

committee process to work, this bill has not been subject to the rigorous analysis and debate that the legislative process should require to avoid unintended consequences and poor decision-making. This process should be permitted to take place before legislation of this magnitude is sent to the full Senate. That is the committee's role and it is an important one.

If the full Senate were to routinely bypass the Finance Committee and consider major Medicare bills like this one that have not been processed by the members of the committee, then nothing would prevent the Senate from legislating on other Medicare and Medicaid issues without the benefit of hearings or committee action. Occasionally, the committee does process extensions of current law and smaller, generally technical bills through a more informal committee process, but it is a committee process nonetheless. If the committee is routinely bypassed entirely and not allowed to perform its vital role in the legislative process, it would be almost impossible to cope with the number and assortment of Medicare, Medicaid, and other issues that would come directly to the Senate floor in bills like S. 3656. To avoid that result is why the Senate has committees in the first place.

Just an initial review of this legislation today produces more questions than answers and many obvious and serious concerns. It is disappointing that some of the important provisions in this bill, like the rural health center provisions and IME policy, are packaged into a bill that has not been presented in a timely way or brought before the committee for appropriate consideration, debate, and amendment. Just a quick review of this bill today quickly reveals, in any case, that both in terms of process and policy, this bill does not sufficiently achieve a balance I think is necessary, and I must, on behalf of myself and other members of the committee, object to discharging S. 3656 from committee for consideration by the full Senate.

NUCLEAR POWER

Ms. MURKOWSKI. Mr. President, I don't want to repeat what has already been said by Senator VOINOVICH recently, but I do want to explain why I am cosponsoring legislation designed to tackle in a comprehensive way the biggest issue still outstanding in our efforts to revitalize nuclear power for this Nation, that being how we handle the waste.

I also want to talk about the retirement of the ranking member of the Senate Energy Committee, Senator PETE DOMENICI, who I will so deeply miss in the future.

Concerning the nuclear bill, I am cosponsoring the U.S. Nuclear Fuel Management Corporation Establishment Act that has been crafted by Senator VOINOVICH, with Senator SESSIONS and a number of other Senators, and I have

already cosponsored the SMART Act, which was crafted by the ranking member of the Energy Committee, Senator DOMENICI, and cosponsored by Senator SESSIONS and others, since the two bills work together to set up the policy and the management structure to improve how we handle the waste that nuclear powerplants generate.

While it is obviously too late in this session of Congress for either bill to advance, I want to say that I am certainly intending to help reintroduce both bills next year and in working next session to merge them into a comprehensive plan to recycle and then properly store the remaining waste that results from nuclear power production.

I am interested in working on these bills because I care about reducing greenhouse gases. And nuclear power is the best proven technology to produce power for this country without producing any carbon emissions. For anyone serious about tackling carbon emissions, finding a way to grow the next generation of nuclear power is vital.

Today nuclear energy provides about 20 percent of the Nation's electricity. As Senator VOINOVICH may have mentioned those 104 operating powerplants save America from producing about 681 million metric tons a year of carbon dioxide. If we are going to deal with global warming, we must find a way not just to keep nuclear power going, but also growing to help meet this Nation's growing thirst for electricity.

I was in France in late June and toured the French nuclear waste recycling facilities at LaHague. Recycling allows you to gain twice as much nuclear power from a given amount of uranium ore. More importantly, it cuts substantially the amount and the half-life, and in some cases, the toxicity of the waste that you later have to store. That is important for the environment.

In these two bills, the Nuclear Fuel Management Corp. will set up a Government corporation to take authority to manage spent nuclear fuel and provide both interim storage, the development of geologic repositories, such as the Yucca Mountain facility currently under consideration, and also to handle the construction and operation of any reprocessing and fuel fabrication facilities.

The SMART bill is designed to further the process of siting and advancing the construction of up to two reprocessing plants, since it would help to encourage cities in this country to welcome such plants. These bills, perhaps pared with one introduced last year to remove some potential regulatory hurdles to construction and opening of a Yucca Mountain repository, would effectively amount to a comprehensive solution to the waste issue. They would be the final pieces to the puzzle. That is the case because of the efforts of Senator PETE DOMENICI.

PETE DOMENICI

Ms. MURKOWSKI. Mr. President, at the risk of embarrassing him, I want to take a moment to say how vital Senator DOMENICI has been in solving most of the nuclear puzzle. He really led the rebirth of the nuclear industry and I want to say how much I will miss him since he has been a prime mover in the effort to bring about a new nuclear age in this country.

As most of you know Senator DOMENICI has served 36 years in the Senate. But some of you may not know that he gave up a promising career in baseball to become a public servant. He started playing when he was 10, eventually pitching for a minor league team called the Albuquerque Dukes. But he left baseball to become a math and science teacher at Garfield Junior High in his native State of New Mexico, later went onto law school and ran for the U.S. Senate in 1972. And he's been here ever since.

About a dozen years ago the Senator realized that this Nation desperately needed a new source of electricity. He realized that there are higher uses for high-priced natural gas than to burn it for power generation, and that until carbon capture and storage can be perfected and widely practiced that the expansion of coal-fired power might have environmental drawbacks. So he crafted the forerunner of policies that today make up the Nuclear Power 2010 program, which is designed to have the Government partner with industry to approve the design and speed the licensing of the next generation of power plants that absolutely preclude the type of radiation accident that happened three decades ago at Three Mile Island.

He has been the sponsor of the loan guarantees, the architect of reauthorizing a responsible liability program and the person most responsible for harnessing the research capacities of America to breathe life into the research and nuclear construction sectors. One news outlet called him "the nuclear renaissance man." And he is recognized by all as the driving force behind the industry's resurgence.

But he has done so much more. His work on the Energy Policy Act of 2005 and on last year's Energy Independence and Security Act were landmarks in bipartisan legislating. He helped renewable and alternative energy, from wind and solar to biomass, and especially biofuels to develop, helping create Clean Renewable Energy Bonds to pay for the construction of renewable energy plants. During the bills he refereed more policy disputes and generated more compromises than I have time to mention.

But he also was the sponsor of so much other landmark legislation during his storied career. One bill finally passed the Senate earlier this week to require parity for mental health treatment benefits. As Senate budget chairman, he helped set up the Nation's budgeting system, which was still

working well when he assumed the chairmanship of the Energy Committee in 2003.

PETE DOMENICI's legacy has inspired so many of us and his retirement will leave some pretty big shoes for us all to fill. I will miss the Senator's smile, as well as his lighthearted and joyful presence. He is known as a man, who is firm in his convictions, but gracious in his negotiations. He is an example of a true statesman who has served his country well.

I will truly miss him. I could say a lot more, but I clearly am out of time.

GULF COAST HOSPITAL APPROPRIATIONS

Mr. COCHRAN. Mr. President, as I mentioned earlier this week, I have serious concerns about the way the appropriations process was handled this year. One of my greatest concerns was the removal from the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act of \$350 million to aid Mississippi and Louisiana hospitals with problems they continue to face from the devastation of Hurricane Katrina. This funding was extremely important to these hospitals to be able to retain the workforce needed to address the health concerns of the area. I was pleased, however, to learn that the majority had increased the amount of funding available under the Social Service block grant program specifically for this purpose. It is my understanding that the House Appropriations Committee included an additional \$288 million under the program to help assist these hospitals. It is my hope that when the Department of Health and Human Services awards these funds that they consider this intent.

TAX TREATMENT OF EMPLOYER- PROVIDED CELL PHONES

Mr. KERRY. Mr. President, Senator ENSIGN and I would like to engage in a brief colloquy with the distinguished chairman and ranking member of the Finance Committee, Senators BAUCUS and GRASSLEY, regarding legislation we have sponsored to fix an archaic provision in the Tax Code that adversely affects employees and businesses across the country. Under a little-noticed provision added in 1989, cell phones, blackberries, and similar devices are treated as "listed property." As a result, employees must keep detailed records of all calls made on their employer-issued cell phones—indicating whether they are personal or business-related—or have the value of the phone and phone service included as taxable income.

The current law provision was added at a time when cell phones were considered a luxury item. Now, they are a common and necessary part of conducting everyday business. Imposing strict substantiation requirements on the business use of cell phones and blackberries is burdensome and highly

impractical given their frequent use in a fast-paced global environment. To protect tens of thousands of employees and their employers from potential audits and tax liability, we should pass legislation as soon as possible next year to fix this problem.

Mr. ENSIGN. I want to join my distinguished colleague from Massachusetts and express my hope that legislation can be passed early next year to fix the out-dated tax treatment of employer-provided cell phones. The bill he and I have introduced has broad bipartisan support with over 60 cosponsors. Similar legislation has already passed the House. And both Treasury and the IRS are supportive of the fix. Thus, Senator KERRY and I would like to ask the distinguished chairman and ranking member of the Finance Committee, for their help in passing this legislation early next year.

Mr. BAUCUS. I want to thank my distinguished colleagues from Massachusetts and Nevada for raising this issue with us. I want to assure them that we are aware of this problem and we will work with our colleagues to consider legislation to eliminate the burden for employees and employers as early as possible.

Mr. GRASSLEY. I also want to join the chairman and express my intent to have the committee consider legislation that addresses this problem as soon as we can. We should not be imposing unreasonable rules on employees' use of cell phones and blackberries.

Mr. KERRY. Senator ENSIGN and I want to thank the distinguished chairman and ranking member of the Finance Committee for their willingness to work with us to address this important problem.

OFFSHORE TAX HAVENS

Mr. LEVIN. Mr. President, I will ask to have printed in the RECORD a timely opinion piece that was written by Mr. Robert M. Morgenthau, the District Attorney of the County of New York, and appeared in the Wall Street Journal on Tuesday, September 30. Since the 1960s, Mr. Morgenthau has been a leader in the fight against the abuse of offshore havens for fraud, money laundering, tax evasion and a host of other illicit activities.

As Congress votes on a plan to restore the soundness and credibility of our financial system, Mr. Morgenthau's column correctly reminds us of a factor that contributed significantly to this financial crisis—the activities of financial institutions that have hidden away trillions of dollars in offshore tax havens and that claim to be domiciled in those offshore havens, when all of their key personnel and operations are here in the United States. Mr. Morgenthau points out that this charade places these trillions of dollars, and the activities of the entities that control them, outside the oversight and supervisory control of the U.S. financial reg-

ulatory system. As the hearings held by the Permanent Subcommittee on Investigations, which I chair, have demonstrated, this charade is also a breeding ground for tax abuse, draining our system of billions of dollars in needed tax revenues.

In his article, Mr. Morgenthau reminds us that the supervisory and safety mechanisms that have been established to protect our citizens and their savings are dependent on transparency and strong regulatory vigilance. So is our tax system. When funds are hidden in offshore jurisdictions that promote secrecy and weak regulatory standards, and the funds are controlled by entities that claim they are not subject to our regulatory system, the safety net that we have established cannot function to provide our citizens the security it was designed to offer.

While we have voted on a plan to alleviate the current crisis, we have a lot more work to do to rectify the root causes of this problem. As Mr. Morgenthau points out, the abuse of offshore jurisdictions by financial institutions must be high on that agenda, and I look forward to addressing this matter in the next Congress.

Mr. President, I ask unanimous consent to have the opinion piece to which I referred printed in the RECORD.

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

[From the Wall Street Journal, Sept. 30,
2008]

TOO MUCH MONEY IS BEYOND LEGAL REACH'

(By Robert M. Morgenthau)

A major factor in the current financial crisis is the lack of transparency in the activities of the principal players in the financial markets. This opaqueness is compounded by vast sums of money that lie outside the jurisdiction of U.S. regulators and other supervisory authorities.

The \$700 billion in Treasury Secretary Henry Paulson's current proposed rescue plan pales in comparison to the volume of dollars that now escape the watchful eye, not only of U.S. regulators, but from the media and the general public as well.

There is \$1.9 trillion, almost all of it run out of the New York metropolitan area, that sits in the Cayman Islands, a secrecy jurisdiction. Another \$1.5 trillion is lodged in four other secrecy jurisdictions.

Following the Great Depression, we bragged about a newly installed safety net that was suppose to save us from such a hard economic fall in the future. However, the Securities and Exchange Commission, the Federal Reserve System, the Comptroller of the Currency and others have ignored trillions of dollars that have migrated to offshore jurisdictions that are secretive in nature and outside the safety net—beyond the reach of U.S. regulators.

We should have learned a long time ago that totally unsupervised markets, whether trading in tulips or subprime mortgages, will sooner rather than later get into trouble. We don't have to look back very far in history to understand this.

Long Term Capital Management, a hedge fund "based" in Greenwich, Conn., but composed of eight partnerships chartered in the Caymans, was supposed to be the wonder-kind of the financial world. At its peak in the late 1990s, its gross holdings were valued