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 regulatory 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 wunderkind of the financial world. At its peak in the late 1990s, its gross holdings were valued