT is not going to be paid for. So how do they pick and choose what is right to be paid for?

So I would hope everyone understands the importance of this legislation, and all 100 Senators, if you would be good enough to call your counterparts in the House and tell them—I think if they had a vote in the House on our passage, it would pass overwhelmingly. I hope that can be arranged.

I would hope my friends will do that. We have not accomplished much this work period. That is an understatement. This would be an accomplishment for us. I hope we can do that.

Tomorrow we are going to come in and have morning business. We are moving to proceed to the Coburn matter. That is an effort so we have something on the floor to proceed to. We are not going to do anything on that piece of legislation. We are going to pass a few of the things tonight, I think 4. That will be 5 things we have passed when we are done. There are still 29 to go.

But tomorrow I hope Senators would take this opportunity, when we have a relatively free day, to come in and perhaps give statements about those Senators who are retiring and whatever else you wish to talk about.

Now, when we get things from the House, we will move to those as quickly as we can. The House, it is my understanding, is filing and going to order both tonight, filing and doing the order on the CR. We should get that maybe tomorrow, maybe Thursday. They are then going to do a stimulus. We will see what happens with that, an economic recovery package.

As we speak, we are trying to work something out on this financial crisis facing this country. Democrats and Republicans had some concern about this. I hope we can work to get this done. I am not giving a political speech here, but I am giving a factual speech the best I can.

None of us are happy about the situation we are in. I can direct blame just as well, and sometimes better, than a lot of people as to why we are here. But we are here. We have to figure out some way to move beyond where we are. I would hope the White House is listening. I would hope the Republicans are listening and Democrats are listening because a lot depends on what we do, and we have to do it right. I am not asking anyone to do anything fast; we have to do it right. Maybe we can do both, do it fast and do it right.

So there are meetings going on tomorrow that will hopefully help move us down the road. I got some good news in the last hour or so, that it appears Senator MCCAIN is going to come out for this. It would be a tremendous help if he would do this. As you know, Senator OBAMA has come out for this package, with basically the same thing that—I think he and MCCAIN are pretty well in line with this. Some of the statements coming out of the MCCAIN camp last night were not very good, but they have changed over the day. I certainly hope that is the case.

So we all want to work together. We want to do the best we can to move this forward. This week those are the things we need to do before we leave. I have talked about them on a number of occasions. We have to try to do something on economic stimulus. That is still a jump ball. The continuing resolution is pretty well, from our perspective, going to be filed tonight. We have been fortunate to work with Congressman OBEY. The latest word I got is that the Defense appropriations bill is going to be in the CR. That is extremely important.

We all know what is finally in it. It is not loaded down with a lot of extraneous material. Then we are going to work on the economic recovery package and try to make sure we have a vote on that sometime before we leave.

We got good news today. The Defense authorization conference has been completed. We are going to finish that before we leave. If it takes a number of cloture votes, then we will have to do it. But it is something that has been worked on long and hard. We have been through that.

Mr. WARNER. Will the distinguished leader yield? I hope to have a meeting in the Vice President's Office with my Republican colleagues to explain the status of that bill. I think the distinguished chairman has set up a similar meeting for his colleagues.

Mr. REID. I think I have covered everything we need to do before we leave. Again, I would say it is not a question of us leaving on a given day or time, but it is a question of being able to complete our work before we go, and we have an opportunity to do that.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, a couple of words underlying what the leader said in his remarks. These are not only for our membership but also for the other body.

The underlying bill has mental health parity in it. The underlying bill is also 2-year extenders. We are wrapped around the axle too much in this body by having actual extenders every year. This is 2 years.

Third, this is a compromise between both bodies. They want everything paid for, this body does not. It is a compromise in the middle. For those reasons, I very much hope the other body supports this measure we are about to adopt.

I yield the floor.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is on the passage of the bill, as amended.

Mrs. BOXER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Illinois (Mr. OBAMA) are necessarily absent.

Mr. KYL. The following Senators are necessarily absent: the Senator from South Carolina (Mr. DEMINT) and the Senator from Arizona (Mr. MCCAIN).

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

The result was announced—yeas, 93, nays 2, as follows:

[Rollcall Vote No. 205 Leg.]

YEAS—93

Akaka	Brownback	Coleman
Alexander	Bunning	Collins
Allard	Burr	Corker
Barrasso	Byrd	Cornyn
Baucus	Cantwell	Craig
Bayh	Cardin	Crapo
Bennett	Casey	Dodd
Bingaman	Chambliss	Dole
Bond	Clinton	Domenici
Boxer	Coburn	Dorgan
Brown	Cochran	Durbin
Ensign	Lautenberg	Salazar
Enzi	Leahy	Sanders
Feingold	Levin	Schumer
Feinstein	Lieberman	Sessions
Graham	Lincoln	Shelby
Grassley	Lugar	Smith
Gregg	Martinez	Snowe
Hagel	McCaskill	Specter
Harkin	McConnell	Stabenow
Hatch	Menendez	Stevens
Hutchison	Mikulski	Sununu
Inhofe	Murkowski	Tester
Inouye	Murray	Thune
Isakson	Nelson (FL)	Vitter
Johnson	Nelson (NE)	Voinovich
Kerry	Pryor	Warner
Klobuchar	Reed	Webb
Kohl	Reid	Whitehouse
Kyl	Roberts	Wicker
Landrieu	Rockefeller	Wyden

NAYS—2

Carper
Conrad

NOT VOTING—5

Biden	Kennedy	Obama
DeMint	McCain	

The bill (H.R. 6049) as amended, was passed, as follows:

(The bill will be printed in a future edition of the RECORD.)

MORNING BUSINESS

The PRESIDING OFFICER. The Senate will proceed to a period of morning business. Senators will be permitted to speak for up to 10 minutes.

The Senator from Idaho.

ORDER OF PROCEDURE

Mr. CRAIG. Mr. President, I ask unanimous consent that following my remarks, the Senator from Illinois, Mr. DURBIN, be recognized.

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

TIMBER-DEPENDENT SCHOOL DISTRICTS

Mr. CRAIG. Mr. President, while I think most of us have been focused on H.R. 6049, as amended by the Senate, primarily on the tax extenders and some of the energy tax credits and provisions that we believe are critically important to our economy and to the American business sector that is, by any measure, having difficulty at the moment, something is also in this legislation that is phenomenally important to timber-dependent school districts throughout the United States but dominantly in the Pacific Northwest. That is a provision called the Secure Rural Schools and Community Self-Determination Program.

Now, if I were in Oregon, I would call it the Wyden-Craig bill. If I am in Idaho, I call it the Craig-Wyden bill. It is legislation that both Senator WYDEN and I, a good number of years ago, fashioned when I was chairing the Forestry and Public Lands Subcommittee and he was my ranking member, when we came to the Senate and said we have the rural schools of our timber-dependent communities and counties in crisis.

Through the decade of the 1990s, we saw a dramatic reduction in the allowable cut of timber on our public land forests for a variety of reasons. As a result, a 1908 policy, established by Gifford Pinchot and President Teddy Roosevelt, said if we are going to create these forest preserves, we have to connect the communities of interest with them. By that, I do not mean the Sierra Club. I mean that little community sitting out in the forest that is trying to make a living off our forests and to supply to its county its roads and bridges and to its citizens its schools. We will give them a piece of the stumpage or the fee the Federal Government is paid by a private logging company to cut that tree and turn it into lumber.

Down through the years, we did just that. We financed many of our counties and many of our schools in these dependent communities largely with the stumpage fee from public timber. In some counties, it was 50 or 60 percent of the county budget. In certain counties of Oregon, in the O&C lands of Oregon, it was oftentimes the near whole school budget and oftentimes a very large chunk of the county budget.

Well, when that timber went away, for a lot of different reasons, most of them environmental, so went the money. We saw that as a crisis in our school districts, looked at it, evaluated it, established a formula, came to the Senate, and said: We have to help these school districts that do not have fee land. They do not have private property to tax. They are all public lands.

I say to the Presiding Officer, I have counties in my State that are larger than your entire State, Mr. President, and most of them are 60 or 70 percent public lands. They don't pay taxes, but they produce product. We, a long time ago, nearly 100 years ago, decided that product the Government was selling ought to pay something back to the communities. So we established this legislation, Craig-Wyden. It lived its life. It secured our schools and our communities. It allowed some self-determination. It brought together regional advisory groups, issue groups who were warring amongst each other, and it brought common cause to the public concern on our national forested lands. It was highly successful, but it expired.

In a time of deficits and financial difficulties and finding all of the needed resources we need for our Government, it became very difficult to refinance, to reauthorize this program. I have school districts that were laying off essential educators, canceling programs that would provide for the quality education of the students simply because we could not pass this legislation.

Today, we passed the legislation. Today, we reauthorized, for a period of up to 4 years, this program. It is vastly important to hundreds of school districts across the Nation. When I say the Pacific Northwest—Idaho, Oregon, and Washington—it is Montana, it is California—northern California tremendously—it is Mississippi. I suspect