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## Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable KIRSTEN E. GILLIBRAND, a Senator from the State of New York.

### PRAYER

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

Let us pray.

Lord of life, we praise and magnify Your Name. Forgive us when we give less and expect more. Teach our lawmakers to give to You their best, so that they may receive from You beyond their dreams. May they prepare for the decisions of this day by opening their minds to the inflow of Your Spirit. In all their getting, guide them to seek understanding. Make them fruitful, always reaping a harvest that glorifies You. Lord, give light to all who are in darkness, and lift us by Your mercy.

We pray in Your loving Name. Amen.

### PLEDGE OF ALLEGIANCE

The Honorable KIRSTEN E. GILLIBRAND led the Pledge of Allegiance, as follows:

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

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The bill clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, March 11, 2010.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KIRSTEN E.

GILLIBRAND, a Senator from the State of New York, to perform the duties of the Chair.

ROBERT C. BYRD,  
President pro tempore.

Mrs. GILLIBRAND thereupon assumed the chair as Acting President pro tempore.

### RECOGNITION OF THE MAJORITY LEADER

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

### SCHEDULE

Mr. REID. Madam President, following leader remarks, there will be a period of morning business for an hour, with Senators allowed to speak for 10 minutes each during that period of time. Following that morning business, we will resume consideration of the Federal Aviation Administration reauthorization legislation. We have two amendments pending: the Sessions amendment and the Lieberman amendment. Votes are expected to occur throughout the day. Senators will be notified when any votes are scheduled.

### RECOGNITION OF THE MINORITY LEADER

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

### HEALTH CARE

Mr. McCONNELL. Madam President, as Democratic leaders in Congress continue to insist that we are at some make-or-break moment in the health care debate, and that for some reason we need to pass a bill that raises taxes, raises premiums, and cuts Medicare, I would like to call attention to a notice we received just yesterday from the Congressional Budget Office informing us that they plan to issue a cost esti-

mate today for the Senate-passed health care bill.

In other words, sometime today the CBO will release its final cost estimate on the health spending bill the majority passed on Christmas Eve. This is March 11. We passed that bill on Christmas Eve. We are now getting a cost estimate from the Congressional Budget Office.

So our friends on the other side—every single one of them—voted for this enormous bill, a bill affecting the cost and quality of health care for every single man, woman, and child in America without knowing the full cost to the taxpayers.

Well, excuse me for noting the obvious, but this is no way to legislate on an issue of this importance. Month after month, we were told it was urgent to pass that bill—so urgent, apparently, that Democrats in Congress could not even wait to find out the effect the bill would have on the cost to the American people.

Now we are being told the same thing. Democratic leaders are telling their members they have to vote on this latest version of the same bill by Easter—the latest version of the same bill by Easter. When are we going to find out how much that one costs, Columbus Day?

Americans are not in any rush to pass this or any other 2,700-page bill that poses as reform but actually raises the cost of health care. Members of Congress should not be deceived by these theatrical attempts to create a sense of urgency about this legislation. The least that lawmakers can do is find out how much these bills will cost the taxpayers before they schedule a vote. They cannot have it both ways. They cannot say they are concerned about how much these bills cost and not even ask to see the pricetag.

The fact is, anybody who even considers voting for these health spending bills does not have lower costs as a priority because we know these bills are going to drive costs up, not down.

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



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## HONORING OUR ARMED FORCES

LANCE CORPORAL JONATHAN B. THORNSBERRY

Mr. MCCONNELL. Madam President, I rise today to pay tribute to a young man from McDowell, KY, who bravely served his country. LCpl Jonathan B. Thornsberry was tragically killed during combat operations in Iraq back on October 25, 2006. He was 22 years old. He left behind a family and friends who love him and remember that today, March 11, is his birthday.

For his heroic service with the U.S. Marines, Lance Corporal Thornsberry received several medals, awards, and decorations, including the National Defense Service Medal and the Purple Heart.

The man called “Jon-Jon” by family and friends was following a family tradition when he elected to wear America’s uniform. His brother, father, and grandfather all served in the military.

“It was just something he wanted to do,” Jonathan’s brother Jeff recalls of why Jonathan signed up. “It was a decision he made.” Jonathan’s parents, Jackie and Judy, remember their son saying, “We have to go over there. If we don’t go over there, they will be here.”

Jonathan grew up in Floyd County where he attended McDowell Elementary School and South Floyd High School. He played catcher on his high school baseball team. Everybody remembers how good he was, and South Floyd High has retired his old No. 13 in his memory.

The name of the McDowell Elementary School’s sports team is the Daredevils. Jonathan certainly fit that description growing up, as he liked to play in the mountains, go four-wheeling, and go hunting. This is not to say he did not have any sense of responsibility.

Once when he was just 4 or 5 years old, Jonathan and his father were hunting when they climbed too high on a mountain. “We need to go down. Mommy will be worried about us,” Jonathan said.

Jonathan was very close to his father, and the two of them worked together in the coal mines before Jonathan joined the Marines. Jonathan was also a father himself. He and his wife Toni Renee have a daughter, Haylee Jo. Haylee Jo recently turned 5 years old, and she likes to tell people she has her daddy’s green eyes.

Jonathan was also close to his aunt, Edia Hamilton, better known in the family as Aunt Edia Girl. She would always buy candy for her favorite nephew even though she was on a fixed income.

Jonathan graduated from South Floyd High School in 2002, and after working alongside his father in the coal mines enlisted in the Marines in January 2004. He was assigned to the Marine Forces Reserve’s 3rd Battalion, 24th Regiment, 4th Marine Division, based out of Johnson City, TN.

After training in California, Jonathan was deployed in support of Oper-

ation Iraqi Freedom in 2006. His family recalls he left California on September 26, and just 1 month later his life was tragically lost.

A few days before his death, Jonathan called his mother Judy to wish her a happy birthday, but she was at the grocery store and missed his call. Jonathan did get to talk to his wife Toni. Toni and Judy talked later, and Judy remembers they shared an uneasy feeling.

“I could feel God all around me that morning and I should have known something,” Judy says. “I [could] feel God protecting me from the harshness of this.” Later that day they received the horrible news.

Funeral services were held at the Little Rosa Church in McDowell, where Jonathan’s two favorite songs, “The Old Ship of Zion” and “Amazing Grace,” were played. Tributes to him were held in Frankfort and back at South Floyd High School.

Today, on Jonathan’s birthday, Madam President, our thoughts are with the many loved ones he has left behind. We are thinking of his wife Toni Renee; his daughter Haylee Jo; his parents Jackie and Judy; his brother and sister-in-law, Jeff and Angela; his grandmother, Alice Moore Lawson; his nephews, Thomas and Jack; his nieces, Evelyn Grace and Julia Ann; his aunt, Edia Hamilton; and many more family members and friends.

One year after Jonathan’s death, his family, friends, and fellow marines gathered to remember him at a service in Pikeville City Park. Friends recalled him as the “type of guy who would give you the shirt off his back.” Another remembered the last time he saw Jonathan and what they talked about.

His wife Toni talked about how much she had lost. “We loved each other from the moment we laid eyes on each other,” she said. Then she read a poem that got across how her husband was a man who did not ask for much.

“If you have a place for me, Lord, it needn’t be so grand,” she read.

A place of honor will be kept in the Senate for LCpl Jonathan B. Thornsberry, who sacrificed everything for his country. Today, on his birthday, I know my colleagues will join me in paying tribute to his service.

Madam President, I yield the floor.

## RESERVATION OF LEADER TIME

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

## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the majority controlling the first 30 minutes and the Republicans controlling the next 30 minutes.

The Senator from Delaware.

Mr. KAUFMAN. Madam President, I ask unanimous consent to speak for up to 25 minutes.

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

## WALL STREET REFORM

Mr. KAUFMAN. Madam President, financial regulatory reform is perhaps the most important legislation the Congress will address for many years to come. If we do not get it right, the consequences of another financial meltdown could be devastating.

In the Senate, as we continue to move closer to consideration of a landmark bill, however, we are still far short of addressing some of the fundamental problems—particularly that of too big to fail—that caused the last crisis and already have planted the seeds for the next one. This is happening after months of careful deliberation and negotiations and just a year and a half after the virtual meltdown of our entire financial system.

Following the Great Depression, the Congress built a legal and regulatory edifice that endured for decades. One of its cornerstones was the Glass-Steagall Act, which established a firewall between commercial and investment banking activities. Another was the federally guaranteed insurance fund to back up bank deposits. There were other rules imposed on investors and designed to tamp down on rampant speculation—Federal rules such as margin requirements and the uptick rule for short selling.

That edifice worked well to ensure financial stability for decades. But in the past thirty years, the financial industry, like so many others, went through a process of deregulation. Bit by bit, many of the protections and standards put in place by the New Deal were methodically removed. And while the seminal moment came in 1999 with the repeal of Glass-Steagall, that formal rollback was primarily the confirmation of a lengthy process already underway.

Indeed, after 1999, the process only accelerated. Financial conglomerates that combined commercial and investment banking consolidated, becoming more leveraged and interconnected through ever more complex transactions and structures, all of which made our financial system more vulnerable to collapse. A shadow banking industry grew to larger proportions than even the banking industry itself, virtually unshackled by any regulation. By lifting basic restraints on financial markets and institutions, and more importantly, failing to put in place new rules as complex innovations arose and became widespread, this deregulatory philosophy unleashed the forces that would cause our financial crisis.

I start by asking a simple question: Given that deregulation caused the crisis, why don't we go back to the statutory and regulatory frameworks of the past that were proven successes in ensuring financial stability? This is basically a conservative question and I am a conservative on this issue. Why don't we go back to what has worked in the past?

And what response do I hear when I raise this rather obvious question? That we have moved beyond the old frameworks, that the eggs are too scrambled, that the financial industry has become too sophisticated and modernized and that it was not this or that piece of deregulation that caused the crisis in the first place.

Mind you, this is a financial crisis that necessitated a \$2.5 trillion bailout. And that amount includes neither the many trillions of dollars more that were committed as guarantees for toxic debt nor the de facto bailout that banks received through the Federal Reserve's easing of monetary policy. The crisis triggered a Great Recession that has thrown millions out of work, caused millions to lose their homes, and caused everyone to suffer in an American economy that has been knocked off its stride for more than 2 years.

Given the high costs of our policy and regulatory failures, as well as the reckless behavior on Wall Street, why should those of us who propose going back to the proven statutory and regulatory ideas of the past bear the burden of proof? The burden of proof should be upon those who would only tinker at the edges of our current system of financial regulation. After a crisis of this magnitude, it amazes me that some of our reform proposals effectively maintain the status quo in so many critical areas, whether it is allowing multitrillion-dollar financial conglomerates that house traditional banking and speculative activities to continue to exist and pose threats to our financial system, permitting banks to continue to determine their own capital standards, or allowing a significant portion of the derivatives market to remain opaque and lightly regulated.

To address these problems, Congress needs to draw hard lines that provide fundamental systemic reforms, the very kind of protections we had under Glass-Steagall. We need to rebuild the wall between the government-guaranteed part of the financial system and those financial entities that remain free to take on greater risk. We need limits on the size of systemically significant nonbank players. And we need to effectively regulate the derivatives market that caused so much widespread financial ruin. It is my sincere hope that we don't enact compromise measures that give only the illusion of change and a false sense of accomplishment. If we do, then we will only have set in place the prelude to the next financial crisis.

First, however, let us examine the origins—both obscure and well-known—of the Great Recession of 2008. As I have already noted, the regulators began tearing down the walls between commercial banking and investment banking long before the repeal of Glass-Steagall. Through a series of decisions in the 1980s and 1990s, the Federal Reserve liberalized prudential limitations placed upon commercial banks, allowing them to engage in securities underwriting and trading activities, which had traditionally been the particular province of investment banks. One fateful decision in 1987 to relax Glass-Steagall restrictions passed over the objections of then Federal Reserve Chairman Paul Volcker, the man who is today leading the charge to restrict government-backed banks from engaging in proprietary trading and other speculative activities.

With the steady erosion of these protections by the Federal Reserve, the repeal of Glass-Steagall had become a fait accompli even before the passage of the Gramm Leach Bliley Act in 1999. In effect, by passing GLBA, Congress was acknowledging the reality in the marketplace that commercial banks were already engaging in investment banking. As the business of finance moved from bank loans to bonds and other forms of capital provided by investors, commercial banks pushed the Federal Reserve to relax Glass-Steagall standards to allow them to underwrite bonds and make markets in new products like derivatives. Even before GLBA was passed, J.P. Morgan, Citigroup, Bank of America and their predecessor organizations had all become leaders in those businesses.

If the changes in the financial marketplace that led to the repeal of Glass-Steagall took place over many years, the market's transformation after 1999 was swift and profound.

First, there was frenzied merger activity in the banking sector, as financial supermarkets that had bank and nonbank franchises under the umbrella of a single holding company bought out smaller rivals to gain an ever-increasing national and international footprint. While the Riegle-Neal Banking Act of 1994, which established a 10 percent cap nationally on any particular bank's share of federally insured deposits, should have been a barrier for at least some of these mergers, regulatory forbearance permitted them to go through anyway. In fact, then Citicorp's proposed merger Travelers Insurance was actually a major rationale behind the Glass-Steagall Act. Most of the largest banks are products of serial mergers. For example, J.P. Morgan Chase is a product of J.P. Morgan, Chase Bank, Chemical Bank, Manufacturers Hanover, Banc One, Bear Stearns, and Washington Mutual. Meanwhile, Bank of America is an amalgam of that predecessor bank, Nation's Bank, Barnett Banks, Continental Illinois, MBNA, Fleet Bank, and finally Merrill Lynch.

Second, the business of finance was changing. Disintermediation, the process by which investors directly fund businesses and individuals through securities markets, was already in full bloom by the time of the repeal of Glass-Steagall. This was demonstrated by the dramatic growth in money market fund and mutual fund assets and by the fact that corporate bonds actually exceeded nonmortgage bank loans by the middle of the 1990s.

The subsequent boom in structured finance took this process to ever greater heights. Securitization, whereby pools of illiquid loans and other assets are structured, converted and marketed into asset-backed securities, ABS, is in principle a valuable process that facilitates the flow of credit and the dispersion of risk beyond the banking system. Regulatory neglect, however, permitted a good model to mutate and grow into a sad farce.

On one end of the securitization supply chain, regulators allowed underwriting standards to erode precipitously without strengthening mortgage origination regulations or sounding the alarm bells on harmful nonbank actors—not even those within bank holding companies over which the regulators had jurisdiction. On the other, securities backed by risky loans were transformed into securities deemed "hi-grade" by credit rating agencies, only after a dizzying array of steps where securities were packaged and repackaged into many layers of senior tranches, which had high claims to interest and principal payments, and subordinate tranches.

The nonbanking actors—investment banks, hedge funds, money market funds, off-balance-sheet investment funds—that powered structured finance came to be known as the shadow banking market. Of course, the shadow banking market could only have grown to surpass by trillions of dollars the actual banking market with the consent of regulators.

In fact, one of the primary purposes behind the securitization market was to arbitrage bank capital standards. Banks that could show regulators that they could offload risks through asset securitizations or through guarantees on their assets in the form of derivatives called credit default swaps received more favorable regulatory capital treatment, allowing them to build their balance sheets to more and more stratospheric levels.

With the completion of the Basel II Capital Accord, determinations on capital adequacy became dependent on the judgments of rating agencies and, increasingly, the banks' own internal models. While this was a recipe for disaster, it reflected in part the extent to which the size and complexity of this new era of quantitative finance exceeded the regulators' own comprehension.

When Basel II was effectively applied to investment banks like Lehman Brothers and Goldman Sachs, which had far more precarious and potentially explosive business models that

utilized overnight funding to finance illiquid inventories of assets, the results were even worse. The SEC, which had no track record to speak of with respect to ensuring the safety and soundness of financial institutions, allowed these investment banks to leverage a small base of capital over 40 times into asset holdings that, in some cases, exceeded \$1 trillion.

Third, little more than a year after repealing Glass-Steagall, Congress passed legislation—the Commodity Futures Modernization Act of 2000—to allow over-the-counter derivatives to essentially remain unregulated. Following the collapse of the hedge fund Long Term Capital Management in 1998, then Commodity Futures Trading Commission Chairwoman Brooksley Born began to warn of problems in this market. Unfortunately, her calls for stronger regulation of the derivatives market clashed with the uncompromising free-market philosophies of Federal Reserve Chairman Alan Greenspan, then Treasury Secretary Robert Rubin and later Treasury Secretary Larry Summers. To head off any attempt by the CFTC or another agency from regulating this market, they successfully convinced Congress to pass the CFMA.

The explosive growth of the OTC derivatives market following the passage of the CFMA was stunning—the size of the OTC derivatives market grew from just over \$95 trillion at the end of 2000 to over \$600 trillion in 2009. This growth had profound implications for the overall risk profile of the financial system. While derivatives can be used as a valuable tool to mitigate or hedge risk, they can also be used as an inexpensive way to take on leverage and risk. As I noted before, certain OTC derivatives called credit default swaps were crucial in allowing banks to evade their regulatory capital requirements. In other contexts, CDS contracts have been used to speculate on the credit worthiness of a particular company or asset.

But they pose other problems as well. Since derivatives represent contingent liabilities or assets, the risks associated with them are imperfectly accounted for on company balance sheets. And they have concentrated risk in the banking sector, since even before the repeal of Glass-Steagall, large commercial banks like J.P. Morgan were major derivatives dealers. Finally, the proliferation of derivatives has significantly increased the interdependence of financial actors while also overwhelming their back-office infrastructure. Hence, while the growth of derivatives greatly increased counterparty credit risks between financial institutions—the risk, that is, that the other party will default at some point during the life of the derivative contract—those entities had little ability to quantify those risks, let alone manage them.

Therefore, on the eve of what was arguably the biggest economic crisis

since the Great Depression, which was caused in large part by the confluence of all the forces and trends that I have just described, the financial industry was larger, more concentrated, more complex, more leveraged and more interconnected than ever before. Once the subprime crisis hit, it spread like a contagion, causing a collapse in confidence throughout virtually the entire financial industry. And without clear walls between those institutions the government insures and those that are free to take on excessive leverage and risk, the American taxpayer was called upon to step forward into the breach.

Unfortunately, the government's response to the financial meltdown has only made the industry bigger, more concentrated and more complex. As the entire financial system was imploding following the bankruptcy filing by Lehman Brothers, the Treasury and the Federal Reserve hastily arranged mergers between commercial banks, which had a stable source of funding in insured deposits, and investment banks, whose business model depended on market confidence to roll over short-term debt.

Before the Lehman bankruptcy, Bear Stearns had been merged into J.P. Morgan. After the Lehman collapse, one of the biggest mergers to occur was between Bank of America and Merrill Lynch. And Ken Lewis, the CEO of Bank of America at the time, alleges that it was consummated only following pressure he received from Treasury Secretary Hank Paulson and Federal Reserve Chairman Ben Bernanke.

As merger plans for the remaining two investment banks, Goldman Sachs and Morgan Stanley, faltered, another plan was hatched. Both Goldman Sachs and Morgan Stanley—neither of which had anything even close to traditional banking franchises—were both given special dispensations from the Federal Reserve to become bank holding companies. This provided them with permanent borrowing privileges at the Federal Reserve's discount window—without having to dispose of risky assets. In a sense, it was an official confirmation that they were covered by the government safety net because they were literally “too big to fail.”

Following the crisis, the U.S. mega banks left standing have even more dominant positions. Take the multi-trillion-dollar market for OTC derivatives. The five largest banks control 95 percent of that market. Let me repeat that. The five largest banks control 95 percent of the over-the-counter derivatives market. With such strong pricing power, these firms could afford to expand dramatically their margins. The Federal Reserve estimated that those five banks made \$35 billion from trading in the first half of 2009 alone. Of course, they used these outsized profits from trading activities in derivatives and other securities not only to replenish their capital, but also to pay billions of dollars in bonuses.

Large and complex institutions like Citigroup dominate our financial industry and our economy. MIT professor Simon Johnson and James Kwak, a researcher at Yale Law School, estimate that the six largest U.S. banks now have total assets in excess of 63 percent of our overall GDP. Only 15 years ago, the six largest US banks had assets equal to 17 percent of GDP. This is an extraordinary increase. We haven't seen such concentration of financial power since the days of Morgan, Rockefeller and Carnegie.

As I stated at the outset, I am extremely concerned that our reform efforts to date do little, if anything, to address this most serious of problems. By expanding the safety net—as we did in response to the last crisis—to cover ever larger and more complex institutions heavily engaged in speculative activities, I fear that we may be sowing the seeds for an even bigger crisis in only a few years or a decade.

Unfortunately, the current reform proposals focus more on reorganizing and consolidating our regulatory infrastructure, which does nothing to address the most basic issue in the banking industry: that we still have gigantic banks capable of causing the very financial shocks that they themselves cannot withstand.

Rather than pass the buck to a reshuffled regulatory deck, which will still be forced to oversee banks that former FDIC Chairman Bill Isaac describes as “too big to manage, and too big to regulate,” we must draw hard statutory lines between banks and investment houses.

We must eliminate the problem of “too big to fail” by reinstating the spirit of Glass-Steagall, a modern version that separates commercial from investment banking activities and imposes strict size and leverage limits on financial institutions.

We must also establish clear and enforceable rules of the road for our securities market in the interest of making them less fragmented, opaque and prone to collapse. The over-the-counter derivatives market must be tightly regulated, as originally proposed by Brooksley Born—and rejected by Congress—in the late 1990s.

Finally, I believe the myriad conflicts of interest on Wall Street must be addressed through greater protection and empowerment of individual investors. Our antifraud provisions, as represented for example by rule 10(b)5, under the 1934 Securities Act, need to be strengthened.

One key reform that has been proposed to address the “too big to fail” problem is resolution authority. The existing mechanism whereby the FDIC resolves failing depository institutions has, by and large, worked well. After the experiences of Bear Stearns and Lehman Brothers in 2008, it is clear that a similar process should be applied to entire bank holding companies and large nonbank institutions.

While no doubt necessary, this is no panacea. No matter how well Congress

crafts a resolution mechanism, there can never be an orderly wind-down, particularly during periods of serious stress, of a \$2-trillion institution like Citigroup that had hundreds of billions of off-balance-sheet assets, relies heavily on wholesale funding, and has more than a toehold in over 100 countries.

There is no cross-border resolution authority now, nor will there be for the foreseeable future. In the days and weeks following the collapse of Lehman Brothers, there was an intense and disruptive dispute between regulators in the U.S. and U.K. regarding how to handle customer claims and liabilities more generally. Yet experts in the private sector and governments agree—national interests make any viable international agreement on how financial failures are resolved difficult to achieve. A resolution authority based on U.S. law will do precisely nothing to address this issue.

While some believe market discipline would be reimposed by refining the bankruptcy process, Lehman Brothers demonstrates that the very concept of market discipline is illusory with institutions like investment banks, which used funds that they borrowed in the repo market to finance their own inventories of securities, as well as their own book of repurchase agreements, which they provided to hedge funds through their prime brokerage business.

Investment banks, the fulcrum of these institutional arrangements, found themselves in a classic squeeze. On one side, their hedge fund clients and counterparties withdrew funds and securities in their prime brokerage accounts, drew down credit lines and closed out derivative positions, all of which caused a massive cash drain on the bank. On the other side, the repo lenders, concerned about the value of their collateral as well as the effect of the cash drain on the banks' credit worthiness, refused to roll over their loans without the posting of substantial additional collateral. These circumstances quickly prompted a vicious cycle of deleveraging that brought our financial system to the brink. With such large, complex and combustible institutions like these, there can be no orderly process of winding them down. The rush to the exits happens much too quickly.

That is why we need to directly address the size, the structure and the concentration of our financial system.

The Volcker rule, which would prohibit commercial banks from owning or sponsoring "hedge funds, private equity funds, and purely proprietary trading in securities, derivatives or commodity markets," is a great start, and I applaud Chairman Volcker for proposing that purely speculative activities should be moved out of banks. That is why I joined yesterday with Senators JEFF MERKLEY and CARL LEVIN to introduce a strong version of the Volcker rule. But I think we must go further still. Massive institutions

that combine traditional commercial banking and investment banking are rife with conflicts and are too large and complex to be effectively managed.

We can address these problems by reimposing the kind of protections we had under Glass-Steagall. To those who say "repealing Glass-Steagall did not cause the crisis, that it began at Bear Stearns, Lehman Brothers and AIG," I say that the large commercial banks were engaged in exactly the same behavior as Bear Stearns, Lehman and AIG—and would have collapsed had the federal government not stepped in and taken extraordinary measures. That is the reason why commercial banks did not go under, because we were protecting them because they were too big to fail. We let Bear, Lehman and AIG—go under because they were not. This seems like a circular argument on why we should not do more about commercial banks in this country that are so incredibly large and we would be stuck with the same situation we were in during the meltdown. Moreover, in response to the last crisis, we increased the safety net that covers these behemoth institutions. The result: they will continue to grow unchecked, using insured deposits for speculative activities without running any real risk of failure on account of their size.

We need to reinstate Glass-Steagall in an updated form to prevent or at least severely moderate the next crisis.

By statutorily splitting apart massive financial institutions that house both banking and securities operations, we will both cut these firms down to more reasonable and manageable sizes and rightfully limit the safety net only to traditional banks. President of the Federal Reserve Bank of Dallas Richard Fisher recently stated:

I think the disagreeable but sound thing to do regarding institutions that are ["too big to fail"] is to dismantle them over time into institutions that can be prudently managed and regulated across borders. And this should be done before the next financial crisis, because it surely cannot be done in the middle of a crisis.

A growing number of people are calling for this change. They include former FDIC Chairman Bill Isaac, former Citigroup chairman John Reed, famed investor George Soros, Nobel Prize winning economist Joseph Stiglitz, president of the Federal Reserve Bank of Kansas City, Thomas Hoenig, and Bank of England Governor, Mervyn King, among others. A chastened Alan Greenspan also adds to that chorus, noting:

If they're too big to fail, they're too big. In 1911 we broke up Standard Oil—so what happened? The individual parts became more valuable than the whole. Maybe that's what we need to do.

Alan Greenspan, in my opinion, has never been more right.

But even this extraordinary step of splitting these institutions apart is not sufficient. Cleaving investment banking from traditional commercial banking will still leave us with massive investment banks, some with balance sheets that exceed \$1 trillion in assets.

For that reason, Glass-Steagall would need to be supplemented with strict size and leverage constraints. The size limit should focus on constraining the amount of nondeposit liabilities at large investment banks, which rely heavily on short-term financing, such as repos and commercial paper.

The growth of those funding markets in the run-up to the crisis was staggering. One report by researchers at the Bank of International Settlements estimated that the size of the overall repo market in the United States, Euro region and the United Kingdom totaled approximately \$11 trillion at the end of 2007. Incredibly, the size was more than \$5 trillion more than the total value of domestic bank deposits at that time, which was less than \$7 trillion.

The overreliance on such wholesale financing made the entire financial system vulnerable to a classic bank run, the type that we had before we instituted a system of deposit insurance and strong bank supervision. Remarkably, while there is a prudential cap on the amount of deposits a bank can have—even though deposits are already federally insured—there is no limit of any kind on liabilities like repos that need to be rolled over every day. With a sensible limit on these liabilities at each financial institution—for example, as a percentage of GDP—we can ensure that never again will the so-called shadow banking system eclipse the real banking system.

In addition, institutions that rely upon market confidence every day to finance their balance sheet and market prices to determine the worth of their assets should not be leveraged to stratospheric levels. To ensure that regulatory forbearance does not permit another Lehman Brothers, we should institute a simple statutory leverage requirement, that is, a limit on how much firms can borrow relative to how much their shareholders have on the line. As I have said in a previous speech, a statutory leverage requirement that is based upon banks' core capital—i.e., their common stock plus retained earnings—could supplement regulators' more highly calibrated risk-based assessments, providing a sorely needed gut check that ensures that regulators don't miss the forest for the trees when assessing the capital adequacy of a financial institution.

This would push firms back towards the levels of effective capital they had in the pre-bailout days—like in the post World War II period when our financial system generally functioned well. To be sure, this would move our core banks from being predominantly debt financed to substantially based on equity. But other parts of our financial system already operate well on this basis—with venture capital being the most notable example. The return on equity relative to debt would need to rise to accommodate this change, but—as long as we preserve a credible monetary policy—this is consistent with low interest rates in real terms.

I would also stress that a leverage limit without breaking up the biggest banks will have little effect. Because of their implicit guarantee, “too big to fail” banks enjoy a major funding advantage—and leverage caps by themselves do not address that. Our biggest banks and financial institutions have to become significantly smaller if we are to make any progress at all.

Turning now to derivatives reform, I have already noted how large dealer banks completely dominate the OTC marketplace for derivatives, an opaque market where these banks exert enormous pricing power. For over two decades, this market has existed with virtually no regulation whatsoever.

Amazingly, it is a market where the dealers themselves actually set the rules for the amount of collateral and margin that needs to be posted by different counterparties on trades. Dealers never post collateral, while the rules they set for their counterparties are both lax and procyclical, meaning that margin requirements tend to increase during periods of market turmoil when liquidity is at a premium. The complete lack of oversight of these markets has almost brought our financial system to its knees twice in 10 years, first with the failure of LTCM in 1998, and then with the failure of Lehman Brothers in 2008. We have known about these problems for over a decade—yet we have so far done nothing to make this market better regulated.

That is why I applaud CFTC Chairman Gary Gensler’s efforts in pushing for centralized clearing and regulated electronic execution of standardized OTC derivatives contracts as well as more robust collateral and margin requirements. Clearinghouses have strong policies and procedures in place for managing both counterparty credit and operational risks. Chairman Gensler underscores that this would get directly at the problem of “too big to fail” by stating: “Central clearing would greatly reduce both the size of dealers as well as the interconnectedness between Wall Street banks, their customers and the economy.” Moreover, increased clearing and regulated electronic trading will make the market more transparent, which will ultimately give investors better pricing.

A strong clearing requirement, however, should not be swallowed by large exemptions that circumvent the rules. While I am sympathetic to concerns about increased costs raised by non-financial corporations that use interest rate and currency swaps for hedging purposes, any exemption of this sort should be narrowly crafted. For example, it might be limited to transactions where non-financial corporations use OTC derivatives in a way that qualifies for GAAP hedge accounting treatment. In any case, we should recognize more explicitly that when such derivatives contracts are provided by too big to fail banks, the end users are in effect splitting the hidden taxpayer subsidy with the big banks. And remember that

this subsidy is not only hidden—it is also dangerous, because it is central to the incentives to become bigger and to take more risk once any financial firm is large.

Given that one of the key objectives behind increased clearing is to reduce counterparty credit risk, it also seems reasonable that derivatives legislation place meaningful constraints on the ownership of clearinghouses by large dealer banks.

Finally, we need to address the fundamental conflicts of interest on Wall Street. While separating commercial banking from investment banking is a critical step, there are still inherent conflicts within the modern investment banking model.

Let’s take the example of auction rate securities. Brokers at UBS and other firms marketed these products, which were issued by municipalities and not-for-profit entities, as “safe, liquid cash alternatives” to retail investors even though they were really long-term debt instruments whose interest rates would reset periodically based upon the results of Dutch auctions. In other words, these unsuspecting investors would be unable to sell their securities if new buyers didn’t enter the market, which is exactly what happened. As credit concerns by insurers who guaranteed these securities drained liquidity from the market, bankers continued to sell these securities to retail clients as safe, liquid investments. There was a blatant conflict of interest where the banks served as broker to their retail customers while also underwriting the securities and conducting the auctions.

There is an open issue of why such transactions did not constitute securities fraud, for example under rule 10(b)5—which prohibits the nondisclosure of material information. Civil actions are still in progress and perhaps we will learn more from the outcomes of particular cases. But no matter how these specific cases are resolved, we should move to strengthen the legal framework that enables both private parties and the SEC—both civil and criminal sides—to bring successful enforcement actions.

Individuals at Enron, Merrill Lynch, and Arthur Anderson were called to account for their participation in fraudulent activities—and at least one executive from Merrill went to prison for signing off on a deal that would help manipulate Enron’s earnings. But it is quite possible that no one will be held to account, either in terms of criminal or civil penalties, due to the deception and misrepresentation manifest in our most recent credit cycle. We must work hard to remove all the loopholes that helped create this unfair and unreasonable set of outcomes.

We can begin by strengthening investor protection. Currently, brokers are not subject to a fiduciary standard as financial advisors are, but only subject to a “suitability” requirement when selling securities products to investors.

Hence, brokers don’t have to be guided by their customers’ best interest when recommending investment product offerings—they might instead be focused on increasing their compensation by pushing proprietary financial products. I am not saying they are doing that, but we have to be aware and deal with clear conflicts of interest. By harmonizing the standards that brokers and financial advisors face and by better disclosing broker compensation, retail investors will be able to make better, more informed investment decisions. Even Lloyd Blankfein, the CEO of Goldman Sachs, has stated that he “support[s] the extension of a fiduciary standard to broker/dealer registered representatives who provide advice to retail investors. The fiduciary standard puts the interests of the client first. The advice-giving functions of brokers who work with investors have become similar to that of investment advisers.”

It has also become known that some firms underwrite securities—promoting them to investors—and then short these same securities within a week and without disclosing this fact, which any reasonable investor would regard as adverse material information. In the structured finance arena, investment banks sold pieces of collateralized debt obligations—which were packages of different asset-backed securities divided into different risk classes—to their clients and then took—proceeded to take short positions in those securities by purchasing credit default swaps. Some banks went further by shorting mortgage indexes tied to securities they were selling to clients and by shorting their counterparties in the CDS market. This is how a firm such as Goldman Sachs could claim that they were effectively hedged to an AIG collapse.

Unfortunately, the use of products like CDS in this way allows the banks to become empty creditors who stand to make more money if people and companies default on their debts than if they actually paid them. These and other problematic practices that place financial firms’ interests against those of their clients need to be restricted. They also completely violate the spirit of our seminal legislation from the 1930s, which insisted—for the first time—that the sellers and underwriters of securities disclose all material information. This is nothing less than a return to the unregulated days of the 1920s; to be sure, those days were heady and exciting, but only for a while—such practices always end in a major crash, with the losses disproportionately incurred by small and unsuspecting investors.

Investors should also have greater recourse through our judicial system. For example, auditors, accountants, bankers and other professionals that are complicit in corporate fraud should be held accountable. That is why I worked on a bill with Senators SPENCER and REED to allow for private civil

actions against individuals who knowingly or recklessly aid or abet a violation of securities laws.

Admittedly, this is not an exhaustive list of financial reforms. I also believe we need to reconstitute our system of consumer financial protection, which was a major failure before our last crisis. We must have an independent Consumer Financial Protection Agency, CFPB, that has strong and autonomous rulemaking authority and the ability to enforce those rules at nonbanking entities like payday lenders and mortgage finance companies. Most importantly, the head of this agency must not be subject to the authority of any regulator responsible for the “safety and soundness” of the financial institutions.

This is basic. If you are involved, like most of our banking regulatory agencies, in the Treasury, their primary responsibility is the safety and soundness of those financial institutions. We need an organization such as the CFPB, which looks out totally for the interest of consumers and consumers alone.

Unfortunately, like the public option in healthcare, the CFPB issue has become something of a “shiny object”—though certainly an important one—that has distracted the focus of debate away from the core issues of “too big to fail.”

Beginning with the solutions for “too big to fail,” each of these challenges represents a crucial step along the way towards fixing a regulatory system that has permitted both large and small failures. Each is an important piece to the puzzle.

I know there are those who will disagree with some, and perhaps all of these proposals. They sincerely advocate a path of incrementalism, of achieving small reforms over time. They say that problems as complex as these need to be solved by the regulators, not by Congress. After all, they are the ones with the expertise.

I respectfully disagree.

Giving more authority to the regulators is not a complete solution. While I support having a systemic risk council and a consolidated bank regulator, these are necessary but not sufficient reforms—the President’s Working Group on Financial Markets has actually played a role in the past similar to that of the proposed council, but to no discernible effect. I do not see how these proposals alone will address the key issue of “too big to fail.”

In the brief history I outlined earlier, the regulators sat idly by as our financial institutions bulked up on short-term debt to finance large inventories of collateralized debt obligations backed by subprime loans and leveraged loans that financed speculative buyouts in the corporate sector.

They could have sounded the alarm bells and restricted this behavior, but they did not. They could have raised capital requirements, but instead farmed out this function to credit rating agencies and the banks themselves.

They could have imposed consumer-related protections sooner and to a greater degree, but they did not. The sad reality is that regulators had substantial powers, but chose to abdicate their responsibilities.

What is more, regulators are almost completely dependent on the information, analysis and evidence as presented to them by those with whom they are charged with regulating. Last year, former Federal Reserve Chairman Alan Greenspan, once the paragon of laissez-faire capitalism, stated that “it is clear that the levels of complexity to which market practitioners, at the height of their euphoria, carried risk management techniques and risk-product design were too much for even the most sophisticated market players to handle properly and prudently.” I submit that if these institutions that employ such techniques are too complex to manage, then they are surely too complex to regulate.

That is why I believe that reorganizing the regulators and giving them additional powers and responsibilities isn’t the answer. We cannot simply hope that chastened regulators or newly appointed ones will do a better job in the future, even if they try their hardest. Putting our hopes in a resolution authority is an illusion. It is like the harbormaster in Southampton adding more lifeboats to the *Titanic*, rather than urging the ship to steer clear of the icebergs. We need to break up these institutions before they fail, not stand by with a plan waiting to catch them when they do fail.

Without drawing hard lines that reduce size and complexity, large financial institutions will continue to speculate confidently, knowing that they will eventually be funded by the taxpayer if necessary. As long as we have “too big to fail” institutions, we will continue to go through what Professor Johnson and Peter Boone of the London School of Economics has termed “doomsday” cycles of booms, busts and bailouts, a so-called “doom loop” as Andrew Haldane, who is responsible for financial stability at the Bank of England, describes it.

The notion that the most recent crisis was a “once in a century” event is a fiction. Former Treasury Secretary Paulson, National Economic Council Chairman Larry Summers, and J.P. Morgan CEO Jamie Dimon all concede that financial crises occur every 5 years or so.

Without clear and enforceable rules that address the unintended consequences of unchecked financial innovation and which adequately protect investors, our markets will remain subverted.

These solutions are among the cornerstones of fundamental and structural financial reform. With them we can build a regulatory system that will endure for generations instead of one that will be laid bare by an even bigger crisis in perhaps just a few years or a decade’s time. We built a lasting regu-

latory edifice in the midst of the Great Depression, and it lasted for nearly half a century. I only hope we have both the fortitude and the foresight to do so again.

#### IRAN REFINED PETROLEUM SANCTIONS ACT OF 2009

Mr. KAUFMAN. Madam President, I ask unanimous consent that the Banking Committee be discharged from further consideration of H.R. 2194, the Iran Refined Petroleum Sanctions Act of 2009, and the Senate then proceed to its consideration.

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

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2194) to amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran.

There being no objection, the Senate proceeded to the consideration of the bill.

Mr. KAUFMAN. Madam President, I ask unanimous consent that the substitute amendment, which is at the desk and is the language of S. 2799 as passed by the Senate on January 28, 2010, be considered and agreed to, the bill, as amended, be read three times, passed, and the motion to reconsider be laid upon the table; that upon passage, the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees on the part of the Senate with a ratio of 4 to 3, without further intervening action or debate.

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

The amendment (No. 3466) was agreed to.

(The amendment is printed in today’s RECORD under “Text of Amendments.”)

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 2194), as amended, was read the third time and passed.

The ACTING PRESIDENT pro tempore appointed Mr. DODD, Mr. KERRY, Mr. LIEBERMAN, Mr. MENENDEZ, Mr. SHELBY, Mr. BENNETT, and Mr. LUGAR conferees on the part of the Senate.

Mr. KAUFMAN. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. Madam President, I ask unanimous consent that the Republican Senators be able to engage in a colloquy.

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

#### HEALTH CARE REFORM

Mr. ALEXANDER. Madam President, the Senator from Arizona and I and Senator BARRASSO, who will be here in a few minutes, had the privilege of

being invited by the President to a lengthy health care summit a couple of weeks ago at the Blair House, a historic location right across from the White House.

Over the 7½-hour discussion, there were some obvious differences of opinion. In fact, my friend, the majority leader, said: LAMAR, you are not entitled to your own facts. I think he is right about that. We want to use the real facts. But the American people, once again, seem to have understood the real facts.

In the Wall Street Journal yesterday, March 10, there was an article by Scott Rasmussen and Doug Schoen. Mr. Rasmussen is an independent pollster, and Mr. Schoen was President Clinton's pollster. Here is one of the things they said. We were saying, with respect to the President: Mr. President, your plan will increase the deficit. This is a time when many people in America believe the deficit is growing at an alarming rate and will bring the country to its knees in a few years if we do not do something about it. The President and his Democratic colleagues said: No, the Congressional Budget Office says we do not increase the deficit.

The American people do not believe that, according to Mr. Rasmussen and Mr. Schoen. They say:

... 66 percent of voters believe passage of the President's plan will lead to higher deficits.

They are right about that. Why do I say that? Because not included in the comprehensive health care plan that the President has yet to send up—we do not have a bill yet. We have an 11-page memo which is suggested recommendations in a 2,700-page Senate bill. We do not have a bill. But the plan does not include what it costs to prevent the planned 22 percent pay cuts for doctors that serve Medicare patients over the next 10 years. According to the President's own budget—and PAUL RYAN, the Congressman from Wisconsin, brought this up at the summit—that costs \$371 billion over 10 years.

Let me say that once more. What we are being asked to believe is, here is a comprehensive health care plan that does not add to the debt, but it does not include what it costs to prevent the planned 22 percent pay cuts for doctors that serve Medicare patients. That is akin to asking you to come to a horse race without a horse. Does anybody believe a comprehensive health care plan is complete and comprehensive if it does not include what you actually are going to pay doctors to see Medicare patients? Of course not. You have to include that in there. That adds \$371 billion to the President's proposal, and that, by itself, makes it clear the proposal adds to the deficit.

The Senator from Arizona is here, and I say this to the Senator. Also in the article in the Wall Street Journal it said:

Fifty-nine percent of the voters say that the biggest problem with the health care system is the cost. . . .

That is what we have been saying over and over again. Let's don't expand a program that costs too much. Let's fix the program by reducing costs.

According to the survey—remember this is an independent pollster and a Democratic pollster:

Fifty-nine percent of voters say that the biggest problem with the health care system is the cost. They want reform that will bring down the cost of care. For these voters, the notion that you need to spend an additional trillion dollars doesn't make sense. If the program is supposed to save money, why does it cost anything at all?

Asked the pollsters.

I ask the Senator from Arizona that question. If this program is supposed to save money, reduce costs, why does it cost anything at all?

Mr. MCCAIN. Madam President, I say to my friend, obviously, the answer to that question is, they continue to go back to the Congressional Budget Office with different assumptions in order to get the answers they want when the American people have figured it out.

Again, I know my friend from Tennessee saw yesterday's news, which has to be considered in the context of the cost of this bill, which Congressman RYAN estimates at around \$2.5 trillion with true budgeting over 10 years. But we cannot ignore the fundamental fact that "the government ran up"—this is an AP article yesterday:

The government ran up the largest monthly deficit in history in February, keeping the flood of red ink on track to top last year's record for the full year.

The Treasury Department said Wednesday that the February deficit totaled \$220.9 billion, 14 percent higher than the previous record set in February of last year.

The deficit through the first 5 months of this budget year totals \$651.6 billion, 10.5 percent higher than a year ago.

The Obama administration is projecting that the deficit for the 2010 budget year will hit an all-time high of \$1.56 trillion, surpassing last year's of \$1.4 trillion total.

I say to my friend from Tennessee, these are numbers that in our younger years we would not believe. We would not believe we could be running up these kinds of deficits. Yet we hear from the President and from the administration that things are getting better—certainly not from the debt we are laying onto future generations of Americans.

May I mention also in this context—I wonder if my friend from Tennessee will agree with me that there is so much anger out there over porkbarrel spending and earmark spending that the Speaker of the House said they are going to ban earmarks in the other body for for-profit companies. I think that is a step forward. Why not ban them all? Immediately they would set up shadow outfits.

Chairman OBEY says that would be 1,000 earmarks. In one bill last year, there were 9,000 earmarks. So why don't we take the final step and put a moratorium on earmarks until we have a balanced budget, until there is no

more deficit? I think that is what the American people wanted to get rid of—this corruption that continues there.

But I would also mention to my friend from Tennessee very briefly that the President, when he and I sat next to each other at Blair House, and I talked about the special deals for the special interests and the unsavory deal that was cut with PhRMA and how the American people are as angry about the process as the product, the President's response to me was—and there is a certain accuracy associated with it—the campaign is over.

Well, I would remind my friend that before the campaign—even before the campaign—when the President was still a Senator, he said this about reconciliation:

You know, the Founders designed this system, as frustrating [as] it is, to make sure that there's a broad consensus before the country moves forward. . . . And what we have now is a president who—

And there he was referring to President Bush—

hasn't gotten his way. And that is now prompting, you know, a change in the Senate rules that really I think would change the character of the Senate forever. . . . And what I worry about would be you essentially have still two chambers—the House and the Senate—but you have simply majoritarian absolute power on either side, and that's just not what the founders intended.

That was a statement by then-Senator Barack Obama. Then he went on to say:

I would try to get a unified effort saying this is a national emergency to do something about this. We need the Republicans, we need the Democrats.

Just yesterday, of course, at rallies around the country, he said: It is time to vote.

It is time to vote, is his message, which certainly is attractive. We will be glad to vote. But we want to vote preserving the institution of the Senate and the 60-vote rule.

In the interest of full disclosure, Republicans, when they were in the majority, tried to change it, as the Senator from Tennessee remembers. But the fact is, if we take away the 60-vote majority that has characterized the way this body has proceeded, we would then have just what then-Senator Obama said:

You essentially have still two Chambers—the House and the Senate—but you have simply majoritarian absolute power on either side, and that's just not what the founders intended.

I wonder if my colleague from Tennessee would like to comment on whether the President still believes that is not what the Founders intended.

Mr. ALEXANDER. Madam President, I appreciate the Senator from Arizona bringing this up, and I think it is important for the American people to be reminded that the Senator from Arizona has a certain amount of credibility on this matter because about 4 years ago—when we were in the majority and we became frustrated because

Democrats were blocking President Bush's judicial appointments—it was the Republicans who said—I didn't, but some Republicans said—well, let's just jam it through. We won the election, let's get it with 51 votes. Let's change the rules.

But Senator MCCAIN and a group of others said: Wait just a minute. He said then what he has said just today. He said the U.S. Founders set up the Senate to be a protector of minority rights. As Senator BYRD, the senior Democratic Senator, has said: Sometimes the minority is right. And it was Alexis de Tocqueville who said, when he wrote his observations about our country in the 1830s, that potentially the greatest threat to American democracy is the tyranny of the majority.

This is supposed to be a place where decisions are made based upon consensus, not just a majority. As Senator BYRD has said: Running the health care bill through the Senate like a freight train is an outrage. It would be an outrage.

I would ask the Senator from Arizona whether he believes it is not just the higher premiums and the higher taxes and the extra costs to States; that, in the end, the reason this health care bill is so deeply unpopular is because of the process because, first, there were 25 days of secret meetings, and now they are jamming it through by a partisan vote. Something this big, this important ought to be decided by consensus in the Senate.

Mr. MCCAIN. I would also remind my friend from Tennessee of Senator BYRD's comments regarding reconciliation and health care reform.

Madam President, I ask unanimous consent to have printed in the RECORD Senator ROBERT BYRD's statement on the floor of the Senate from April of 2001.

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

SENATOR BYRD ON THE USE OF RECONCILIATION FOR THE CLINTON HEALTH PLAN

U.S. Senator Robert Byrd on the Floor of the Senate in April of 2001 explaining his objection to using reconciliation to pass controversial health care legislation (Clinton plan):

"The democratic leadership pleaded with me at length to agree to support the idea that the Clinton health care bill should be included in that year's reconciliation package. President Clinton got on the phone and called me also and pressed me to allow his massive health care bill to be insulated by reconciliation's protection. I felt that changes as dramatic as the Clinton health care package, which would affect every man, woman and child in the United States should be subject to scrutiny.

"I said Mr. President, I cannot in good conscience turn my face the other way. That's why we have a Senate. To amend and debate freely. And that health bill, as important as it is, is so complex, so far-reaching that the people of this country need to know what's in it. And, moreover, Mr. President, we Senators need to know what's in it before we vote. And he accepted that. He accepted that. Thanked me and said good bye."

"I could not, I would not, and I did not allow that package to be handled in such a cavalier manner. It was the threat of the use of the Byrd rule."

"Reconciliation was never, never, never intended to be a shield, to be used as a shield for controversial legislation."

Mr. MCCAIN. Let me explain his objection to using reconciliation to pass controversial health care legislation by quoting from Senator ROBERT BYRD:

The Democratic leadership pleaded with me at length to agree to support the idea that the Clinton health care bill should be included in that year's reconciliation package. President Clinton got on the phone and called me also and pressed me to allow his massive health care bill to be insulated by reconciliation's protection. I felt that changes as dramatic as the Clinton health care package, which would affect every man, woman child in the United States would be subject to scrutiny.

I said, Mr. President, I cannot in good conscience turn my face the other way. That's why we have a Senate. To amend and debate freely. And that health bill, as important as it is, is so complex, so far-reaching that the people of this country need to know what's in it.

Let me note here what the Speaker of the House said on March 9:

We have to pass the bill so that you can find out what is in it.

Now, continuing to quote from Senator ROBERT BYRD:

And, moreover, Mr. President, we Senators need to know what's in it before we vote. And he accepted that. He accepted that. Thanked me and said good bye.

I could not, I would not, and I did not allow that package to be handled in such a cavalier manner. It was the threat of the use of the Byrd rule. Reconciliation was never, never, never intended to be a shield, to be used as a shield for controversial legislation.

I might also point out that the Senator from Tennessee mentioned the process. I don't think the American people understand that if the House passes the Senate bill, every one of these sweetheart deals that were included behind closed-door negotiations in the majority leader's office and in the White House will remain in that bill. We Republicans have all signed a letter, 41 votes, that we will not accept any change or amendment, whether it is good or bad, because we oppose the use of reconciliation, as ROBERT BYRD did so eloquently back in 2001.

Mr. ALEXANDER. I wonder if the Senator from Arizona would agree with me that what is happening is the President is inviting the House Democrats to join hands and jump off a cliff and hope Senator REID catches them.

Mr. MCCAIN. Will the C-SPAN cameras be in those meetings, I would ask my friend?

Mr. ALEXANDER. Well, when they jump, they may be. But Senator REID and his Democratic colleagues, I would say to my friend from Arizona, are not going to have any incentive to catch these House Members who vote for the bill because the President will have already signed it into law, and he will be well on his way to Indonesia, as the Senator from Arizona has just said. We have 41 Republican Senators who have

signed a letter saying that you are not going to make new deals and send them over here and change them by reconciliation.

Mr. MCCAIN. Madam President, I ask unanimous consent to have printed in the RECORD an article entitled "Health-Care Reform's Sickeningly Sweet Deals" by Kathleen Parker, which appeared in the Washington Post on Wednesday, March 10.

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

[From the Washington Post, Mar. 10, 2010]

HEALTH-CARE REFORM'S SICKENINGLY SWEET DEALS

(By Kathleen Parker)

"Skipping through the Candy Land of the health-care bill, one is tempted to hum a few bars of "Let Me Call You Sweetheart."

"What a deal. For dealmakers, that is. Not so much for American taxpayers, who have been misled into thinking that the sweetheart deals have been excised."

"Not only are the deals still there, but they're bigger and worse, as the Bard gave us permission to say. And the health-care "reform" bill is, consequently, more expensive by billions."

"Yes, gone (sort of) is the so-called Cornhusker kickback, extended to Nebraska Sen. Ben Nelson when his 60th vote needed a bit of coaxing. Meaning, Nelson is no longer special. Instead, everyone is. All states now will get their own Cornhusker kickbacks. And everything is beautiful in its own way."

"Originally, Nelson had secured 100 percent federal funding for Nebraska's Medicaid expansion—in perpetuity—among other hidden prizes to benefit locally based insurance companies. When other states complained about the unfair treatment, President Obama and Congress "fixed" it by increasing the federal share of Medicaid to all states through 2017, after which all amounts are supposed to decrease."

"Nelson's deal might have escaped largely unnoticed, if not for his pivotal role on the Senate vote last December. The value of what he originally negotiated for Nebraska—about \$100 million—wasn't that much in the trillion-dollar scheme of things, but the cost of the "fix" runs in the tens of billions, according to a health lobbyist who crunched the numbers for me."

Other sweetheart provisions that remain in the bill include special perks for Florida ("Gatorade"), Louisiana ("The Louisiana Purchase"), Nevada, Montana, Wyoming, North Dakota and Utah ("The Frontier States"). There may well be others, and staffers on the Hill, who come to work each day equipped with espresso shooters, magnifying glasses and hair-splitters, are sifting through the stacks of verbiage.

Wearily, one might concede that this is, well, politics as usual. But weren't we supposed to be finished with backroom deals? Whither the transparency of the Promised Land?

To his credit, Obama conceded McCain's point in a post-summit letter to Congress, noting that some provisions had been added to the legislation that shouldn't have been. His own proposal does not include the Medicare Advantage provision mentioned by McCain that allowed extra benefits for Florida, as well as other states. The president also mentioned that his plan eliminates the Nebraska yum-yum (not his term), "replacing it with additional federal financing to all states for the expansion of Medicaid."

More fair? Sure, but at mind-boggling cost to taxpayers. To correct a \$100 million mistake, we'll spend tens of billions instead.

Throughout the health-care process, the Democrats' modus operandi has been to offer a smarmy deal and then, when caught, to double down rather than correct course. The proposed tax on high-end "Cadillac" insurance policies to help defray costs is another case in point. Pushed by the President, and initially passed by the Senate, the tax was broadly viewed as an effective way to bend the cost curve down. But then labor unions came knocking and everyone caved. The tax will be postponed until 2018.

And the cost of the union compromise? According to the Congressional Budget Office, the original Cadillac tax would have saved the Treasury \$149 billion from 2013 to 2019. Under the postponed tax, the savings will probably plunge to just \$65 billion, or a net loss to the Treasury of \$84 billion.

Regardless of what the CBO reports in the coming days, no one can claim the bill is as lean as it could be. A spoonful of sugar may indeed help the medicine go down, but even King Kandy and the Gingerbread People can choke on too many sweets.

Mr. MCCAIN. I think Kathleen Parker says it best, and let me quote from her article:

Skipping through the Candy Land of the health-care bill, one is tempted to hum a few bars of "Let Me Call You Sweetheart." What a deal. For dealmakers, that is. Not so much for American taxpayers, who have been misled into thinking the sweetheart deals have been excised.

That is why I say to my friend from Tennessee, it is important the American people understand that the Senate bill cannot be changed without coming back to the Senate. Therefore, all these deals they have pledged to remove will be in the bill that will be voted on by the other body—the "Cornhusker kick-back," which, by the way, had to secure 100 percent Federal funding for Nebraska's Medicaid expansion in perpetuity, among other hidden prizes to benefit locally based insurance companies. When other States complained about the unfair treatment, President Obama and Congress fixed it by increasing the Federal share of Medicaid to all States through 2017, after which all amounts are supposed to decrease. But they didn't fix it.

Anyway, I think it is important for us to understand that these sweetheart deals have not been removed and that we are in opposition to this entire reconciliation which would lead to the erosion and eventual destruction of the 60-vote procedure that has characterized the way the Senate has operated.

I have been in the majority, and I have been in the minority, and when I have been in the majority, we have been frustrated by the 60-vote rule and vice versa. Some of the people who are doing the greatest complaining and arguing about the fact that we have a 60-vote rule are the same ones who were the most steadfast defenders of it in past years when they were in the minority. That alone is enough argument for us to leave the process alone.

I believe historians will show that there are times where the 60-vote rule, because of the exigency of the moment, averted us from taking actions; and later on, in perhaps calmer times, we were glad that we did not act at that time.

Mr. ALEXANDER. Madam President, I congratulate the Senator from Arizona for his consistency, for 5 years ago saying to members of his own party that the Senate is a place where minority rights are protected. As Senator BYRD has said, sometimes the minority is right. It slows things down, yes; but it forces us to get it right.

I ask unanimous consent to have printed in the RECORD the editorial from the Wall Street Journal to which I referred a little earlier.

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

[From the Wall Street Journal]

WHY OBAMA CAN'T MOVE THE HEALTH-CARE NUMBERS

(By Scott Rasmussen and Doug Schoen)

One of the more amazing aspects of the health-care debate is how steady public opinion has remained. Despite repeated and intense sales efforts by the president and his allies in Congress, most Americans consistently oppose the plan that has become the centerpiece of this legislative season.

In 15 consecutive Rasmussen Reports polls conducted over the past four months, the percentage of Americans that oppose the plan has stayed between 52% and 58%. The number in favor has held steady between 38% and 44%.

The dynamics of the numbers have remained constant as well. Democratic voters strongly support the plan while Republicans and unaffiliated voters oppose it. Senior citizens—the people who use the health-care system more than anybody else and who vote more than anybody else in mid-term elections—are more opposed to the plan than younger voters. For every person who strongly favors it, two are strongly opposed.

Why can't the president move the numbers? One reason may be that he keeps talking about details of the proposal while voters are looking at the issue in a broader context. Polling conducted earlier this week shows that 57% of voters believe that passage of the legislation would hurt the economy, while only 25% believe it would help. That makes sense in a nation where most voters believe that increases in government spending are bad for the economy.

When the president responds that the plan is deficit neutral, he runs into a pair of basic problems. The first is that voters think reducing spending is more important than reducing the deficit. So a plan that is deficit neutral with a big spending hike is not going to be well received.

But the bigger problem is that people simply don't trust the official projections. People in Washington may live and die by the pronouncements of the Congressional Budget Office, but 81% of voters say it's likely the plan will end up costing more than projected. Only 10% say the official numbers are likely to be on target.

As a result, 66% of voters believe passage of the president's plan will lead to higher deficits and 78% say it's at least somewhat likely to mean higher middle-class taxes. Even within the president's own political party there are concerns on these fronts.

A plurality of Democrats believe the health-care plan will increase the deficit and a majority say it will likely mean higher middle-class taxes. At a time when voters say that reducing the deficit is a higher priority than health-care reform, these numbers are hard to ignore.

The proposed increase in government spending creates problems for advocates of reform beyond the perceived impact on deficits and the economy.

Fifty-nine percent of voters say that the biggest problem with the healthcare system is the cost: They want reform that will bring down the cost of care. For these voters, the notion that you need to spend an additional trillion dollars doesn't make sense. If the program is supposed to save money, why does it cost anything at all?

On top of that, most voters expect that passage of the congressional plan will increase the cost of care at the same time it drives up government spending. Only 17% now believe it will reduce the cost of care.

The final piece of the puzzle is that the overwhelming majority of voters have insurance coverage, and 76% rate their own coverage as good or excellent. Half of these voters say it's likely that if the congressional health bill becomes law, they would be forced to switch insurance coverage—a prospect hardly anyone ever relishes. These numbers have barely moved for months: Nothing the president has said has reassured people on this point.

The reason President Obama can't move the numbers and build public support is because the fundamentals are stacked against him. Most voters believe the current plan will harm the economy, cost more than projected, raise the cost of care, and lead to higher middle-class taxes.

That's a tough sell when the economy is hurting and people want reform to lower the cost of care. It's also a tough sell for a president who won an election by promising tax cuts for 95% of all Americans.

Mr. ALEXANDER. Madam President, I ask unanimous consent that the Senator from Wyoming be allowed to lead the colloquy in our remaining time.

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

Mr. MCCAIN. Madam President, may I ask the Senator from Wyoming if he is aware of a letter written to House leadership, representing, I believe, 85,000 physicians who oppose this legislation?

Mr. BARRASSO. I am not aware of that article, but I look forward to hearing about it from my colleague from Arizona.

Mr. MCCAIN. Let me quote a little for my colleague, Dr. BARRASSO:

The undersigned state and national specialty medical societies—representing more than 85,000 physicians and the millions of patients they serve—are writing to oppose passage of the "Patient Protection and Affordable Care Act." The changes that were recently proposed by President Obama do not address our many concerns with this legislation, and we therefore urge you to draft a more patient-centered bill that will reform the country's flawed system for financing healthcare, while preserving the best healthcare in the world.

At this point, I want to ask my friend, the doctor, isn't it true that included in this legislation remains the so-called doc fix, and that there will be a 21-percent cut in doctors payments for treatment of Medicare enrollees? There is no one in America who believes that cut will actually be enacted, which then makes the comments by supporters of this bill false on their face—just that alone. I believe that is \$371 billion; is that correct?

Mr. BARRASSO. My colleague is absolutely correct. That is exactly what is happening. They call this a health

care bill. It doesn't seem to address the major issues that patients across the country are concerned about. My colleague is absolutely right, we need a patient-centered approach. It doesn't address the issue that doctors are concerned about, which is the issue of making sure a doctor and a patient can work together toward the best health for that patient.

Doctors and patients alike are very much opposed to this bill. When Senator MCCAIN talks about the doctor fix to make this bill work, they say they are going to cut doctors across the country 21 percent in what they get paid for taking care of patients who depend upon Medicare for their health care, and then keep that price frozen for the next 10 years. That is the only way the Democrats can say, well, this actually saves money. In reality, in terms of health care in the country, it does not.

This bill, if it passes, is going to end up costing patients more. It is going to interfere with the doctor-patient relationship. It is going to result in an America where people truly believe their personal care—and that is what people care about: What is in it for me? How will this bill affect me and my life and my children? If they are providing for adult care, how is it going to affect their parents? They believe the care they receive, in terms of the quality of care and the available care they receive, it is going to be worse. They believe it is going to end up costing more. That is why, in a recent poll this week, 57 percent of Americans say this plan, if it passes, will hurt the economy. We are at a time where we are at 9.7 percent unemployment in this country. People are looking for work, and the place people find jobs in this economy right now seems to be working for the government.

For decades and decades, the engine that drives the economy of our Nation has been small businesses. That is who we rely upon to stimulate the economy and get job growth. That is who we should be relying on, not Washington, not the Federal Government. That is why 57 percent of Americans who are focused on the economy say we believe this economy will be hurt if this bill passes.

People are focused on the debt and the cost, and 81 percent of Americans say it is going to cost more than estimated because of the fact, as Senator MCCAIN has said, that doctors are going to be cut 21 percent across the board and continue for the next 10 years with their Medicare fees. The people of America realize that is not going to work for health care. People are going to say how am I going to get to see a doctor? I am on Medicare. I want to see a doctor. That is why people believe Medicare in their own personal care is going to get worse if this bill passes.

Then the President promised we are not going to raise taxes on anyone. Seventy-eight percent of Americans believe there will be middle-class tax

hikes if this passes. That is why people are opposed to a bill that cuts \$500 billion from Medicare for our seniors who depend on Medicare for their health care. It is not just cutting payments to doctors; it is to hospitals, to nursing homes where we have so many seniors across the country. It affects home health agencies, which is a lifeline for people who are at home, and keeps them out of the hospitals. They are even going to cut payments for people who are in hospice care, who are at the terminal point, who are in the final days of their life. They are cutting that out.

All of these are reasons the American people say I am not for this bill and it is time to stop. Half of America says stop and start over. One in four says stop completely. Only one in four actually believes this is going to help. That is not a way to pass legislation in this country. That is not a way to find something the American people agree with. That is not the way to get successful implementation of a program. I spent 5 years in the Wyoming State Senate. On major pieces of legislation, we always sought broad bipartisan support because if you have broad bipartisan support, then people all around the community and the country would say this must be the right solution to a significant problem we are facing.

We are facing a problem with health care in this country and we need health care reform. We just do not need this bill that cuts Medicare, raises taxes, and for the most part most Americans will tell you they believe their own personal care will suffer as a result of this bill becoming law. For whatever means or mechanism or parliamentary tricks are used to try to cram this bill through and cram it down the throats of the American people, the American people want to say no, thank you. They are saying it in a less polite way than just saying no, thank you. They are calling, they are showing up, they are turning out to tell their elected representatives that we do not want this bill under any circumstances. Let's get to the things we can agree upon and isolate those and pass those immediately, not an over-2,000-page bill that is loaded with new government rules and new government regulations and new government agencies and new government employees at a time when 10 percent of Americans are unemployed and people are looking for work in communities around the country.

One of the things I found so interesting and also distressing when the President says everyone will have coverage is he wants to do it by putting 15 million Americans on Medicaid. Having practiced medicine for 25 years and seen all patients, regardless of ability to pay, I can tell you there are many doctors across the country who do not see Medicaid patients because what they receive in payment from the Government for seeing those patients is so little. Even the people at the Congressional Budget Office—who look at this

health care bill with the cuts in Medicare and with so many people put on Medicaid—say one in five hospitals is going to be unable to stay open 10 years from now if this gets passed because they are not going to be able to even cover the expenses of staying open. The same applies to doctors' offices and to nursing homes.

We need a program approach that is sustainable, not something like this, that we know is irresponsible and unsustainable. That is what we are going to do if we put 15 million more people on Medicaid by sending them a Medicaid card. But, as Senator ALEXANDER has said, that is like giving somebody a bus ticket when a bus is not coming—because coverage does not always equal care.

As a surgeon in Wyoming, I took care of people who came from Canada. They came to Wyoming from Canada for health care. They had coverage in Canada because Canada covers all the people, but they do not get care in Canada. That is why 33,000 Canadians last year came to the United States for surgery. Why? Because the waiting lines were so long in Canada. Even a Member of Parliament had cancer—and my wife is a breast cancer survivor—a Member of Parliament in Canada came to the United States for her cancer care because the survival rates for people treated in the United States are so much better. Why are they better? It is more timely care.

People come for artificial hip replacements because they do not want to wait in Canada. In Canada, come Halloween—it is called trick-or-treat medicine—they have spent the amount of money they are going to spend on a procedure, whether it is cataract surgery or total joint replacement, and they say: OK, we are done. Wait until next year. Go get in line again.

I hear it time and time again in patients who come from Canada to the United States because they have coverage but they do not have care.

Then we look at Medicaid and Medicare and we look at the model the President has lifted up as the one that is a good model for health care in America, and he pointed to the Mayo Clinic, which is a wonderful place with wonderful care. Yet the Mayo Clinic in Arizona said we can't take more Medicare patients. They said we have to limit the number of Medicaid patients we take. Why? Because, by taking care are of those patients in the past, the Mayo Clinic has said they have lost hundreds and hundreds of millions of dollars because Washington is the biggest deadbeat payer of all for health care.

When it comes to actually rejecting patients' claims, the No. 1 rejecter of claims in this country is Medicare. The highest percentage of claims rejected is Medicare, over other insurance companies. Having practiced medicine for 25 years, I have fought with Medicare and I fought with insurance companies, all on behalf of patients. When you are

fighting with an insurance company you can always actually appeal that if they reject it. It is very hard to fight with Washington.

This health care bill we have been debating in the Senate and is now before the House is the one where the American people say don't make me live under this. Don't cut my Medicare. Don't raise my taxes. Don't interfere with my relationship with my doctor. Don't make it tougher for me to get care. Don't lessen the quality of that care.

I ask how much time I have remaining.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. BARRASSO. Madam President, I yield the floor and suggest the absence of a quorum.

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

The legislative clerk proceeded to call the roll.

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

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

Mr. BARRASSO. Madam President, I ask unanimous consent to have printed in the RECORD the letter that Senator MCCAIN referenced from the 85,000 doctors across the country opposing the bill.

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

MARCH 10, 2010.

Hon. NANCY PELOSI,  
*Speaker, House of Representatives,*  
*Washington, DC.*

Hon. JOHN BOEHNER,  
*Minority Leader, House of Representatives,*  
*Washington, DC.*

DEAR SPEAKER PELOSI AND MINORITY LEADER BOEHNER: The undersigned state and national specialty medical societies—representing more than 85,000 physicians and the millions of patients they serve—are writing to oppose passage of the “Patient Protection and Affordable Care Act” (H.R. 3590) by the House of Representatives. The changes that were recently proposed by President Obama do not address our many concerns with this legislation, and we therefore urge you to draft a more patient-centered bill that will reform the country's flawed system for financing healthcare, while preserving the best healthcare in the world. While we agree that the status quo is unacceptable, shifting so much control over medical decisions to the federal government is not justified and is not in our patients' best interest. We are therefore united in our resolve to achieve health system reform that empowers patients and preserves the practice of medicine—without creating a huge government bureaucracy.

There are a number of problems associated with H.R. 3590 as passed by the Senate in December, including:

The bill undermines the patient-physician relationship and empowers the federal government with even greater authority. Under the bill: 1) employers would be required to provide health insurance or face financial penalties; 2) health insurance packages with government-prescribed benefits will be mandatory; 3) doctors would be forced to partici-

pate in the flawed Physician Quality Reporting Initiative (PQRI) or face penalties for nonparticipation; and 4) physicians would have to comply with extensive new reporting requirements related to quality improvement, case management, care coordination, chronic disease management, and use of health information technology.

The bill is unsustainable from a financial standpoint. It significantly expands Medicaid eligibility—shifting healthcare costs to physicians who are already paid below the cost of delivering care and to the states that are already operating under severe budget constraints.

Largely unchecked by Congress or the courts, the federal government would have unprecedented authority to change the Medicare program through the new Independent Payment Advisory Board and the new Center for Medicare & Medicaid Innovation. Specifically, these entities could arbitrarily reduce payments to physicians for valuable, life-saving care for elderly patients—reducing treatment options in a dramatic way. Medicare payment policy requires a broad and thorough analysis, and leaving these payment policy decisions in the hands of an unelected, unaccountable government body with minimal Congressional oversight will negatively impact the availability of quality healthcare for Americans.

The bill is devoid of proven medical liability reform measures that have been shown to reduce costs in demonstrable ways. Instead, it merely includes a grant program to encourage states to test alternatives to the current civil litigation system. We have ample evidence—as was recently confirmed by the Congressional Budget Office (CBO)—that reforms such as those adopted by California, Georgia and Texas decrease costs and improve patient access to care. Given the fact that costs remain a significant concern, Congress should enact a comprehensive set of tort reforms, which will save the federal government at least \$54 billion over 10 years. These savings could help offset increased health insurance premiums which, according to the CBO, are expected to increase under the bill or other costs of the bill.

Our concerns about this legislation also extend to what is not in the bill. Two important issues include:

The right to privately contract is a touchstone of American freedom and liberty. Patients should have the right to choose their doctor and negotiate fee arrangements for those services without penalty. Current Medicare patients are denied that right. By guaranteeing all patients the right to privately contract with their physicians—without penalty—patients will have greater access to physicians and the government will have budget certainty. Nothing in the Patient Protection and Affordable Care Act addresses these fundamental tenets, which we believe are essential components of real health system reform.

For healthcare reform to be successful, Medicare's Sustainable Growth Rate (SGR) must be permanently repealed—something the Senate bill fails to do. The SGR needs to be replaced by a new system that also establishes realistic baseline for physician services. The CBO has confirmed that a significant reduction in physicians' Medicare payments will reduce beneficiaries' access to services.

We are at a critical moment in history. America's physicians deliver the best medical care in the world, yet the systems that have been developed to finance the delivery of that care to patients have failed. With congressional action upon us, we are at a crossroads. One path accepts as “necessary” a substantial increase in federal government control over how medical care is delivered

and financed. We believe the better path is one that allows patients and physicians to take a more direct role in their healthcare decisions. By encouraging patients to own their health insurance policies and by allowing them to freely exercise their right to privately contract with the physician of their choice, healthcare decisions will be made by patients and physicians and not by the government or other third party payers.

We urge you to change the direction of the current reform efforts for the sake of our patients and our profession. We have a prescription for reform that will work for all Americans, and we are happy to share these solutions with you to improve our nation's healthcare system.

Thank you for considering our views.

Sincerely,

Medical Association of the State of Alabama; Medical Society of Delaware; Medical Society of the District of Columbia; Florida Medical Association; Medical Association of Georgia; Kansas Medical Society; Louisiana State Medical Society; Missouri State Medical Association; Medical Society of New Jersey; South Carolina Medical Association; American Academy of Facial Plastic and Reconstructive Surgery; American Association of Neurological Surgeons; American Society of Breast Surgeons; American Society of General Surgeons; Congress of Neurological Surgeons; Daniel H. Johnson, Jr., MD, AMA President 1996-1997; Donald J. Palmisano, MD, JD, FACS, AMA President 2003-2004; William G. Pledest III, MD, FACS, AMA President 2006-2007.

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

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

The legislative clerk proceeded to call the roll.

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

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

#### REMEMBERING BEN WESTLUND

Mr. MERKLEY. Madam President, I rise today to honor my colleague and my good friend, Oregon's State treasurer, Ben Westlund, who passed away this last Sunday after a protracted battle with lung cancer. A true independent voice in Oregon politics, Ben entered the legislature to improve the lives of all Oregonians and he remained committed to that cause.

I first met him in 1997 when I was working for the World Affairs Council and went down to talk to the legislature about education in Oregon. I was fortunate to start serving with him 2 years later, in 1999. Ben was an unwavering advocate for affordable and available health care. He helped stabilize Oregon's college savings plan. He increased the State's credit rating. Over the years, I worked with Ben on many issues, including setting up Oregon's Rainy Day Fund, a savings account to protect Oregon's solvency and critical programs when the economy turned down. I also worked with my friend Ben Westlund to create Individual Development Accounts to help empower

low-income families. It is a savings program matched by grants that help families buy homes, start small businesses, return to college—pathways from poverty into middle class.

It speaks to Ben's belief in helping families succeed that he took a lead role in that program.

Ben's political affiliations ranged at times from Republican to Independent to Democrat. But no matter what party he belonged to, his focus first and foremost was always on creating a better Oregon.

In 2003, Ben gave one of the most passionate and moving speeches I have ever witnessed in my life. He gave his speech shortly after being diagnosed with cancer. He was not sure he would return to the legislature, and he wanted us to know we could not retreat in the face of the challenge of passing reforms for affordable and quality health care. He knew it was an enormous challenge, but he took his personal story and turned it to the cause. His work ethic was unmatched. Ben was working as recently as just last week. It was an honor to serve with Ben in the Oregon Legislature and to consult with him as he took on new challenges as Oregon's treasurer.

If you knew Ben, you knew he was gregarious. He lit up the room. Every moment, his enthusiasm for improving our State and our world was inspiring. I will miss him. I am sure his passion and his presence will be missed throughout our State, and I know all Oregonians join me today in honoring the legacy of Ben Westlund.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Oregon.

Mr. WYDEN. Madam President, my colleague and friend, Senator MERKLEY, has spoken very eloquently about Ben Westlund, and I wanted to echo those thoughts and reflect on Ben's special and unique style and warmth.

All of us who have been around government and politics know the challenge of the early-morning meeting. Folks are a little bit sleep-deprived, they are looking for coffee, and maybe they are just trying to keep their eyes open at 7:30 or 8 a.m. Senator MERKLEY and I want to tell you a little bit about how Ben Westlund handled those meetings. Ben Westlund was able to master, like everything else, the challenge of the early-morning meeting in government. I am sure Senator MERKLEY remembers that even at that early hour, Ben Westlund would bound to the podium—would not walk, he would bound to the podium—and at the top of his lungs, Ben Westlund would shout: Good morning, Oregon. Good morning, folks. How are you doing? And within a matter of seconds, as Senator MERKLEY remembers, the entire room would be smiling and everybody would feel like attacking the challenge of the day. That was Ben Westlund.

As Senator MERKLEY noted, he was always on the offensive against injustice, always speaking out, for example, on health care.

Ben Westlund lived his life in full view. He shared his battle with cancer with his colleagues in the State legislature because he wanted everybody to know what it was like to try to wrestle with an illness.

He always made the point that he had all of these friends. One of our colleagues, Alan Bates, for example, was there for Ben, and Ben would always say: What would it have been like without Alan Bates? I have so many advantages other people did not have. And that was Ben, always sticking up for others.

He and I were trading calls before he passed—I think Senator MERKLEY will identify with this—because I think Ben was prepared to give me heck, and maybe a little stronger, on a couple of the provisions in the tax legislation that I just introduced with Senator GREGG. Ben was our treasurer. He had mastered the Tax Code in and out. I was trying to reach him because I knew that, invariably, Ben Westlund would be right, he would give us good input, and his thoughts would come directly from the people of Oregon. That was Ben Westlund.

Both of Oregon's U.S. Senators are going to deeply miss this wonderful man, his good counsel, and his companionship. We wanted to take a couple of minutes this morning to note that Oregon has lost a special person, a special person who did so much for our State and did a lot for our country as well.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. DORGAN. I ask unanimous consent to speak in morning business for such time as I may consume.

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

#### FAA REAUTHORIZATION

Mr. DORGAN. I assume we will report the FAA reauthorization bill shortly, and I believe Senator ROCKEFELLER will be on his way. He is chairing the Commerce Committee hearing right now. I will go over and chair the hearing in his stead when he comes to the floor.

Prior to bringing the bill to the floor today or prior to making it the order of the day, let me just speak in morning business before we get to the bill.

I wanted to talk just for a minute. Yesterday, I talked about what is in the FAA reauthorization bill. Much of what we will discuss today is about commercial aviation—getting on an airliner someplace and flying across the country or across the world. But I wanted to mention that there is another component to this, and that is what is called general aviation.

General aviation is a very large and increasingly important component of air travel in this country. In a State such as my home State of North Dakota, which is a very large State and one that does not have a great deal of interstate commercial airline service, the use of private planes is very prevalent, and general aviation plays a very significant role in our economy.

I learned to fly many years ago. I am not a current pilot at all. I was not even very good at it, I don't think. But I learned to fly and got out of the airplane one day, when the instructor said: You are ready. And I took off and wore this metal suit with an engine attached and got up about 5,000 or 6,000 feet and practiced stalls, steep turns, and the things that you do. So I understand a little about flying an airplane. It is an extraordinary thing.

The private pilots who have an airplane in their hangar out on the farm or in a town and the small business man or woman who has a Cessna 210 or perhaps a Cirrus or a Piper or any number of other small airplanes, single-engine, twin-engine, use those planes every day in every way for very important purposes—to travel around the State and the country to do commerce, to haul parts, to haul people. It is a very significant contribution to our economy. It is estimated that \$150 billion annually is added to our economy by general aviation. It is also estimated that there are about 1.2 million jobs in America from general aviation.

I know the thoughts people have about general aviation are immediately to go to: OK, here is a big corporation flying a G-5 and sipping Cristal and eating strawberries dipped in chocolate, flying across the country. The fact is, big corporations do have airplanes that move their executives around. In most cases, they do that because they want to be at a meeting in Los Angeles in the morning and in Dallas in the afternoon and an evening meeting in New York. The only way they do that is through the use of private planes. It makes them much more effective and much more efficient. I understand that.

But much more than the large corporate jet that is flying people around this country, it is the smaller planes of general aviation that are used in all of our States in many ways across this country. You know, it is true that, yes, the corporate planes and the smaller private planes in general aviation every day are flying organ transplants around, flying hearts and so on around to be transplanted at a hospital; to reunite combat troops with their families; to take someone for cancer treatment, to an urgent appointment with a cancer specialist. All of that is the case. I understand that.

So what I wanted to say is that the use of general aviation and the extensive impact it has on our economy is

something we also should discuss and describe in this bill. The legislation we have created has things that are so important to all of aviation—yes, commercial aviation, but to general aviation and to private pilots as well.

The investment, for example, in airport infrastructure, the building of and maintaining of runways in communities that don't have scheduled airline service but do have a lot of activity with private pilots flying in and out is very important. The general aviation portion is important. Six hundred general aviation airplanes have now brought fresh doctors, relief services, workers, equipment, and supplies to the country of Haiti. Six hundred private airplanes have flown in and landed at airports—in most cases, airstrips—other than the airstrip at Port-au-Prince. That is a story that needs to be told. I have great admiration for the pilots, particularly the older pilots who have been around and used to fly those airplanes when there weren't many rules. They kind of chafe at the rules. When you meet with pilots, the older they are, the more they chafe at the fact that there are now rules because in the old days you would jump in an airplane and run off, and you could do almost anything.

We do have rules and regulations and general aviation subscribes to them willingly and ably. It is an important part of our aviation system.

I wish to mention as well Senator ROCKEFELLER, chairman of the committee, is now in the Chamber, and I will chair the Commerce Committee hearing that is underway. I would like to take a couple minutes to retrace what I described yesterday. This legislation, the FAA Reauthorization Act, has been extended 11 times. Rather than passing the bill, we have extended it 11 times. Finally, at long last, with the leadership of Senator ROCKEFELLER and Senator HUTCHISON and the work that I and Senator DEMINT did on the Aviation Subcommittee, we have a bill on the floor, and we want to get it done. We want to get to conference and finally reauthorize FAA programs. We are talking about investment in infrastructure, jobs, aviation safety. All that is critically important. I have held a number of hearings now on the issue of aviation safety.

The skies, particularly with respect to the record of commercial airlines, are very safe. We have a great record with respect to aviation safety. There is no question about that. But we are learning as well along the way from the last accident that occurred in this country that tragically killed 50 people, landing on a winter evening in icy conditions going into Buffalo, NY. I have held hearings on that. I have studied it. I have read the transcript of the cockpit voice recorder. I know a fair amount about the crash. What I know is pretty disconcerting. Let me describe a few things.

That was a Dash 8 propeller airplane, flying in ice at night. The pilot had not

slept in a bed for the two previous evenings. The copilot had not slept in a bed the previous evening. The copilot was a person earning somewhere between \$20,000 and \$23,000 a year, living in Seattle, and the work station was flying out of Newark.

That copilot flew all the way from Seattle, deadheaded on a FedEx jet that landed in Memphis, flew all night to go to work at Newark. The pilot flew up from Florida in order to fly on that Colgan route. But you had two people in the cockpit, according to testimony, the captain of which had not slept in a bed. There was no record of his sleeping in a bed. He was in the crew lounge, where there is no bed. The captain hadn't slept in a bed for 2 days and the copilot for 1 day. They had inadequate training, with respect to stick shakers and other related issues. The fact is, there are a series of things that have now led us to understand that fatigue is an issue. There is a rule-making on fatigue going on right now.

Administrator Babbitt has now sent that to the Office of Management and Budget. That is important. Training is an issue, critically important.

Commuting is an issue. I wish to put up this chart. This shows where Colgan pilots commute in order to go to work. They commute from all over the country to Newark. There clearly is a fatigue factor. There has to be some action taken on a range of these issues—training, fatigue, sterile cockpits, which were violated on this flight, training in icing, a whole series of things such as those. There is a most wanted list at the NTSB that has said: Here is what you must do. That most wanted list, for 15 or 18 years, has had icing and fatigue on that list, and the FAA has not taken appropriate action. I will speak more about this, but I do have to go spell Senator KERRY, who is now chairing the Commerce Committee.

Senator ROCKEFELLER, chairman of the committee is here, as is the Senator from Texas.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

#### CIAP FUNDS

Mr. VITTER. Madam President, I rise to speak about Vitter amendment No. 3458. I hope, by the time I wrap up, the Members leading the discussion on this bill will be prepared to make the bill pending so I may also make my amendment pending.

This amendment is real simple. It is about the Coastal Impact Assistance Program, CIAP, which was established

in the Energy Policy Act of 2005. This program is very important for energy-producing States. It takes some revenue from that energy production and leaves it in those States to deal with the impacts of energy production. The problem is, that funding was supposed to be distributed to these States from 2007 to 2010. The entirety of it was supposed to be distributed by and through this year. But that has not been happening at all because MMS has added an additional bureaucratic layer to getting funding out beyond that which was talked about and established in the statute.

My amendment is simple. It would get rid of that bureaucratic layer. It would still retain oversight. It would still retain all the protections of the statute, but it would streamline the process so this funding actually gets out to the States as intended. It is way behind. Rather than 100 percent being distributed to the States by this year, they have only distributed 15 percent. Obviously, we are way behind the 8 ball. We would accelerate that. Because this funding has already been allocated, this amendment does not cost anything, does not score. This is the same money that was allocated through the CIAP in the Energy Policy Act of 2005.

This streamlines the process. This helps us get back on track in terms of distributing that vital money to coastal States. It doesn't cost anything because all that money was supposed to be distributed by this year anyway. This is important.

One of the crucial areas the Coastal Impact Assistance Program can help with in my State is related to hurricanes, all sorts of uses—mitigation, emergency preparedness, hurricane evacuation routes related to hurricanes.

Yesterday, hurricane forecasters predicted, unfortunately, that 2010 is going to be a very severe hurricane season. We are preparing for that in any way we can. The fact that this CIAP funding has been blocked, has not gone to the coastal States, is a real problem in that regard. We need to do better. This amendment streamlines the process so we can do better.

This amendment also retains the oversight mechanism in the underlying bill. As the plain language of CIAP in the bill says, if the Secretary determines that any expenditure made by a producing State is not consistent with the underlying plan, then the State may not be disbursed any further funds until repayment of the unauthorized use of already obligated funds. Clearly, there is that mechanism for complete accountability.

In addition, a State CIAP plan has to be approved to begin with by MMS, and that has already occurred. This gets back to the intent of the statute. It gets back to the timeline of the statute. It streamlines that process so we can get on with it. One hundred percent of these funds were supposed to be

distributed by 2010 and, instead, we are at the 15 percent mark. That is simply not good enough when important use of this money is planned on by vulnerable States such as Louisiana.

I yield the floor.

#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

#### TAX ON BONUSES RECEIVED FROM CERTAIN TARP RECIPIENTS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 1586, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1586) to impose an additional tax on bonuses received from certain TARP recipients.

Pending:

Rockefeller amendment No. 3452, in the nature of a substitute.

Sessions/McCaskill amendment No. 3452 (to amendment No. 3452), to reduce the deficit by establishing discretionary spending caps.

Lieberman amendment No. 3456 (to amendment No. 3452), to reauthorize the DC opportunity scholarship program.

AMENDMENT NO. 3458 TO AMENDMENT NO. 3452

The ACTING PRESIDENT pro tempore. The Senator from Louisiana.

Mr. VITTER. Madam President, I ask unanimous consent to set aside any pending business and to call up Vitter amendment No. 3458.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. VITTER] proposes an amendment numbered 3458 to amendment No. 3452.

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

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

The amendment is as follows:

(Purpose: To clarify application requirements relating to the coastal impact assistance program)

At the end of title VII, add the following:  
**SEC. 7. COASTAL IMPACT ASSISTANCE PROGRAM AMENDMENTS.**

Section 31 of the Outer Continental Shelf Lands Act (43 U.S.C. 1356a) is amended—

(1) in subsection (c), by adding at the end the following:

“(5) APPLICATION REQUIREMENTS; AVAILABILITY OF FUNDING.—On approval of a plan by the Secretary under this section, the producing State shall—

“(A) not be subject to any additional application or other requirements (other than notifying the Secretary of which projects are being carried out under the plan) to receive the payments; and

“(B) be immediately eligible to receive payments under this section.”; and

(2) by adding at the end the following:

“(e) FUNDING.—

“(1) ENVIRONMENTAL REQUIREMENTS.—A project funded under this section that does not involve wetlands shall not be subject to environmental review requirements under Federal law.

“(2) COST-SHARING REQUIREMENTS.—Any amounts made available to producing States under this section may be used to meet the cost-sharing requirements of other Federal grant programs, including grant programs that support coastal wetland protection and restoration.”.

Mr. VITTER. I have already discussed my amendment.

I yield the floor.

AMENDMENT NO. 3454 TO AMENDMENT NO. 3452

The ACTING PRESIDENT pro tempore. The Senator from South Carolina.

Mr. DEMINT. Madam President, I ask unanimous consent to temporarily set aside the pending amendment so I may call up my amendment No. 3454, which is at the desk.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. DEMINT] proposes an amendment numbered 3454 to amendment No. 3452. Mr. DEMINT. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To establish an earmark moratorium for fiscal years 2010 and 2011)

At the appropriate place, insert the following:

**SEC. \_\_\_\_ FISCAL YEARS 2010 AND 2011 EARMARK MORATORIUM.**

(a) BILLS AND JOINT RESOLUTIONS.—

(1) POINT OF ORDER.—It shall not be in order to—

(A) consider a bill or joint resolution reported by any committee that includes an earmark, limited tax benefit, or limited tariff benefit; or

(B) a Senate bill or joint resolution not reported by committee that includes an earmark, limited tax benefit, or limited tariff benefit.

(2) RETURN TO THE CALENDAR.—If a point of order is sustained under this subsection, the bill or joint resolution shall be returned to the calendar until compliance with this subsection has been achieved.

(b) CONFERENCE REPORT.—

(1) POINT OF ORDER.—It shall not be in order to vote on the adoption of a report of a committee of conference if the report includes an earmark, limited tax benefit, or limited tariff benefit.

(2) RETURN TO THE CALENDAR.—If a point of order is sustained under this subsection, the conference report shall be returned to the calendar.

(c) FLOOR AMENDMENT.—It shall not be in order to consider an amendment to a bill or joint resolution if the amendment contains an earmark, limited tax benefit, or limited tariff benefit.

(d) AMENDMENT BETWEEN THE HOUSES.—

(1) IN GENERAL.—It shall not be in order to consider an amendment between the Houses if that amendment includes an earmark, limited tax benefit, or limited tariff benefit.

(2) RETURN TO THE CALENDAR.—If a point of order is sustained under this subsection, the

amendment between the Houses shall be returned to the calendar until compliance with this subsection has been achieved.

(e) WAIVER.—Any Senator may move to waive any or all points of order under this section by an affirmative vote of two-thirds of the Members, duly chosen and sworn.

(f) DEFINITIONS.—For the purpose of this section—

(1) the term “earmark” means a provision or report language included primarily at the request of a Senator or Member of the House of Representatives providing, authorizing, or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an entity, or targeted to a specific State, locality or Congressional district, other than through a statutory or administrative formula-driven or competitive award process;

(2) the term “limited tax benefit” means any revenue provision that—

(A) provides a Federal tax deduction, credit, exclusion, or preference to a particular beneficiary or limited group of beneficiaries under the Internal Revenue Code of 1986; and

(B) contains eligibility criteria that are not uniform in application with respect to potential beneficiaries of such provision; and

(3) the term “limited tariff benefit” means a provision modifying the Harmonized Tariff Schedule of the United States in a manner that benefits 10 or fewer entities.

(g) FISCAL YEARS 2010 AND 2011.—The point of order under this section shall only apply to legislation providing or authorizing discretionary budget authority, credit authority or other spending authority, providing a federal tax deduction, credit, or exclusion, or modifying the Harmonized Tariff Schedule in fiscal years 2010 and 2011.

(h) APPLICATION.—This rule shall not apply to any authorization of appropriations to a Federal entity if such authorization is not specifically targeted to a State, locality or congressional district.

Mr. DEMINT. Madam President, my amendment is cosponsored by Senators MCCAIN, GRAHAM, COBURN, GRASSLEY, LEMIEUX, and FEINGOLD. An identical bill has 16 cosponsors, including Senators BURR, CHAMBLISS, CORNYN, CRAPO, ENSIGN, ISAKSON, JOHANNES, KYL, MCCASKILL, RISCH, SESSIONS, and a number of others.

This is an amendment for a 1-year moratorium on earmarks. The fact that we are even having this debate shows how out of touch Congress is with the American people. I have had a chance over the last week to speak to thousands of Americans in several States, and all you have to do to get them on their feet cheering is say: The time for excuses and explanations is over. It is time to end the practice of earmarking. And people will stand up, people of both parties. They understand earmarks are the most offensive form of government spending. They are wasteful porkbarrel projects delivered by lawmakers to curry favor with small constituencies back home and special interest groups. We have heard the excuses for years. But it is time to end this practice.

I have introduced this bill before. At the time President Obama was running for President of the United States, he flew back to Washington to vote on it. He cosponsored the bill with me. He essentially said: The era of earmarks is

over. I think we will see, as I talk a little bit more, that is the opposite of what is true.

We have all heard of the crazy earmarks that have been brought up—the infamous “bridge to nowhere.” We have things that sound so ridiculous that people do not even believe it is true—the tattoo removal earmark, the Totally Teen Zone earmark, and the midnight basketball earmark. You go through the list and you say, how does this make sense in light of the fact that the same people who are asking for these earmarks come onto this floor, onto the House floor, and in the White House and say: Our debt is unsustainable. It is a crisis. We cannot continue to spend and borrow and create debt. Yet I need \$1 million for tattoo removal or a bridge to nowhere or a local museum.

The American people are onto us. They know it makes absolutely no sense for us to focus so much time and energy on parochial earmarks for our press releases rather than working on the issues of our country, the general welfare of our Nation.

All of these projects add up. Last year alone, according to the Congressional Research Service, President Obama—who said he would not sign bills with earmarks—signed bills with 11,320 earmarks, totaling \$32 billion for the last fiscal year. That is an increase from the \$28.8 billion in earmarks in fiscal year 2008 and the \$30 billion in earmarks in fiscal year 2009. Big and small, these earmarks are adding up and are causing our budget to balloon out of control, and they are saddling our children with an overwhelming debt.

Beyond just the inherent wastefulness of earmarks themselves is the effect they have on spending. Quite simply, they grease the skids for the wasteful spending that is bankrupting our country—the “Cornhusker kickback” being a case study at the top of the list right now.

Fortunately, it seems we are making some progress, some headway in putting an end to the favor factory we call earmarks here in Washington. Just this week, Roll Call reported that Speaker PELOSI is considering an earmark moratorium. Additionally, just this morning, the House Republican Conference unilaterally declared a moratorium on earmarks. This is an exciting first step, and I commend the Republican leadership in the House and all of their Members for taking a stand on behalf of the American people on this issue that is so clear and obvious to everyone except many here in Washington.

It is time for the Senate to lead and demand that we stop this wasteful earmark spending. Keep in mind, I am not asking that we end the practice forever but to take a 1-year timeout while we try to figure out how to create a system that is within the scope of the Constitution, within the general welfare of our country, and does not turn

this Federal Government into some kind of sponsorship of many local projects.

My amendment will do just that. It is very simple. It puts an end to earmarking by prohibiting the consideration of any bill, joint resolution, conference report, or message between the Houses that contains earmarks. And we use the same definition currently in the Senate rules of what an earmark is. We require a two-thirds supermajority to waive the rules. So if there is some kind of emergency where we have to designate spending, we can do it if there is a consensus here.

President Obama, as I said, highlighted the need for this amendment when he cosponsored the identical language in 2008. He rightly stated:

We can no longer accept a process that doles out earmarks based on a member of Congress' seniority, rather than the merit of the project.

Despite his support and election, the problem has not gotten any better. Citizens Against Government Waste, in their 2009 Pig Book, pointed out:

While the number of specific projects declined by 12.5 percent, from 11,610 in fiscal year 2008 to 10,160 in fiscal year 2009, the total tax dollars spent to fund them increased by 14 percent, from \$17.2 billion to \$19.6 billion.

A lot of my colleagues will say: JIM, you are making a big deal out of nothing. Really \$20 billion or \$30 billion is such a small part of our budget that you shouldn't make an issue of it. But this is like saying an engine is a small part of a train. If you want to look at what is pulling through the bad policy and the overspending, all you have to do is look at earmarks.

So we continue the same type of wasteful projects since President Obama spoke these words, and we need to stop it. And we can stop it. My amendment will put these kinds of things to an end—at least for a year while we look at it. What will immediately happen if we do this? We hear the argument here: If we do not designate spending here in Congress, the executive branch will. But the first thing we would do, if we turned off our own earmark spigot, is every appropriations bill would require that the administration only spend money according to nonpreferential formulas or to merit-based competitive grants. We could bring an end to earmarking in the executive branch as well as in Congress and focus the attention on the Federal Government on true national interests rather than what we have now, which is nearly 535 Congressmen and Senators who think it is their job to come to Washington to get money for their States and congressional districts. If you want to know what happens if we allow that to happen, you can look at what is going to be at the end of this year: \$14 trillion in debt—when people see the Federal Government as a cow to milk rather than having a constitutional oath we need to keep.

The time for excuses is over. Enough is enough. We are not here to get money for our States; we are here to fulfill our oath of office to protect and defend the Constitution that would not allow money for local bridges and local roads and local museums. All of these are good projects, and many of them are very necessary, but that is not the purpose of the Federal Government.

Again, I commend the Republican leadership in the House for taking a bold stand against the practice of earmarks. I challenge my colleagues, Republicans and Democrats, to vote for this bill President Obama cosponsored and many here voted for so we can show America we are listening, we understand that perception is reality, and the corruption that takes place, the vote-buying with earmarks—the “Cornhusker kickback” and “Louisiana purchase” and all this we have heard about—that we are going to end at least for 1 year while we prove to the American people we can break this addiction to spending.

So, again, the amendment number is 3454. I encourage my colleagues to support this amendment.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. Madam President, yesterday we made good progress on the bill that is the underlying bill, which is FAA reauthorization. It is in the interest of the traveling public that we start on the glidepath to passing this bill. We need to make progress on amendments. But I have to ask my colleagues on both sides of the aisle if they would be very careful about offering amendments that are not germane to this bill. The FAA reauthorization is not a legislative vehicle that can carry a lot of highly controversial provisions.

The previous FAA reauthorization expired in 2007. Since then, we have passed 11 short-term extensions and we will be drafting the 12th in the next 2 weeks because the current extension expires at the end of this month. While another extension is likely inevitable, we have to go to the final bill and see if we have the opportunity to pass a final bill in the next 2 weeks.

The repeated use of short-term FAA extensions does not provide the long-term stability and funding predictability we should be giving to our airports, the traveling public, and the airlines that are looking at what we are going to be doing with airports. We have to have a predictable roadmap if we are going to have a sound fiscal investment in our aviation infrastructure and, in turn, aviation safety.

Senator DORGAN mentioned earlier today the many safety provisions that are in this bill in response to the Colgan Buffalo, NY, accident that happened last year, and they are very good provisions.

There are some common themes we can all support throughout our country in this bill. It would improve safety—

safety of airlines, safety of pilots, safety of our traveling public, and especially in the area of human factors that have long been a challenge for this industry. The bill would modernize our antiquated air traffic control system and move us one step closer to an efficient and effective use of our national airspace. We are not up with many of the other countries around the world in the modernization of our air traffic control system. We are back in the 1960s in our technology. This bill would move us toward the satellite-based system that is much more reliable, much more efficient, and we need to move forward on it. But, again, since 2007 we have not been able to have a stabilized approach because we have been doing these short-term extensions. The bill would provide infrastructure funds for our vast national airport system, along with streamlining the approval process for airport projects. The bill would improve rural access to aviation and the economic opportunities that go along with air service. The bill would provide the foundation for robust consumer protections and the disclosure of industry practices.

I support most of the amendments I have heard being offered; I just do not support them on this bill. I hope we will take those up and have the ability to truly argue about those amendments and pass them, if possible. I just hope we will not jeopardize, once again, a permanent FAA reauthorization that is in the interest of every American who travels on airlines and who thinks it is important that we have airports for not only people moving but product moving. Our commerce depends on a good aviation system.

I am going to urge my colleagues on both sides of the aisle to let us go to cloture on this bill, let us assure that the traveling public is going to be able to at least have a bill that will move us one step toward this.

This bill is not an easy bill. My colleague, the distinguished chairman of the committee, knows we have hammered out a lot of differences already. But we have differences with the House on this bill as well. The Senate is in pretty much agreement on the fundamentals of what is in this bill on both sides of the aisle. And my colleague, Senator DEMINT, who just offered an amendment, is actually the ranking member of the Subcommittee on Aviation, so he knows this bill is a good bill that has been hammered out, and it will be the Senate position.

But extraneous amendments, regardless of our view on the amendment's substance, will kill this bill. I think it is in our best interests, and certainly our responsibility, to put this bill forward for the interests of the traveling public.

I urge my colleagues to work with us to have the ability for their amendments to come up and be debated and voted on. I am going to support everything I have heard so far. But I hope we will keep this bill on aviation—on avia-

tion security, on airport infrastructure, on modernization of our air traffic control system—because that is what our job is and that is what this bill is about.

I hope our colleagues will come forward with their aviation-related amendments, of which there are several that are certainly worthy of our discussion, and let's move through those. But I hope we will limit the extraneous amendments and try to move this bill in an expeditious and commonsense way.

Thank you, Madam President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, just one word on what my distinguished colleague Senator HUTCHISON said.

I completely and totally agree. This is kind of a feast, I guess, for some who want to bring all their frustrations about government and put them into the aviation authorization bill, but it is so frustrating because we have been working on this for so long. There have been 11 delays on this when we were not able to go forward with anything. If they keep doing what they are doing with extraneous amendments, we have no hope for this bill.

What they need to consider is that as they take down our bill, which is important for the Nation, they will take down their amendments, should they prevail, as well. So that doesn't make any sense.

I am so proud, as always, of the Senator from Texas and her work to try to get rid of extraneous amendments, discourage those, and to work on Federal aviation. This is very important work.

I know the Senator from Kansas wishes to speak, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Kansas.

Mr. ROBERTS. Madam President, I rise today to join my colleagues in support of this bipartisan agreement. Yes, there is a bipartisan agreement in regard to this bill. It can be done. It has been reached by the Senate Finance and Commerce Committees on the reauthorization of the Federal Aviation Administration and Airport and Airway Trust Fund; i.e., the Rockefeller substitute amendment No. 3452.

I thank Chairman ROCKEFELLER for his leadership. He is right; we need to move this bill. He referred to the 11 times it has been delayed. I have been working on this bill for 4 years. I know he has been working very hard, very diligently, and we do have a workable compromise. I think it represents the true meaning of that word. It shows what is possible when we roll up our sleeves and go to work together. So special thanks to Chairman BAUCUS and Ranking Member GRASSLEY and to Senator ROCKEFELLER and all of his staff and all of Senator BAUCUS's staff, everybody's people who have been working on this.

In 2006, at my invitation, then-Secretary of Transportation Mary Peters

joined me and Congressman TIAHRT from the fourth district of Kansas, local officials, all sorts of representatives from the aviation businesses in Wichita, for a roundtable discussion about the importance of aviation to Kansas and to the country. We then toured Cessna's manufacturing lines to see firsthand an example of the great work of Kansans who build 50 percent of the world's general aviation aircraft. Reauthorizing the FAA and the Airport Airway Trust Fund is not only a top national priority to, obviously me, Senator BROWNBACK, and the Kansas delegation, but a top Kansas priority.

We tried to pass this bill 2 years ago, and at that time 40,000 employees were in Wichita and the surrounding counties and they made their living building planes, manufacturing parts, and servicing aviation. Now, unfortunately, after delay and delay and delay due to the rough economic climate and conditions, that number has dropped to just over 25,000. That is a tremendous decrease with an awful lot of hurt for a lot of families in Kansas.

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

Throughout this debate, I wish to point out that general aviation has been called to increase its contribution to the Airport and Airway Trust Fund to help pay for what everybody knows needs to happen: the modernization of our air traffic control system. All along the way, general aviation has stepped to the plate and agreed to help pay for the necessary increases to move our aviation infrastructure into next-generation technology.

I cannot recall a time when any industry has come to me and said, We want to help and we are willing to support an increase—65 percent, by the way—in our taxes to do so, but that is exactly what the general aviation community did. Their only request has been that they be able to pay through the current efficient and effective tax structure, the fuel tax. So the agreement reached between the Finance and the Commerce Committees respects this request and allows the general aviation community to be part of the modernization solution without creating a new bureaucracy or any additional redtape. This raises an additional \$113 million dedicated to updating the air traffic control technology that will increase safety and decrease congestion. At the same time, our commercial airlines and passengers are held harmless from tax increases.

So, again, I am pleased this agreement recognizes the value of both commercial aviation and general aviation to our Nation's transportation system.

I realize there have been strong feelings on both sides of this debate for a considerable number of years.

My goals as we drafted the bill were very clear: First, ensure that our air traffic control system is upgraded and remains safe for all passengers and aircraft. Secondly, protect the general aviation community and Kansas jobs which would have been threatened by a new user fee.

This legislation represents the best of a bipartisan compromise and a real effort to make our skies safer. I am very proud to be a part of this compromise, as are tens of thousands of workers employed in Kansas in aviation manufacturing.

Our State has always been and remains the air capital of the world, and under this agreement it will continue. I thank my colleagues for helping us to reach a compromise that will maintain our world standing.

I am very hopeful the Senate will continue to work in this spirit of bipartisanship on this bill. Yesterday Senator BROWBACK in his remarks, Senator ROCKEFELLER in his remarks just a while ago, and Senator HUTCHISON made these same comments. We need to move quickly to a conference committee and eventually have this bill signed into law before the current program expires. I know when a train moves, everybody wants to put their car on the train. However, let's try to keep extraneous amendments—I don't mind Senators at all talking about their concerns, whether it be education, gay marriage, or earmarks; and I would expect we would hear a lot of speeches on earmarks—but we need to keep this bill the way it is and move this bill. Then there will be another train or I will have Kansas general aviation provide an aircraft for a more speedy amendment to go over to the House if that is the case.

So let's try to keep our extraneous amendments if we can, despite our strong feelings, off this bill, and let's get something done. It has been languishing here for over 4 years and probably longer than that.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROCKEFELLER. Madam President, I thank the Senator from Kansas for his very cogent remarks. Kansas probably is the airplane center of the country, if not the world. The point he makes is that it is bipartisan and that we have been working on it a long time.

Anybody can come down and offer extraneous amendments. We don't preclude that in our system. It is possible under the Senate rules. It is also possible under the Senate rules to make extraneous amendments unacceptable and unactionable. I think what we want to do is try to avoid some of those processes. I know the leaders on both sides are trying to figure out a way to deal with this problem of extraneous amendments. If it has to do with

aviation, we are all for it. If people simply want to talk about subjects they care about but not offer amendments, that is fine. If people want to offer aviation amendments, please come forward. Those are important.

This is a 3- to 4-year effort we have been on, trying to do an aviation bill. The Presiding Officer certainly understands the consequences of aviation delays and all the rest of it. It is something we have to do as a country and we cannot dally. This is not the Senate acting in its finest tradition. We have a chance to change that, and I hope the Members will cooperate in that effort.

I thank the Chair and note the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. GREGG. Madam President, I ask unanimous consent to speak as in morning business for 10 minutes.

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

Mr. GREGG. Without my losing the floor, does the Senator wish to speak after I speak?

Mr. FEINGOLD. Madam President, I ask unanimous consent that after the remarks of Senator GREGG, I be recognized.

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

#### FISCAL POLICIES

Mr. GREGG. Madam President, I rise to discuss the issue of fiscal policies, which we talk a little bit about around here but on which we are not focusing, in my opinion, with the intensity we should, and the fact we are now seeing in Europe the meltdown of a major nation-state's financial situation, Greece. Greece has become a precursor for many other industrialized nations in this world which are finding themselves grossly overextended in the amount of debt they put on their books. As a result, in the situation of Greece, they are incapable of repaying their national debt, or what is known as their sovereign debt.

Fortunately, the European Community has rallied around and has tried to stabilize the situation. But the fact that the situation may be being stabilized should not allow us to take much solace because this is not a unique problem to Greece.

As we look at the debt levels of a large number of nations in the industrialized West, especially, many of them are in serious trouble. Many are grossly overextended. We have seen, obviously, pressures on Ireland, Spain, Portugal, the United Kingdom, Italy, and, of course, Greece is so overextended that it was about to default potentially.

What does this mean for us as a nation? Unfortunately, we are on the same track. People talk in terms of default and overextension and too much debt and their eyes sort of glaze over.

What does that mean? Essentially, it means we as a nation see a fundamental drop in our standard of living. If our debt gets to a certain point, we basically as a nation, in order to pay for that debt, have to reduce the standard of living of our people.

What is that point? There is general consensus that a public debt; that is, debt owned by other countries and by the people of the nation who is running it up, a public debt that amounts to about 35 percent or 40 percent of your gross domestic product—what you are producing as a nation—is a very good status. But as that moves up by running deficits—and, remember, we are running a \$1.6 trillion deficit this year, and under the President's budget we will be running over \$1 trillion in deficits over the next 10 years—as that debt goes up—which means you are basically borrowing money and borrowing it from Americans, but mostly now from other countries, especially the Chinese and Saudi Arabia—it starts to cross certain thresholds. The next most significant threshold is to have a debt-to-public-production ratio of about 60 percent. That gets serious.

In fact, that is such a high debt-to-public-production ratio that in Europe you can't even join the European Union if you have a debt situation that big. Well, unfortunately, later this year, because of all the debt we have put on the books in the last 3 years, we are going to pass the 60-percent threshold as a nation. Then you start moving into waters which are more than uncharted and choppy, they are dangerous. You start to move into the waters that Greece finds itself in. Because when your public debt gets up around 70, 80, 90 percent of your gross domestic product, you have trouble paying it back without doing some very horrible things to your people—things such as massive inflation or massive tax increases, both of which cost Americans jobs and reduces their savings and their ability to live a better lifestyle.

Under the President's budget, as proposed, and under the scenario which is clearly in front of us—it is like a railroad track that is almost impossible to get off unless we do something very significant—we hit 80 percent within 6 years, or approximately 80 percent. So we are basically where Greece is 6, 7, 8 years from now, and the implications for us as a society are catastrophic.

What are we doing about this? Not a lot. In fact, we are aggravating it every day. Just yesterday, we passed another bill, or the day before, that spent \$100 billion—\$100 billion that wasn't paid for. It went to the debt. Last week, we passed another bill that alleged to spend \$10 billion, but buried in it were some parliamentary games which actually meant it spent another \$100 billion that wasn't paid for in highway funds.

So \$200 billion in 2 weeks. And the week before that, we did another bill that spent \$15 billion unpaid for. Not only are we not addressing this problem, but we are fundamentally aggravating the problem. Now the House has this Senate health care bill over there. What are the fiscal implications of that? It grows the Federal Government by \$2.5 trillion—\$2.5 trillion.

It is claimed the bill is paid for. But how is it paid for? It alleges it is going to reduce Medicare spending by \$500 billion. But rather than using that money to make Medicare more solvent, it takes that money and creates two new entitlements—or expands one and creates another one. We know from our history that entitlements are never fully paid for. Then it takes money from a fund, which is supposed to be an insurance fund, and it spends that money—long-term care insurance. So that when those insurance IOUs come up to be paid, there isn't going to be any money to pay them. It is called the CLASS Act. It is a classic game of pyramid accounting. In fact, if you did it in the private sector you would go to jail.

So that is the course we are on—a massive expansion in our debt, leading us to a situation where our capacity to pay that debt will be virtually impossible to accomplish without huge negative implications for the standard of living of our children and our grandchildren, and even our generation, quite honestly. It is going to arrive pretty soon. In fact, today, there was a CNBC question put out: Should you continue to invest in American debt in light of what we are headed toward? How do you avoid the impending meltdown?

As people start to sense this coming at us, the cost of selling our debt is going to become extraordinarily expensive, because people will have to price in either massive inflation or an economic cost through reduction in productivity due to massive taxes, which will reduce our capacity to repay this debt in any sort of reasonable way. This is a serious problem, and yet we do not seem to be willing to face up to it.

There is something else we need to focus on. Not only is it the sovereign nations of the world that have this debt problem, it is our States. Think about this for a moment. California's debt problem is so severe they are represented as being close to potential default. What is the implication of that for us as a country if one of our States were to default on their debt? The domino effect would be extraordinary. Do we have enough gas in our tanks, so to say, to come in and resolve this from the Federal level? I doubt it. We have used up most of our running room. If we go into a fiscal cardiac arrest, which is approximately what we are going to do—it is exactly what we are going to do, a fiscal cardiac arrest—4 or 5 years from now, and we reach for the defibrillators, there isn't going to

be any power. There won't be any power to activate them because we have used up all our resources already. We have spent it. We can't borrow any more, and we certainly don't want to inflate our way out of it. It will be severe, and the arrest may become terminal for certain parts of our economy and certain people's lifestyles—basically, regular Americans living on Main Street. So the issue is out there and it is pretty clear.

Greece is a precursor, California is an example, and our own profligate attitude here in the Congress about it is not helping the problem at all. You don't have to listen to me on this. Mohamed El-Erian, who is a senior member of a group known as PIMCO, the largest bond dealer in the world and one of the leading authorities on debt and the purchase and selling of debt in the world, wrote a very thoughtful article, and this article hits the nail on the head about the threat we confront as a nation for our failure to face up to this debt situation now and allowing it to erode and continue to grow.

Madam President, I ask unanimous consent to have printed in the RECORD the article I just referred to.

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

#### HOW TO HANDLE THE SOVEREIGN DEBT EXPLOSION

(By Mohamed El-Erian)

Every once in a while, the world is faced with a major economic development that is ill-understood at first and dismissed as of limited relevance, and which then catches governments, companies and households unawares.

We have seen a few examples of this over the past 10 years. They include the emergence of China as a main influence on growth, prices, employment and wealth dynamics around the world. I would also include the dramatic over-extension, and subsequent spectacular collapse, of housing and shadow banks in the finance-driven economies of the US and UK.

Today, we should all be paying attention to a new theme: the simultaneous and significant deterioration in the public finances of many advanced economies. At present this is being viewed primarily—and excessively—through the narrow prism of Greece. Down the road, it will be recognised for what it is: a significant regime shift in advanced economies with consequential and long-lasting effects. To stay ahead of the process, we should keep the following six points in mind.

First, at the most basic level, what we are experiencing is best characterised as the latest in a series of disruptions to balance sheets. In 2008–09, governments had to step in to counter the simultaneous implosion in housing, finance and consumption. The world now has to deal with the consequences of how this was done.

US sovereign indebtedness has surged by a previously unthinkable 20 percentage points of gross domestic product in less than two years. Even under a favourable growth scenario, the debt-to-GDP ratio is projected to continue to increase over the next 10 years from its much higher base.

Many metrics speak to the generalised nature of the disruption to public finances. My favourite comes from Willem Buiter, Citi's chief economist. More than 40 per cent of

global GDP now resides in jurisdictions (overwhelmingly in the advanced economies) running fiscal deficits of 10 per cent of GDP or more. For much of the past 30 years, this fluctuated in the 0–5 per cent range and was dominated by emerging economies.

Second, the shock to public finances is undermining the analytical relevance of conventional classifications. Consider the old notion of a big divide between advanced and emerging economies. A growing number of the former now have significantly poorer economic and financial prospects, and greater vulnerabilities, than a growing number of the latter.

Third, the issue is not whether governments in advanced economies will adjust; they will. The operational questions relate to the nature of the adjustment (orderly versus disorderly), timing and collateral impact.

Governments naturally aspire to overcome bad debt dynamics through the orderly (and relatively painless) combination of growth and a willingness on the part of the private sector to maintain and extend holdings of government debt. Such an outcome, however, faces considerable headwinds in a world of unusually high unemployment, muted growth dynamics, persistently large deficits and regulatory uncertainty.

Countries will thus be forced to make difficult decisions relating to higher taxation and lower spending. If these do not materialise on a timely basis, the universe of likely outcomes will expand to include inflating out of excessive debt and, in the extreme, default and confiscation.

Fourth, governments can impose solutions on other sectors in the domestic economy. They do so by preempting and diverting resources. This is particularly relevant when there is limited scope for the cross-border migration of activities, which is the case today given the generalised nature of the public finance shock.

Fifth, the international dimension will complicate the internal fiscal adjustment facing advanced economies. The effectiveness of any fiscal consolidation is not only a function of a government's willingness and ability to implement measures over the medium term. It is also influenced by what other countries decide to do.

These five points all support the view that the shock to balance sheets is highly relevant to a wide range of sectors and markets. Yet for now, the inclination is to dismiss the shock as isolated, temporary and reversible.

This leads to the sixth and final point. We should expect (rather than be surprised by) damaging recognition lags in both the public and private sectors. Playbooks are not readily available when it comes to new systemic themes. This leads many to revert to backward-looking analytical models, the thrust of which is essentially to assume away the relevance of the new systemic phenomena.

There is a further complication. Timely recognition is necessary but not sufficient. It must be followed by the correct response. Here, history suggests that it is not easy for companies and governments to overcome the tyranny of backward-looking internal commitments.

Where does all this leave us? Our sense is that the importance of the shock to public finances in advanced economies is not yet sufficiently appreciated and understood. Yet, with time, it will prove to be highly consequential. The sooner this is recognised, the greater the probability of being able to stay ahead of the disruptions rather than be hurt by them.

Mr. GREGG. It is time for us to act. It is time to, first, stop spending. That

is the bottom line. It is like a diet. The only way you can lose some weight is to actually stop eating the wrong way. We have to stop spending, and then we have to come up with some pretty aggressive ideas addressing the very systemic problems we have as a country relative to the growth of our debt, so that if we do them now it will have less negative impact on people than if we have to do them in a crisis situation.

Madam President, I yield the floor.

The PRESIDING OFFICER (Mrs. HAGAN). The Senator from Wisconsin.

AMENDMENT NO. 3470 TO AMENDMENT NO. 3452

Mr. FEINGOLD. Madam President, I ask unanimous consent that the pending amendment be set aside so I may call up amendment No. 3470.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. COBURN, and Mr. BROWN of Ohio, proposes an amendment numbered 3470 to amendment No. 3452.

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

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

The amendment is as follows:

(Purpose: To provide for the rescission of unused transportation earmarks and to establish a general reporting requirement for any unused earmarks)

At the end, insert the following:

**TITLE \_\_\_\_\_—RESCISSION OF UNUSED TRANSPORTATION EARMARKS AND GENERAL REPORTING REQUIREMENT**

**SEC. 01. DEFINITION.**

In this title, the term "earmark" means the following:

(1) A congressionally directed spending item, as defined in Rule XLIV of the Standing Rules of the Senate.

(2) A congressional earmark, as defined for purposes of Rule XXI of the Rules of the House of Representatives.

**SEC. 02. RESCISSION.**

Any earmark of funds provided for the Department of Transportation with more than 90 percent of the appropriated amount remaining available for obligation at the end of the 9th fiscal year following the fiscal year in which the earmark was made available is rescinded effective at the end of that 9th fiscal year, except that the Secretary of Transportation may delay any such rescission if the Secretary determines that an additional obligation of the earmark is likely to occur during the following 12-month period.

**SEC. 03. AGENCY WIDE IDENTIFICATION AND REPORTS.**

(a) AGENCY IDENTIFICATION.—Each Federal agency shall identify and report every project that is an earmark with an unobligated balance at the end of each fiscal year to the Director of OMB.

(b) ANNUAL REPORT.—The Director of OMB shall submit to Congress and publically post on the website of OMB an annual report that includes—

(1) a listing and accounting for earmarks with unobligated balances summarized by agency including the amount of the original earmark, amount of the unobligated balance, the year when the funding expires, if applica-

ble, and recommendations and justifications for whether each earmark should be rescinded or retained in the next fiscal year;

(2) the number of rescissions resulting from this title and the annual savings resulting from this title for the previous fiscal year; and

(3) a listing and accounting for earmarks provided for the Department of Transportation scheduled to be rescinded at the end of the current fiscal year.

Mr. FEINGOLD. Madam President, I rise today to offer an amendment, along with Senators COBURN and SHERROD BROWN, to make a small but necessary step toward addressing the growing problem of Federal deficits. This is the second time in as many weeks that we are offering this amendment, and I hope we will be able to have a vote and get it accepted on the FAA reauthorization bill. The underlying bill we are considering reauthorizes many vitally important programs, including investments in our aviation infrastructure and the long overdue modernization of air traffic control. While I support many of these investments, I think it is also critically important that we take a close look at where our spending can be cut as we try to address the looming deficit.

Of course, my amendment won't come close to solving this whole looming problem, but it will make a dent as we try to get our financial house in order and make the tough choices to avoid burdening future generations with debt. There is no single or easy solution to the massive deficits we face, but one thing we should be doing is taking a hard look at the Federal budget for wasteful or unnecessary spending. Hard-working American families have to make these kinds of decisions every week to make ends meet, whether skipping dinners out, making do with old clothes instead of buying new ones, or finding new ways to trim their grocery bill. People are looking at everything in their household budget to cut back in tough times, and the Congress should be doing the same things, looking to save the taxpayers' money everywhere we can.

What I am trying to do here is a proposal to get rid of old, unwanted transportation earmarks that would save about \$600 million right away and perhaps a few billion dollars over time. It won't eliminate the Federal deficit on its own, but it is real money, in places such as Racine or Fond du Lac, WI, where I recently held townhall meetings. It is one step on a path that is going to have to involve many additional cuts.

I have put together a number of proposals for where we should begin tightening our belt, including the one for this amendment, in a piece of legislation I introduced last fall called the Control Spending Now Act. The combined bill would cut the Federal deficit by about \$½ trillion over 10 years.

This amendment, my bipartisan amendment here with Senators COBURN and BROWN of Ohio, would build off of a proposal put forward in President

George W. Bush's fiscal year 2009 budget proposal to rescind \$626 million in highway earmarks that were over a decade old and still had less than 10 percent of the funding utilized. When Transportation Weekly did an analysis of these earmarks at the time, they found that over 60 percent of the funding—\$389 million—was in 152 earmarks that had no funding spent or obligated from them. These clearly are either unwanted or a low priority for the designated recipients.

This is nothing against transportation funding either, of course. I fully realize the need for reinvestment in our crumbling infrastructure and its potential for job creation in hard-hit segments such as construction. But hundreds of millions of dollars sitting in an account untouched at the Department of Transportation does nothing to address our infrastructure needs or put people back to work.

I have tried to build on President Bush's concept a little and my amendment expands this rescission to all transportation earmarks that are over 10 years old with unobligated balances of more than 90 percent. At a hearing before the Budget Committee 2 weeks ago, I asked Transportation Secretary Ray LaHood about these unwanted and unspent earmarks, and whether he supported my proposal to rescind them. Secretary LaHood responded:

The answer is yes, we are supportive of your proposal, and we have identified significant millions of dollars worth of earmarks.

So at the suggestion of the chairman of the Environment and Public Works Committee, we have also included a provision to allow the Secretary of Transportation to delay a rescission if the project is expected to be obligated within the next 12 months. I know there are sometimes extenuating circumstances and delays that pop up, and this seemed like a good way to deal with these situations while still ensuring that the intention to eliminate unwanted and low-priority projects was retained. I also hope this will help alleviate concerns and ensure that the potential for extenuating circumstances is not used as a reason to somehow oppose our amendment.

It is unclear exactly how many hundreds of millions or even billions of dollars would be saved by this proposal being expanded to other transportation earmarks in addition to the previous estimate of \$626 million that would be rescinded from unwanted highway earmarks in the first year. This proposal would also be permanent, so there would likely be additional savings as the unwanted earmarks in the most recent highway bill reach their 10-year anniversary.

I think this is a very modest proposal, going after the lowest of the low-hanging fruit and would support going even further and make it cover all Federal agencies. But with the uncertainty about how many of these unwanted and unspent earmarks there might be across the whole Federal Government,

our amendment instead requires an annual report by the OMB to collect information from each agency and include recommendations on whether these other unobligated earmarks should be rescinded.

As you can see, this is a proposal with bipartisan support both in the Senate and from the past administration and this current administration. This shouldn't be a hard decision and I hope we have strong support here in the Senate. This is simply about instituting a good government principle of returning unused funds to the Treasury, and it shouldn't be controversial. If we can't agree to take old earmarks that no one wants and use the money to pay down the deficit, then how are we ever going to get our fiscal house in order?

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Madam President, I ask unanimous consent that at the conclusion of the remarks of Senators ENSIGN and BROWN of Ohio, the Senate then stand in recess until 2 p.m. today.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

#### UNEMPLOYMENT AND FORECLOSURES

Mr. ENSIGN. Madam President, first, let me start by complimenting the Senator from Wisconsin for addressing the spending going on in Washington, DC. I applaud his efforts. He understands this is a modest effort, but we have to start someplace. For my whole 10 years in the Senate, I have been talking about spending and getting our debt under control, not passing debt on to our children across America. This is a huge debt burden we are passing on to them. I applaud the efforts, even though they are small. Anything we can do around here to address the deficits and the debt I think is very important.

I want to talk about unemployment and foreclosures, especially how they are affecting Nevada and the overall economy. I think everybody admits the our economy is hurting. There are people all over the country in need of employment. Many are hurting because of foreclosures or potential foreclosures on their houses.

In new unemployment numbers just released, Nevada has a 13-percent unemployment rate, with Clark County, where Las Vegas is located, now at almost a record high of 13.8 percent; Washoe County, which is where Reno is, a 13.5-percent unemployment rate. The Review Journal, the largest paper in Nevada, pointed out this week that the salary and job outlook for Nevadans is going from bad to worse. Wages are declining across industries in our State, and experts recently told the paper if we were to count discouraged workers who have given up looking for employment and part-time employees who wish to work full time, the real unemployment rate in Nevada would actually hover somewhere around 25 percent.

In fact, if we were to count those who are self-employed—for instance, if you are a realtor and you are not selling homes, you may still be classified as employed but you are effectively unemployed. If we counted all the self-employed people who are not counted in the normal unemployment rates, these numbers would even be higher.

Housing in Nevada is still hurting severely. We are leading the Nation in home foreclosures and there does not seem to be a solution to this problem coming out of Congress. Instead, Congress has gone off on a wayward path in trying to muscle through health care reform when the immediate focus of this institution should be on the millions of Americans who have lost their jobs, are at risk of losing their homes, or even worse—both.

In fact, nearly 5 million Americans have lost their jobs during the time Congress has shifted its focus away from the economy onto health care. I will point out, however, if you live in the Washington, DC, area you are actually OK. There have been 100,000 new jobs created in this city in the last year. These are government jobs; not private sector jobs, government jobs. This is a direct result of a massive expansion of the Federal Government.

I do not believe that growing the Federal Government and creating jobs in Washington does anything to help the unemployment in Nevada or around the rest of the country. Health care reform proposals that the majority is trying to push through both Houses are not designed to incentivize job creation at a time when we need a lifeline. Instead, their bills will be job killers.

The National Federation of Independent Business, which is the largest organization that represents small businesses in America, believes their health care reform proposals will actually cost millions of jobs in small businesses over the next 4 years. It also will greatly add to the Nation's debt when we are already borrowing from future generations, as the Senator from Wisconsin just talked about.

It is time for Congress to shift our focus back to creating jobs, and do it in a responsible way by reducing wasteful government spending and thinking about the future of our country. One spending bill after another that comes before this Senate is not going to solve the economic problems our country is facing. It is actually just going to make the situation worse over the next several years because as we borrow more money, inflation and interest rates will increase.

There are concerns about the strength of the dollar in the world. Adding to our debt intensifies those worries. We all, as Republicans and as Democrats—really, as Americans—ought to be concerned about what this debt is going to do to the future of our country.

We need real solutions to our economic problems. We need to get the

country back on track. To do that, we need to get control of out-of-control spending, especially wasteful spending.

Job creation needs to be our number one focus, and we cannot incentivize job creation when our Nation is buried in debt. This means we are all going to have to start taking some difficult votes to reverse the wild spending spree we are on. Here in Washington it is much easier to get reelected if you are giving money away to people. It is much more difficult politically to take votes that actually cut spending because for every government program that is out, there is a constituency that lobbies to keep that gravy train coming from the Federal Government.

Last week we had two options in the Senate. We had the option to pay for the extension of unemployment insurance benefits with unspent stimulus funds, money we have already taken out of the pockets of taxpayers, or we had the option of adding more debt to the credit card of this Nation. I voted to extend unemployment insurance without having American families foot yet another government bill. Unfortunately, the majority party did not pass this bill. Instead, they voted to continue adding to our Nation's debt. Over \$100 billion was added to our Nation's debt just yesterday by this Senate.

By the way, \$100 billion used to be a lot of money around this place. It is tossed around like it is almost nothing now. \$100 billion is a huge amount of money. It passed and hardly got any notice around the country. That is what we added to our deficit and our debt yesterday.

I stress again that job creation needs to be our number one focus, but we cannot begin to incentivize job creation just by adding more debt. I have been focused on introducing legislation that will help create jobs in Nevada while not increasing the debt—for example, the recent passage of my legislation with Senator DORGAN, called the Travel Promotion Act. This will incentivize tourists from across the world to come to the United States and visit our world-class destinations. This will spur job growth across Nevada and our entire Nation. These will not be government jobs; these will be private sector jobs. These jobs will not be paid for by the American taxpayer; these will be jobs that will be a lifeline for our economy.

Legislation like the Travel Promotion Act illustrates that we need to get past the idea that government spending creates jobs and showcases that we need to institute policies that incentivize the private sector to create jobs. We can do this by lowering taxes on small businesses. They are the engine of our economy. We can start creating employment opportunities throughout the United States. These private sector jobs will help get our country back on the road to recovery and will not add to the financial burden of the United States.

The majority party seems to believe the only way to spur job creation is to

pass spending bill after spending bill. As we have witnessed over the past year, this does not seem to be working. But this has not lessened the resolve of those across the aisle. This week, House Education and Labor Committee Chairman George Miller announced that he will unveil a jobs bill—that is what he called it, a jobs bill—aimed to save or create a lot of jobs in local governments. It is a \$100 billion bill—another \$100 billion.

The problem with this is these jobs are going to be paid for by the Community Development Block Grant Program, which, in simple English, means we are adding to the debt. This is money the taxpayers are going to have to pay for in the future—borrowing once again from our children and adding to our Nation's credit card debt. This is not a solution to create jobs in the long run.

The Federal Government spending money on legislation whose only connection to job creation is putting the phrase in the title of the bill is not working. In the short term, will it save some local government jobs? No question, in Nevada it probably would. But Nevada is making tough choices right now. They are actually looking where there is waste. They are looking how they can make government more efficient. We are not doing that at the Federal level. We are actually discouraging it by sending more and more money to the States. But at the Federal Government level we are certainly not looking for any efficiencies because all we continue to do is spend more and more money, add more and more government agencies, more and more government programs.

We should be tightening our belts like every family, every business, local government, and State government are doing across the country. That is one of the reasons many of us have cosponsored legislation for a balanced budget amendment. If we were required to balance the budget we would be required to take those tough votes. That is why we get elected, to do something, to make a positive difference for our country. Adding to our debt is not that positive difference. We need to think about the future of our country instead of just getting reelected by being able to give money away to some of our constituents.

I will conclude with this: Job number one needs to be about creating jobs in a responsible way—not government jobs, private sector jobs. We need to stop adding to the deficit, get government spending under control, and cut taxes for small businesses so that entrepreneurs across this country can create jobs. These are what the priorities of this body should be.

I yield the floor.

Mr. BROWN of Ohio. Madam President, I ask unanimous consent to address the Senate for about 10 minutes under morning business.

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

#### THE DEFICIT

Mr. BROWN of Ohio. Madam President, I came to the floor to talk about a young woman in Cincinnati, OH, but I guess I am just amazed at the amnesia in this body. I hear colleagues on the other side of the aisle say Democrats vote for spending to keep that gravy train going; that Democrats believe that job creation is always the government; that Republicans believe we have to get spending under control and how politically unpopular it is to vote to cut spending. I hear these things over and over, and I hate clichés but, you know the Yogi Berra line: "It's déjà vu all over again."

I was in the House of Representatives for the first 6 years of this decade, and I saw what happened. What happened was my colleagues on the other side of the aisle—when one bird flies off the telephone wire, they all fly off the telephone wire—voting on issue after issue to bankrupt this country and to drive our economy into the ditch. In 2001, tax cuts for the rich, George Bush's tax cuts which went overwhelmingly to the richest taxpayers and, as the Presiding Officer from North Carolina knows, using reconciliation to drive these tax cuts through in 2001, 2003, 2005, bringing Vice President Cheney in so they not only used reconciliation, they had to bring the Vice President in, who is almost never here, as the Presiding Officer knows, to vote in passing that with 51 votes.

We had a surplus in those days. We had a surplus, and they took that surplus and they enacted tax cuts for the wealthy. Then they started the war with Iraq but did not pay for it. I disagreed with going to war. I voted against it. But at least we should have paid for it. They didn't pay for the war in Iraq and still have not.

Then they did this huge, tens of billions of dollars in giveaways to the drug companies and insurance companies, all in the way of privatization of Medicare.

So when I hear them preaching to me about Democrats want to spend money on unemployment compensation, or Democrats want to spend money on health care—such as COBRA, for those people who have lost their health insurance—or Democrats want to spend money on reimbursing doctors at a fairer rate for Medicare, they attack us for doing that yet they took a budget surplus and ran this economy into the ground by deregulating Wall Street, by cutting taxes on the richest people in this country, by turning the surplus into deficits to the tune of hundreds and hundreds of billions of dollars.

We had projected in 2000 a budget surplus—projected—of \$1 trillion. One trillion dollars is 1,000 billion dollars. We now have a projection of \$1 trillion in budget deficit. They come here and they preach that Democrats should quit spending money on unemployment compensation because all these workers, they do not want to work, they want to receive their unemployment benefits.

Well, what somebody needs to explain to them, and perhaps my friends on the other side of the aisle do not know anybody who is exactly getting unemployment compensation because they spend too much time with people similar to us, wearing suits and hanging around places such as this and not enough time in places in Charlotte and Dayton and Winston-Salem and Cleveland, with people who have lost their jobs and talking about it.

But it is not unemployment welfare, as they would like to say it is, it is unemployment insurance. That means when you are employed, you pay into a fund, and when you lose your job you get money out of that fund. It is called insurance, unemployment insurance. They should remember that.

#### REMEMBERING ESME KENNEY

Madam President, I would like to commemorate the life of Esme Louise Kenney of Cincinnati, OH, whose life was tragically cut short 1 year ago this past Sunday.

Esme was a bright, inquisitive, and spirited young girl with many talents and a limitless imagination and a boundless love for life.

She was an artist, a musician, an avid reader, an expressive writer, and a budding water-skier.

The beloved daughter of Tom Kenney and Lisa Siders-Kenney, the caring sister of Brian, Meghan and Frances, and a loyal and loving friend to so many, Esme touched many hearts in her short time with us.

From all accounts, Esme's compassion and enthusiasm always warmed the room and lifted the spirits of everyone she met. Her loving brother described her as a real "people person," one who loved meeting people, talking with them, learning about them, and sharing her life with them.

For all of those whose days were brightened by Esme's radiant joy and love of life, this week marks an anniversary filled with sorrow and heartache.

One year ago, Esme's life was taken from her under tragic and horrifying circumstances.

The 13-year-old left the house one day to go for a jog, and would never return.

One man's rage and delusion resulted in the brutal and senseless murder of an innocent, virtuous, and loving child.

Perhaps most disturbing is the fact that Anthony Kirkland, the confessed murderer, was already a convicted killer and registered sex offender when he committed this atrocity. He had served 16 years in prison for the sadistic assault and murder of another young woman.

My wife Connie and I extend our deepest sympathy to Esme's family, friends, and community during this unthinkable difficult time. We lost Esme a year ago, but I know she will be part of our lives always.

The recurrence of these horrible acts underscores the urgent need to review our criminal justice system, and that is why I join the Kenney family in support of legislation introduced by my

colleague, Senator WEBB: S. 174, the National Criminal Justice Commission Act of 2009.

This bill would establish the National Criminal Justice Commission to undertake a comprehensive review of the current system and submit a report to Congress and the President that outlines findings and recommendations for changes in criminal justice policies.

Such action is vital to keeping our children safe. We must not be complacent in the face of such inconceivably violent and destructive acts as the crime that took Esme from us.

#### RECESS

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

Thereupon the Senate, at 12:34 p.m., recessed until 2 p.m. and reassembled when called to order by the Presiding Officer (Mr. BURRIS).

#### TAX ON BONUSES RECEIVED FROM CERTAIN TARP RECIPIENTS—Continued

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

(The remarks of Mr. JOHANNIS pertaining to the submission of S. Res. 452 are located in today's RECORD under "Submitted Resolutions.")

The PRESIDING OFFICER. The Senator from Utah is recognized.

#### HEALTH CARE REFORM

Mr. HATCH. Mr. President, I rise, joined by my friend, the distinguished Senator from South Dakota and chairman of the Senate Republican Policy Committee, to discuss the health care legislation being considered in Congress. The current debate is primarily about process. But before addressing that, I wish to remind everyone that in the end, this is about the substance of the legislation that Washington liberals want to impose upon the country by any means necessary.

This legislation is bad, both for what it represents and for what it would do. It represents a massive Federal Government takeover of the health care system. The health care and health insurance systems could be significantly improved with policies that respect individual choice, that embrace our system of federalism, in which the States can tailor solutions to their own needs and demographics. It could. But Washington liberals have rejected that path.

What would this legislation do? As I have argued in the past, this legislation would bust the limits the Constitution places on Federal Government power. Liberty itself depends on those limits, it always has and it always will. Those limits mean Congress may exercise only the powers listed in the Constitution. None of those powers authorizes Congress to take such unprecedented steps as requiring that individuals spend their own money to purchase a particular good or service,

such as health insurance, or face a financial penalty. This legislation would unnecessarily take this country into unchartered political and legal territory.

We just heard from the Congressional Budget Office that President Obama's policies will add a staggering \$8.5 trillion—that is trillion with a "t"—to our already sky-high national debt.

This is before passage of the health care tax-and-spend bill that would cost another \$2.5 trillion. Claims that this boondoggle will lower the deficit result from some pretty impressive accounting tricks. This legislation, for example, would start taking money from Americans immediately but would not provide any benefits to them for years. How about that as a neat way to lower a bill's supposed cost?

What do Americans get for all these trillions of dollars? They would be required to buy health insurance, but only 7 percent of Americans would receive any government subsidy to do so. Washington liberals say this bill cuts taxes, but 93 percent of all Americans would not be eligible for any tax benefit. Contrary to President Obama's explicit pledge, one-quarter of Americans making under \$200,000 per year would see their taxes go up. Middle-class American families paying higher taxes will outnumber those receiving any government subsidy by more than 3 to 1.

And after the higher taxes, increased government control, greater regulation, and paltry help in buying health insurance, this legislation would not control health care costs, which is the main reason for the concern about health insurance in the first place.

It does nothing to rein in the junk lawsuits that drive up costs and drive doctors out of medicine. Instead, this legislation would cut \$500 billion from Medicare to pay for a massive new government entitlement system that would include 159 new boards and other bureaucratic entities.

Last month, the White House released an 11-page document titled "The President's Proposal." Calling it that, I suppose, was to make it appear to be a meaningful step in a genuine negotiation. It is nothing of the kind. One of the most obvious changes suggested in this document was elimination of the Medicaid subsidy that the Senate bill gave to only one State. That was for political rather than policy reasons. And I cannot forget to mention that this 11-page document's suggested changes would add at least \$75 billion more to the cost of the Senate bill. That is around \$7 billion a page. But it offered nothing to change the real defects in this legislation.

For these and so many other reasons, this legislation is the wrong way to address the challenges we face in health care and health insurance.

Let me turn to my friend from South Dakota, Senator THUNE. Now that we have been debating these issues for the better part of a year, what do the

American people think of these liberal Washingtonian proposals and how did we get where we are today?

Mr. THUNE. I say to the Senator from Utah that he has made, over the course of the last year, many compelling arguments about the substance of this legislation and just now summarized what some of those are. The reason the American people have rejected this legislation is because they understand the substance of it. As the Senator pointed out, it has tax increases, Medicare cuts, and premium increases for most Americans. They figured that out a long time ago. That is why, if you look at the public opinion surveys that have been done with regard to the bill itself and to the process by which it got where it is, the American people reject it.

The reconciliation process, which has been talked about as a way in which to ultimately pass this through the House and then through the Senate, there have been polls that have asked the American public what they think of using reconciliation to enact health care reform.

The Gallup poll from February 25: 52 percent of Americans oppose the use of reconciliation. Last week's Rasmussen Report poll shows that 53 percent of Americans are opposed to the health care plan. Perhaps the most telling poll is a CNN poll from February 24—if you can believe this—that says 48 percent of Americans want Congress to start working on a new bill, and 25 percent of Americans want Congress to stop working on health care. Added together, that is 73 percent of the American public that wants Congress to either stop working on health care altogether or start over.

I am not among those who think we ought to stop working on this. This is a big, important issue to the American people. They want us to do it. But they want us to get it right. What is being proposed by our colleagues on the other side and what so far has been rammed through on a very partisan basis is a \$2.5 trillion expansion of the Federal Government that expands the health care entitlement but does very little to reform health care in this country or to address the underlying drivers of health care costs in this country.

So the Senator from Utah is absolutely right in describing why the American people are so opposed to this legislation; that is, because they understand it. They know what it does. They are concerned about the cost of their health care insurance in this country. They are concerned as well about those who do not have health care, and we have come up with solutions we think make sense to cover those who do not have coverage. But I think it is pretty clear where the American people come down on this issue.

Incidentally, I think that is also what many of these elections we have had recently are about. If you look at

what happened in Virginia, New Jersey, and most recently in Massachusetts, many of those elections were referendums, if you go inside the numbers, on the health care issue. I think it is a clear message to Washington that these health care proposals are not acceptable to the American people. Yet it does not seem that those of us in Washington, DC—or at least some of us—are listening to that message. Frankly, I believe, I say to my colleague from Utah, this is a bad bill. It has been rejected by the American people, part of it because of the substance of it; part of it because the normal process has not been followed. We all know what was done to get that extra vote to try and pass this bill through the Senate, to get that 60th vote—all these backroom deals that were put together at the last minute. We have heard the “Cornhusker kickback” chronicled, we have heard the “Louisiana purchase” chronicled many times over the last several months.

But I think the point, very simply, I say to my friend from Utah, is that, one, the American people understand this will lead to higher costs for most Americans, it is going to increase their cost of health insurance in this country; two, they want to see a bill that is put together in a way that elicits bipartisan support.

The Senator from Utah has been here since 1977. He has been involved in a whole series of important bipartisan debates, where important legislation was acted on in the Senate, but it was done in a way that had support from both Republicans and Democrats. I think that is what the American people expect of this process. They also expect us to conduct ourselves in a way that is transparent.

Doing legislation, 2,700-page bills behind closed doors, adding last-minute backroom deals to try and get that illusive 60th vote to pass it, and now using reconciliation—something that clearly was not designed for this process—is another issue that is even worsening the American public’s opinion not only of the substance of this legislation but also the process.

I wish to ask my colleague about reconciliation. But before I do that, I wish to mention one thing because many of us—you and I both and others on our side—have talked a lot during the course of this debate about the cost and what we ought to be doing to address health care. If we wish to address health care in this country for most Americans—or reform health care—it means getting costs under control.

We have been arguing for some time that most Americans—and I think the Congressional Budget Office has validated this, the Actuary for the Centers for Medicare & Medicaid Services has validated this—that if you are buying in the individual market, you are going to see your insurance premiums go up above what they would normally go up, 10 percent to 13 percent, and if you are someone who buys in the large em-

ployer or small employer market, you are still going to see your health insurance premiums go up; they are going to be going up at the rate they are today or maybe slightly higher, but the rate they are going up today is twice the rate of inflation.

Yesterday, the Senator from Illinois, the distinguished whip in the majority, the Democratic whip, said on the floor of the Senate:

Anyone who would stand before you and say, well, if you pass health care reform, next year’s health care premiums are going down, I don’t think is telling the truth. I think it is likely they would go up, but what we’re trying to do is slow the rate of increase.

So there you have it. We have been saying this all along—an acknowledgment by folks on the other side who are finally saying or reiterating what we have been saying all along; that is, health premiums are going to go up.

I think if you are someone who, as I said, buys in the individual marketplace or who is in the large or small employer market, you are going to see your premiums go up. The question is How much? I think for most Americans, they would go up significantly.

But I say to my colleague—and I would ask him because he has been here since reconciliation almost was put in place; you have to go back to 1974 and the Budget Act—but I am told it has been used 18 or 19 times since then. Since the Senator came here in 1977, I think every time reconciliation has been used, the Senator has been part of that process, has had to vote on that. There probably is not anybody in this Chamber who is more experienced on the issue of reconciliation—what it was designed to do, what it can do—than the Senator from Utah.

So I would ask the Senator if he could explain to those of us who have not been here as long exactly what reconciliation was designed to be used for, how it is designed to function, and why it is not applicable to the case of trying to restructure or reorder literally one-sixth of the American economy, which is what health care represents in this country.

Mr. HATCH. I thank my colleague for his cogent remarks because my friend from North Dakota is absolutely right. The American people are not buying this, nor are they going to buy this misuse of reconciliation.

Even with large majorities in the Senate and the House, the White House, and most of the mainstream media, Washington liberals have not been able to convince the American people this is the right way to go. The American people oppose this bill. They want us to start over, and they want us to adopt step-by-step, commonsense reforms.

We could do that, but Washington liberals instead are determined to find some way to get their way. The latest procedural gambit, which has been raised by my colleague, is called reconciliation. Before talking about what

reconciliation is, I have to emphasize what it is not. Reconciliation is not simply an alternative to the Senate’s regular process for handling legislation. Instead, reconciliation is an exception to that process.

While the House is about action, the Senate is about deliberation, and the rules in each body reflect its role. For more than 200 years, Senate rules have allowed smaller groups of Senators to slow down or stop legislation. The House is a simple majority vote body, but the Senate is not. This creates checks and speed bumps to legislation, but passing legislation is not supposed to be easy, especially something that affects one-sixth of the American economy.

Reconciliation is the exception to that because it limits debate and amendments and requires only a simple majority. It allows for only 20 hours of debate. It actually weakens the role the Senate plays in the legislative branch and, therefore, this exception to our regular order was created to handle a small category of legislation related to the budget. While thousands of public laws have been enacted since the reconciliation process was created, that process, as the distinguished Senator from South Dakota said, has been used only 19 times to enact legislation of any kind into law.

Not only is reconciliation a rare exception to our regular legislative process, but using reconciliation to pass sweeping social legislation, as opposed to budget or tax legislation, is even more rare. Reconciliation has been used only three times to pass such major social legislation. Welfare reform passed in 1996 with 78 votes, child health insurance passed in 1997 with 85 votes, and a college tuition bill passed in 2007 with 79 votes. In each case, dozens of Senators in the minority party supported the legislation.

The health care legislation before us is not the kind of budget or tax legislation that has been the primary focus of the reconciliation process in the past. It is much more like the welfare reform or child health insurance bills, except for one very important thing: The health care legislation is a completely, 100-percent, partisan bill—100 percent. The reconciliation process, which from the start is a rare exception to our regular process, has never been used for such sweeping, major social legislation that did not have wide bipartisan support—never. It was never supposed to be used for that. You can criticize the three times social legislation was passed, and your criticism might be considered valid by some, but the fact is, those bills were bipartisan.

Washington liberals obviously know this because their latest talking point is, reconciliation will not be used to pass the large health care bill only to change the big health care bill. My friends, that is a distinction without a difference. The bill Washington liberals want is the combination of the big Senate bill and the smaller fixer bill. In

fact, they cannot stomach the one without the other. The bill they want, whether passed in one piece or two, cannot pass Congress through the regular legislative process. The health care bill that Washington liberals want, if it can be passed at all, can only be passed through an illegitimate use of this extraordinary process called reconciliation.

By the way, I would like to remind my friends on the other side of the aisle that the reconciliation process has been used only twice to pass a purely partisan bill on any subject, even those that reconciliation may have been designed for. In both cases—1993, when Democrats were in charge, and 2005, when Republicans were in charge—the American people in the next election threw the majority party out and gave the other party a chance to run the Senate.

Just as Washington liberals cannot convince the American people to support the substance of this legislation, they cannot make the case that reconciliation is a legitimate way to pass it.

Let me also say, there are those in the House who want to distort this reconciliation process even further by devising a way so that House Members do not have to actually vote directly on the Senate-passed bill. They want to create a rule that would deem the Senate bill as passed. Talk about distorting the process. Talk about the lack of guts to stand and vote for what they claim is so good. Talk about deceiving the American people. They have already distorted the reconciliation rules, but that would be a bridge too far.

I ask my friend from South Dakota, Senator THUNE, whether he has seen, as I have, the spin and misdirection that have been employed to give the impression that this is a legitimate process to pass this unpopular legislation.

Mr. THUNE. Well, I would say to my friend from Utah, it is interesting how the semantics and terminology changes in Washington depending upon what point you are trying to make. But many of our colleagues who have weighed in heavily against the use of reconciliation on a range of subjects—more specifically now health care reform—are now referring to it as simply a simple majority: All we are asking for is a simple majority vote, which does represent a spin and misdirection.

Because, as the Senator from Utah has noted, reconciliation, as a procedure, has a fairly special place in the history of the Senate, going back to 1974, when it was created. It is to be used for specific purposes: to reconcile spending, revenues, tax increases, tax cuts—primarily to accomplish deficit reduction.

As the Senator from Utah has pointed out, when it is used to enact significant legislation, generally it has broad bipartisan support. The Senator mentioned welfare reform. It had 78 votes for it. That is the most frequently

cited example of the use of reconciliation for something that was policy oriented. But, remember, that had 78 votes in the Senate. A huge and decisive majority of Senators decided to vote for its use in that case.

You also have, as I said, other examples where it was done to accomplish reducing taxes, increasing taxes. Those are all arguably legitimate uses under the procedure of reconciliation.

But now what you are finding is legislation that literally would restructure and reorder one-sixth of the American economy that would have profound consequences and a profound impact on the American people for not only the near term but the long term. We are talking about using this “go your own way,” “go it alone” process of reconciliation simply because using regular order cannot accomplish the objective that is desired by the Democratic majority. So they have fallen back on the use of reconciliation for something that is unprecedented.

It is interesting to me, if you look historically at what some of our colleagues have said, there are not many people who have more experience with this issue or more experience in the Senate than the Senator from Utah, but the Senator from West Virginia, a member of the Democratic majority, has been here even longer and is cited most often as being the author of the current budget process that we have, which includes this reconciliation procedure. He wrote a letter a year ago which I wish to submit for the RECORD, and I wish to quote the first paragraph from that letter of a year ago in April. He said:

Dear colleague:  
I oppose using the budget reconciliation process to pass health care reform and climate change legislation. Such a proposal would violate the intent and spirit of the budget process and do serious injury to the constitutional role of the Senate.

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

U.S. SENATE,  
COMMITTEE ON APPROPRIATIONS,  
Washington, DC, April 2, 2009

DEAR COLLEAGUE: I oppose using the budget reconciliation process to pass health care reform and climate change legislation. Such a proposal would violate the intent and spirit of the budget process, and do serious injury to the Constitutional role of the Senate.

As one of the authors of the reconciliation process, I can tell you that the ironclad parliamentary procedures it authorizes were never intended for this purpose. Reconciliation was intended to adjust revenue and spending levels in order to reduce deficits. It was not designed to cut taxes. It was not designed to create a new climate and energy regime, and certainly not to restructure the entire health care system. Woodrow Wilson once said that the informing function is the most important function of Congress. How do we inform? We publicly debate and amend legislation. We receive public feedback, which allows us to change and improve proposals. Matters that affect the lives and livelihoods of our people must not be rushed through the Senate using a procedural fast track that the people never get a chance to comment upon or fully understand.

Reconciliation bills are insulated from debate and amendments. Debate is limited to twenty hours, and a majority vote can further limit debate. The rules are stacked against a partisan Minority, and also against dissenting views within the Majority caucus. It is such a dangerous process that in the 1980s, the then-Republican Majority and then-Democratic Minority adopted language, now codified as the Byrd Rule, to discourage extraneous matter from being attached to these fast-track measures.

The Senate cannot perform its Constitutional role if Senators forgo debate and amendments. I urge Senators to jealously guard their individual rights to represent their constituents on such critical matters as the budget process moves forward.

With kind regards, I am  
Sincerely yours,

ROBERT C. BYRD.

Mr. THUNE. That is what the author of reconciliation said a year ago about trying to do health care reform through this process that the majority has decided to use.

There are lots of other examples of our colleagues in the Senate on the other side of the aisle—and I could go on and on. The majority leader, Senator REID, in November of 2009 said: “I am not using reconciliation.”

Senator CONRAD, the chairman of the Budget Committee, said in March 2009 on the Senate floor:

I don't believe reconciliation was ever intended for the purpose of writing this kind of substantive reform legislation such as health care reform.

Even the President, when he was a Senator at that time, and now President said reconciliation is a bad idea.

So we could go on and on and we can find these statements of our colleagues on the other side who, in the past, have expressed opposition, and not just timid, tepid opposition but, I would argue, very aggressive opposition to the use of reconciliation for something this consequential and are now sort of falling back.

I have 18 Democrats on the record who have said they oppose reconciliation and are now saying they think this could be used for this purpose and now is being referred to as a simple majority.

So, again, I would say to my colleague from Utah that I think the spin that is going on now to try to confuse the American people about what is happening is something we need to end. We need to be transparent and clear with the American people about what is being done here.

I would simply ask my colleague from Utah whether he thinks the process of using reconciliation, the process that has led us to this point, or, for that matter, the underlying substance of this bill, is something the American people would be proud of and would want to see us pass in the Senate.

Mr. HATCH. My friend from South Dakota hit the nail on the head. I appreciate his remarks. If this legislation were sound policy, if it incorporated consensus ideas, if it had any level of real support among the American people, Washington liberals would not

need to use the gimmicks they are using. They wouldn't have to use the tricks that are being used. They wouldn't have to use the spin that the Senator from South Dakota so accurately described.

I mentioned earlier that the reconciliation process has never been used to enact sweeping social legislation that did not have wide bipartisan support.

Mr. ROCKEFELLER. Would the Senator yield?

Mr. HATCH. I am happy to yield for a question because I do want to finish my remarks.

Mr. ROCKEFELLER. As I understand it—and I am presiding over the Federal Aviation Administration legislation, so this is a little offtrack, but it is very hard for me to listen to this kind of dialogue week after week without having these thoughts and questions.

Mr. HATCH. OK.

Mr. ROCKEFELLER. The Senate passed with 60 votes the health care bill which is now—

Mr. HATCH. Sixty partisan votes.

Mr. ROCKEFELLER. Right—which is now on the way over to the House. The House has it.

Mr. HATCH. Right.

Mr. ROCKEFELLER. The question is, is the House going to pass it. If there is going to be any health care reform at all, the House has to pass it. Now, if the House does pass it, it will then constitute about 85 to 90 percent of the entire health care bill.

I listened to my good friend and the Senator from South Dakota talk about 16 percent of the gross national product. But the bill that will come out of the House—hopefully passed—and, therefore, will not have to come back to the Senate will, No. 1, be nowhere—will be the vast majority of the 16 percent, if that is an accurate figure. But one thing that is even more clear to me is it will have absolutely nothing to do with reconciliation, just the regular legislative process.

The only question about reconciliation and the only place where it applies from this Senator's point of view is on that particular add-on that would be done to include some Republican ideas and include a few more things that the House wants to do.

I ask the Senator from Utah, why does he say this is reconciliation affecting 16 percent of GDP when, in fact, it affects 14 percent or 15 percent of GDP, which is simply in the regular order of Senate process and has nothing to do with reconciliation?

Mr. HATCH. Well, I have already said that it is the combination of these bills that Washington liberals want and that combination cannot pass without reconciliation. First of all, we know the House doesn't like the bill that passed in the Senate. If they had the votes to pass it over in the House, it would already be passed. So what they have done is come up with some cockamamie misuse of reconciliation to do a smaller bill.

Mr. ROCKEFELLER. I have stipulated that.

Mr. HATCH. Let me finish—doing a smaller bill that, assuming they can pass the large bill, would then come over here.

I submit to you—and I know it is absolutely true—they can't pass the larger bill. I have also indicated that they may abuse the rules further by getting a special rule over there that would have to deem the Senate bill as having been passed by the House even though there never was a vote on it.

So the key vote would be the vote on the rule to deem the Senate bill as passed. That is a really, really mixed up and messed up version of the reconciliation process. There is only one reason they are doing that, and that is because it is the only way they can possibly get the health care reform they want.

Mr. ROCKEFELLER. Then I would further inquire: I don't see any possibility of the House changing a bill, which would have to come back over to the Senate, because it would be highly unlikely the Senate would be able to pass that bill. So I don't think that will be the process. I think what the House will do—and they said they haven't done it; therefore they can't do it—well, they said that about the Senate bill in the Senate, too, and we did, and it was very close for reasons that it got no votes from your side. But that is not the point.

The point is, reconciliation on 16 percent of the GDP, if they pass it—and this is all in the full time of working out the process on the House side the Senate bill, which is what they want to try to do, and then the reconciliation is not done on their side, it is done on our side, in which we put in a few things to—whatever will be attractive to Republicans as well as some things which will help with liberals on the Democratic side in the House because they are more liberal than we are.

That, I would say to my good friend from Utah, is not reconciliation, but it is put that way for months now. I am on the floor and I have this microphone and you are being kind enough to be patient with me, but it isn't reconciliation. The Senator from South Dakota said it is 16 percent of the gross domestic product. It isn't. It is probably about 5 percent, 6 percent.

Mr. HATCH. Well, I wish to finish my remarks.

Mr. ROCKEFELLER. I thank the Senator.

Mr. HATCH. I am happy to do it. I wish to finish my remarks, but the real problem is that the House is having difficulty passing the Senate bill because an awful lot of liberals don't like it, and an awful lot of conservative Democrats don't like it—if there are any conservative Democrats in that body; there may be a few, although there aren't any over here in this body. The only way they can get the bill back over here with their small reconciliation package that they talked about—

the only way they can do that is by abusing the rules.

Frankly, if they had the votes to pass it, it would have been passed by now. The Senator from West Virginia and I both know they don't have the votes.

Let me just continue on with my remarks. I mentioned earlier that the reconciliation process has never been used to enact sweeping social legislation that did not have wide bipartisan support, but I also wish to emphasize that such major legislation has had wide bipartisan support even when passed through the regular legislative process. That is the best way to achieve such significant change that can impact so much of our economy and virtually every American family.

The Senate, for example, passed the Social Security Act in August 1935 by a voice vote. The legislation creating the Medicare Program in July 1965 received 70 votes, a bipartisan vote. Legislation such as the Americans with Disabilities Act, in which I played a significant role, passed in 1990 by a vote of 94 to 6, and a revision in 2008 passed the Senate and the House unanimously. That is the best way to enact sweeping social legislation with wide bipartisan support and the deep consensus of the American people.

If you look at the meeting down at the White House of Republicans and Democrats and the President, I think it was shocking to many who had been blaming Republicans for not coming up with a bill, knowing that there was no chance it would even be considered, to see that Republicans had a lot of ideas and were willing to work with Democrats, would have worked together. We could have started by doing the things we can agree on and then go from there and see what we can do to bring about a bipartisan consensus. But, no, that wasn't good enough.

So whether our regular legislative process is used or the exception to that process called reconciliation is used, major social legislation has had wide bipartisan support. This one does not. Legislation with much less impact on the health care bills before us had to have wide bipartisan support. But rather than compromise or deviate in any way from their big government, federally controlled, one-size-fits-all approach, Washington liberals have insisted that they know better than the American people, and the American people have caught on to them. These liberals are determined to have their way by any means necessary, even by the illegitimate use of an extraordinary process such as reconciliation.

I ask unanimous consent that a column by this body's former majority leader, Dr. Bill Frist, appearing in the February 25 edition of the Wall Street Journal be placed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. HATCH. Mr. President, Senator Frist cogently argues that using reconciliation for this health care legislation would be a historic and dangerous mistake.

There is still time to turn back from this path. There is still time to do what nearly three-quarters of Americans want us to do and that is start over and work together. I hope we do. I told the President 3 days after the inauguration, when I was down there at their request, that I would be happy to work with him, and I know a lot of other Republicans would be happy to. We were never even called on it.

I wish to thank my distinguished colleague from South Dakota, Senator THUNE, for his leadership in this body and his articulate arguments here today. I have appreciated them. He does a great job leading our policy committee and is a real advocate for sound ideas and conservative principles. I hope he feels as I do, as we have outlined today, that on both substance and process the Senate is heading in the wrong direction on health care reform. We need to pull back and do it right.

Mr. THUNE. If the Senator will yield for just one final point.

Mr. HATCH. I am happy to yield.

Mr. THUNE. I think it is an important one point. I hear articulated by our colleagues on the other side the whole process by which the House is acting on this legislation. I served for three terms in the House of Representatives. I still have colleagues and friends over there, and I know they have a way, through the rules process, of doing a lot of things that aren't allowed in the Senate.

The Senate was designed by our Founders to be more free flowing, to slow things down, and to be more deliberative. The Rules Committee allows them to put together what is called a self-enacting, self-executing rule and, as you said, to "deem as passed" the Senate bill without a rollcall vote or without a recorded vote on it, which tells us right there that there are a lot of House Members who don't want to vote on the Senate-passed bill. They don't want to go on the record.

The only way that bill can pass in the House of Representatives is with an accompanying reconciliation vehicle that makes the fixes that most of those House Members want to make.

My point simply is this: Health care reform cannot pass absent this reconciliation process that is being promised on the House side, and also being promised to House Members is that if they vote for it over there, the Senate will follow suit. With all the points of order that will lie against this legislation when it comes to the Senate, in all likelihood the House Members are being asked to take an incredible leap of faith that the Senate is going to be able to maintain many of the provisions they added to the reconciliation bill in the House.

The point—and I come back to the dialog the Senator from Utah had with

the Senator from West Virginia because I think it is an interesting point of discussion and one criticism I heard from our colleagues on the other side—but, frankly, the House of Representatives could not pass health care reform absent this reconciliation vehicle. It is about one-sixth of our economy. It is about reordering, restructuring, literally, something that is personal and important to every American. When you are talking about doing issues of that consequence and that impact, it ought to be done, as the Senator from Utah has mentioned, as has been done in the past, in a bipartisan way that elicits the best suggestions and ideas of both sides and gets a broad bipartisan vote in the Senate.

I thank the Senator from Utah for his leadership.

Mr. HATCH. I appreciate the Senator's remarks. Make no bones about it, they know they cannot pass the bill that has been sent over there, so they are going to attempt this extraordinary rules gimmick.

Frankly, it really disturbs me that on something this important, something that affects one-sixth of the American economy, they are willing to play games with this in order to get their will when a vast majority of the American people are against what they are doing. Only about 24 percent are for it. Frankly, they want their way no matter what. If they pull this off, and I question whether they can, but if they do, I believe they are going to pay a tremendous price.

It is not the way we should be legislating, especially since a number of us have been willing to work with them on issues we agree on first—and there is a lot we could agree on first—and then go from there and battle it out on the issues on which we cannot agree. That is a pretty good offer, and it has been on the table from the inauguration on.

There is something more to this. It is a question of power. If they get control of the health care system of this country and they move it more and more into the Federal Government and more and more people become dependent on the Federal Government, then it is a question of power.

I want to make fewer and fewer people dependent on the Federal Government. I would like to have people have freedoms. This is going to take away freedoms. Not only that, in order to arrive at this \$2.5 trillion bill, they have had to use accounting gimmicks like imposing taxes first and then 4 years later implementing other parts of the bill. Some of it will not be implemented until 2018, long after President Obama, assuming he is elected to two terms, is gone. That is to accommodate their union friends, knowing that otherwise they will never have the guts to enact that part of the bill.

This bill is going to cost a lot more. We are already spending \$2.4 trillion on our health care system in this country. They want to add another \$2.5 trillion

to it. They say it is \$1 trillion, but they use gimmicks for the first several years. Can you imagine \$5 trillion for health care? And they still do not cover everybody in our society. There is a real issue of whether they are covering a lot of people the American taxpayers are going to have to pay for who should not be covered.

To use this process to slip such a bill through, it is abysmal. They should be ashamed of themselves. They act as if the American people are so doggone stupid, they cannot figure it out. They have already figured it out. They know it is not a good thing.

Mr. THUNE. Will the Senator yield?

Mr. HATCH. Yes, I yield.

Mr. THUNE. I think they have figured it out, which is why the last survey I quoted was the CNN survey which said 48 percent of the people want us to start over and 25 percent want Congress to quit working on the issue altogether. That is literally three-quarters of Americans who have rejected the substance of this legislation—higher taxes, expanded government, Medicare cuts, higher premiums for most Americans—and some who flatout do not want anything done, which, as I said, is not the view to which I subscribe. Three-quarters of Americans understand what this bill is about. They know how it was put together, and they reject both.

Mr. HATCH. I know the distinguished Senator knows as well as I know that there are 1,700 provisions in this bill that turn the power over to make decisions on our health care matters to the Secretary of Health and Human Services. I don't care whether the Secretary is a Democrat or a Republican. Naturally, I prefer a Republican, but I don't care whether they are either. That kind of power should not be turned over to the bureaucracy.

I think Republicans are willing to stand up and have the guts to do it. My gosh, there has not been a hand extended to us at all during this process. They just said: Take it or leave it.

I was in the Gang of 7 on the Finance Committee. I thought that the chairman was trying his best but was not given enough power to really come up with a health care bill, except within the parameters they had already decided. He was so restricted. I decided that I could no longer continue in those talks.

The bill turned out as I thought it would. They took the HELP Committee bill and then they took aspects of the Finance bill and in one office, with even very few Democrats—no Republicans—they came up with this monstrosity of a bill on which the House now does not want to vote. They are going to do anything they can to avoid that vote, even gimmicking up the whole process. That is disgraceful, in my eyes.

I do not need to go on any further. I think we ought to start over. We ought to do it right. We ought to work together and start with the issues on

which we can agree. I think there would be a number of considerable issues we can agree on, starting with people who have preexisting conditions. They ought to be able to get health insurance. We all agree on that. There are a number of other things on which we can agree.

I thank my dear colleague from South Dakota. I thank him for the excellent remarks he made on the floor. I appreciate him answering some of the questions I had.

I yield the floor.

EXHIBIT 1

[From the Wall Street Journal, Feb. 25, 2010]  
A HISTORIC AND DANGEROUS SENATE MISTAKE:  
USING 'RECONCILIATION' TO RAM THROUGH  
HEALTH REFORM WOULD ONLY DEEPEN PAR-  
TISAN PASSIONS

(By Bill Frist)

Senate Majority Leader Harry Reid has announced that while Democrats have a number of options to complete health-care legislation, he may use the budget reconciliation process to do so. This would be an unprecedented, dangerous and historic mistake.

Budget reconciliation is an arcane Senate procedure whereby legislation can be passed using a lowered threshold of requisite votes (a simple majority) under fast-track rules that limit debate. This process was intended for incremental changes to the budget—not sweeping social legislation.

Using the budget reconciliation procedure to pass health-care reform would be unprecedented because Congress has never used it to adopt major, substantive policy change. The Senate's health bill is without question such a change: It would fundamentally alter one-fifth of our economy.

The first use of this special procedure was in the fall of 1980, as the Democratic majority in Congress moved to reduce entitlement programs in response to candidate Ronald Reagan's focus on the growing deficit. Throughout the 1980s and '90s, reconciliation was used to reduce deficit projections and to enact budget enforcement mechanisms. In early 2001, with projected surpluses well into the future, it was used to return a portion of that surplus to the public by changing tax rates.

Senators of both parties have assiduously avoided using budget reconciliation as a mechanism to pass expansive social legislation that lacks bipartisan support. In 1993, Democratic leaders—including the dean of Senate procedure and an author of the original Budget Act, Robert C. Byrd—appropriately prevailed on the Clinton administration not to use reconciliation to adopt its health-care agenda. It was used to pass welfare reform in 1996, an entitlement program, but the changes had substantial bipartisan support.

In 2003, while I was serving as majority leader, Republicans used the reconciliation process to enact tax cuts. I was approached by members of my own caucus to use reconciliation to extend prescription drug coverage to millions of Medicare recipients. I resisted. The Congress considered the legislation under regular order, and the Medicare Modernization Act passed through the normal legislative procedure in 2003.

The same concerns I expressed about using this procedure to fast-track prescription drug expansions with a simple majority vote were similarly expressed by Majority Leader Reid, Senate Budget Committee Chairman Kent Conrad, Finance Committee Chairman Max Baucus, and others last year when they chose not to use the procedure to enact their health-care legislation. Over the past several

months, an additional 15 Democratic senators have expressed opposition to using this tool.

The concerns about using reconciliation to bypass Senate rules which do not limit debate reflect the late New York Democratic Sen. Pat Moynihan's admonishment—that significant policy changes impacting almost all Americans should be adopted with bipartisan support if the legislation is to survive and be supported in the public arena.

Applying the reconciliation process is dangerous because it would likely destroy its true purpose, which is to help enact fiscal policy consistent with an agreed-upon congressional budget blueprint. Worse, using reconciliation to amend a bill before it has become law in order to avoid the normal House and Senate conference procedure is a total affront to the legislative process.

Finally, enacting sweeping health-care reform through reconciliation is a mistake because of rapidly diminishing public support for the strictly partisan Senate and House health bills. The American people disdain the backroom deals that have been cut with the hospital and pharmaceutical industries, the unions, the public display of the "cornhusker kickback," etc. The public will likely—and in my opinion, rightly—rebel against the use of a procedural tactic to lower the standard threshold for passage because of a lack of sufficient support in the Senate.

Americans want bipartisan solutions for major social and economic issues; they don't want legislative gimmicks that force unpopular legislation through the Senate. Thomas Jefferson once referred to the Senate as "the cooling saucer" of the legislative process. Using budget reconciliation in this way would dramatically alter the founders' intent for the Senate, and transform it from cooling saucer to a boiling teapot of partisanship.

Mr. Reid was right to rule out this option when this saga began last year. He would be wise to abandon it today.

The PRESIDING OFFICER. The Senator from West Virginia.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

HEALTH CARE REFORM

Mr. BURRIS. Madam President, I just heard an interesting colloquy between two distinguished friends from across the aisle in reference to health care. Although I found that back-and-forth dialogue very interesting, one problem with the dialogue was it was misinformation that my distinguished colleagues are putting out on this floor and to the people of America. They keep saying we should start over on health care. They are saying we didn't incorporate any of their proposals. And that is the farthest thing from the truth.

The work on this bill took over a year, and they had all the input. Even the President of the United States incorporated their ideas into the bill we passed from this distinguished body, in

the bill that is now lying between the House and the Senate. So while I found their colloquy very interesting, I hope the American people will begin to look at what is being put out here, what is being said here, and realize that our distinguished colleagues across the aisle don't want to see health care reform enacted. Evidently, they want to continue with the same old ways, with the insurance companies controlling this health sick system, not health care system. It is a profit-making system for them. I hope the American people will see right through their comments.

I want to talk today about whether there are real winners and losers in this health care debate. Since the beginning of the debate over health care reform, we have heard an awful lot about the political problems associated with taking on this issue. It is difficult, it is divisive, and there are no easy answers, and for those reasons, it is no wonder our elected leaders have been unable to solve this problem for almost 100 years. This is nothing new. We have been working on this in this body for over 97 years.

There will never be a shortage of reasons to put off the tough questions, to avoid the tough issues and kick the can down the road. There will never be a shortage of roadblocks and excuses. Over the last century, we have heard an awful lot of them. But we must not settle for that any longer. We must reject the tired politics of the past and the tired politics of right now—and the politics we just heard from my distinguished colleagues from across the aisle. It is now time to lead. It is time to say: Enough is enough—to stop shrugging off the difficult problems and to meet them head on. It is time to fundamentally change the conversation.

We have heard far too much about the political winners and losers in the health care debate and not enough about the real winners and losers in America's health care system. So let us refocus the terms of this discussion and keep the perspective where it should be: on the ordinary Americans who need our help, the ordinary Americans who need health care coverage now.

Because this isn't about electoral math. It is not about poll numbers or partisan talking points or cold statistics. It is about hard-working folks who are suffering and dying every single day under a system that is badly in need of repair. It is about the people whose lives and livelihoods are on the line. Our success or failure at passing reform will have political consequences for some of the people in this Chamber, but I believe those concerns are insignificant compared to the real consequences it will have for ordinary Americans all across this country.

So I call upon my colleagues in the Senate and my friends in the media to focus our attention on what matters. Let's talk about what reform means for regular folks, not politicians or special

interests or even insurance lobbyists. This is bigger than politics. This is about addressing a national problem that has touched untold millions of lives over the past 100 years.

As we debate this legislation today, there are 47 million people in this country without any insurance coverage at all, and there are another 41 million people who lack stable coverage. For every year we fail to pass reform, another 45,000 Americans will die because they do not have health insurance and can't get access to the care they need. These are the people who are depending on us—folks in Illinois and every other State in this Union. These are the people who stand to benefit from our reform proposals and who continue to suffer every single day that we fail to take action; for example, people such as Linda and her husband, back in my home State of Illinois. In 2008, they were paying \$577 per month for health insurance under the COBRA program. They each had a clean bill of health and had no reason to fear illness or injury. But when their COBRA coverage ran out on the first day of 2009, their premiums jumped up to over \$1,000 per month. They had no idea why the change was so drastic. They were perfectly healthy. Yet their monthly bills had almost doubled. So to try to save money, Linda and her husband switched to the individual insurance market and got a plan with a \$5,000 deductible and a large copay. The switch was easy. They didn't even have to get a physical exam. Like many Americans, they had every reason to believe their coverage was secure.

When Linda's husband got sick in October of 2009, he had a successful bypass surgery. The insurance provider approved the procedure ahead of time. But once the surgery was complete, the company simply changed its mind. Even though Linda and her husband had never been treated for previous heart problems, and even though he had not even been diagnosed with anything, Blue Cross/Blue Shield suddenly decided he had a preexisting condition and they rescinded his policy. His coverage ended on the spot, and he and his wife were left out in the cold. Today, they owe medical bills that add up to \$208,000, with \$89,000 about to go into collection.

Linda and her husband are just like millions of us in this country; they were perfectly healthy; they thought they had stable insurance; they paid for quality coverage. And then, when they needed it most, their insurance company walked away from them. That is absurd. That should not happen to anybody in the United States of America.

I think Linda said it best when she said:

They did nothing but take our money, and now they're sticking us with the bill.

This is outrageous and it is totally unacceptable. Yet this is the reality faced by millions of Americans every single day. Insurance companies should

no longer be allowed to pull this kind of bait-and-switch action on anybody. That is why we need to pass reform that will give people like Linda the ability to hold insurance companies accountable so they can stop abusing their customers. That is why we need to restore robust competition to the market, so people can shop around if they don't think they are getting a fair deal with their insurance provider. That is why we need reform that will provide real cost savings, so coverage is affordable for Linda and her husband, along with millions of others like them. These are the people our legislation is designed to help.

I think we have heard enough talk about the political winners and losers in the health care debate. We have heard enough about Washington. Because across America, the only real winners are the big insurance corporations that continue to rake in the cash, making record profits. We saw the reports given on their income for 2009—record profits for the insurance companies, with less coverage, and millions of Americans being denied coverage. The only real losers are the hard-working Americans who can't afford coverage and can't get treatment.

It is our duty to fight for these folks, and I would urge my colleagues to honor this sacred trust. The other day President Obama gave a stern speech that captured the spirit of this fight. He called for bipartisan cooperation and urged regular Americans to get angry and to get fired up and to say: We aren't going to take it anymore. He asked them to get involved in this process so we can pass this bill and make reform a reality for Linda and millions of others.

My colleagues, let us take President Obama's speech as a wake-up call. Let us listen to the will of the American people. We have moved this legislation further than any other Congress. At this time, we cannot let this legislation not become effective. It should become effective, it will become effective, and we must finish the job.

Madam President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 3485 TO AMENDMENT NO. 3452

Mr. SPECTER. Madam President, I have sought recognition to discuss an amendment I intend to offer.

The U.S. shipyards play an important role in supporting our Nation's maritime presence by building and repairing our domestic fleet. The industry has a significant impact on our national economy by adding billions of dollars to our annual output. The commercial shipbuilding and ship repair industry is a pillar of the American steel-

worker labor force, employing nearly 40,000 skilled workers.

In the year 2000, the Philadelphia shipyard was rebuilt on the site of the U.S. Navy shipyard. The Philadelphia Naval Shipyard was a historical institution in Philadelphia, employed upwards of 40,000 during the height of the war. At the time of its closing, it employed about 7,000. We fought the case to retain the Philadelphia Naval Shipyard all the way to the Supreme Court of the United States because the government on the BRAC had concealed information from admirals that the yard ought to be kept open. But the case was too difficult, argued on the grounds that there was an unconstitutional delegation of authority to the base-closing commission. But the Supreme Court would have had to have overturned some 300 decisions to leave the Philadelphia Naval Shipyard intact.

The Aker Philadelphia Shipyard employs some 1,200 highly skilled professional workers. Since 2003, it has built more than 50 percent of the large commercial vessels produced in the United States. Additionally, the shipyard contributes over \$230 million annually to the Philadelphia region—\$5 to \$7 million per month in local purchases, \$8.5 million in annual revenues to the city of Philadelphia—and supports over 8,000 jobs throughout the region. Today, the Aker Philadelphia Shipyard is one of only two companies producing large commercial vessels in the United States and is a critical asset to the economic vitality of the mid-Atlantic region of the domestic shipbuilding industry.

Since the economic downturn, shipyards such as the Aker Philadelphia Shipyard do not qualify for loan guarantees under existing programs at the Department of Transportation. Without assistance, shipyards will be forced to begin reducing their highly skilled workforce.

As the economy recovers, so will the need for ships and our domestic shipbuilding capacity. There will also be an additional need for ships, as almost \$5 billion worth of double-hull construction and conversion work will need to take place by the year 2015 to meet the double-hull requirement under the Oil Pollution Control Act of 1990.

To address this dire situation facing our domestic shipbuilding industry, I am seeking the establishment of a loan guarantee program where the Secretary of Transportation can issue a loan guarantee for \$165 million to qualifying shipyards. Because loan guarantees leverage funding, the program would require only \$15 million to leverage the \$165 million. The \$15 million is offset by reprogramming previously appropriated funds, so there is no additional spending associated with this program. The Federal assistance would be short-term financing, bridge financing, to enable shipyards to remain in operation and meet the future anticipated demand for domestically produced ships.

I ask unanimous consent to have the full text of my statement printed in the RECORD.

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

Mr. SPECTER. Mr. President, I seek recognition to speak on an amendment I am offering to H.R. 1586, which is the legislative vehicle for the FAA Air Transportation Modernization and Safety Improvement Act." This amendment would create a loan guarantee program to maintain the domestic manufacturing capacity for shipbuilding.

With the U.S. economy still struggling to recover, manufacturing investments can have an immediate impact. Manufacturers have lost more than two million jobs since the recession began in December of 2007, so there is an opportunity to create a large number of jobs in the industry and to simultaneously revitalize our economy and overall global competitiveness. One area where benefits can immediately be seen is the shipbuilding industry. U.S. shipyards play an important role in supporting our Nation's maritime presence by building and repairing our domestic fleet; and the industry has a significant impact on our national economy by adding billions of dollars to U.S. economic output annually.

These shipbuilding investments are vital to the United States, creating thousands of good-paying jobs across the country. The commercial shipbuilding and ship repair industry is a pillar of the American skilled labor workforce employing nearly 40,000 skilled workers; and the ships produced domestically are an integral part of commerce, international trade, the Navy, Coast Guard, and other military and emergency support. With more than 80 percent of the world's trade carried in whole or part by seaborne transportation, the shipbuilding industry has always had and will continue to have a large industrial base that can support significant job creation and economic growth.

Since the mid 1990s, the industry has been experiencing a period of expansion and renewal. The last expansion was largely market-driven, backed by long-term customer commitments. Those new assets created much more productive and advanced ships than those they replaced. For example, articulated double-hull tank barge units replaced single-hull product tankers in U.S. coastal trades, and new dual propulsion double-hull crude carriers replaced 30+ year-old, steam propulsion single-hull crude carriers. The new crude carriers are larger, faster, more fuel-efficient and have a four-fold increase in efficiency over the vessels they replaced.

During the last expansion, the Department of Transportation's Maritime Administration touted the success of Aker Philadelphia Shipyard as a great achievement for the American shipbuilding industry. In 2000, Aker Philadelphia Shipyard was rebuilt on the site of a closed U.S. Navy shipyard. In a few short years, the shipyard became the country's most modern shipbuilding facility employing 1,200 highly skilled professional workers. Since 2003, it has built more than 50 percent of the large commercial vessels produced in the United States. Additionally, the shipyard contributes over \$230 million annually to the Philadelphia region, \$5 million to \$7 million per month in local purchases, \$8.6 million in annual tax revenues to the City of Philadelphia, and supports over 8,000 jobs throughout the region. Today, Aker Philadelphia Shipyard is one of only two companies producing large commercial vessels in the United States and is a critical asset to the economic viability of the mid-Atlantic region and the domestic shipbuilding industry.

Despite these successes, the economic collapse has stalled the shipbuilding industry by delaying planned ship acquisitions, constraining the credit markets, and making large vessel acquisitions impossible to finance. The long-term customer driven commitments that drove the last expansion are not a possibility in this economic climate. As a result, this industry, which is a part of the national security industrial base, supports thousands of highly skilled jobs, and is critical to the industrial fabric of our nation, is struggling to survive.

Since the economic downturn, shipyards such as the Aker Philadelphia Shipyard do not qualify for loan guarantees under existing programs at the Department of Transportation. Without assistance, shipyards will be forced to begin reducing their highly skilled workforce, apprentice programs, and vendor and supplier contracts, at a time when we can least afford additional job losses. If this situation persists and companies like Aker were to cease operations, our nation's ability to construct commercial vessels would be severely limited and the investments we made to build this state-of-the-art facility would be lost.

At the same time, there is a strong and direct correlation between the performance of shipbuilding and the global economy and trade. Shipbuilding activities rise when global trade and the economy grow. Likewise, shipbuilding will be among the first activities to suffer when trade slumps and the economy stutters. This puts shipbuilding at the forefront of one of the world's key and most important economic activities, and a reliable barometer of economic performance.

As the economy recovers, so will the need for ships and our domestic shipbuilding capacity. The Maritime Administration has recognized that construction of vessels for the Nation's marine highway system could result in significant new opportunities for U.S. shipyards. The shipbuilding industry is also developing vessel portfolios that can be leveraged by the government including military vessels to meet the nation's needs in time of national emergency. For example, the Navy's Littoral Combat Ship and Joint High Speed Vessel programs are based on commercially designed and available vessels. There will also be a need for additional ships as almost \$5 billion worth of double hull construction and conversion work will need to take place by 2015 to meet the double hull requirement under the Oil Pollution Act of 1990.

To address the dire situation facing the domestic shipbuilding industry, I am seeking the establishment of a loan guarantee program, where the Secretary of Transportation can issue a loan guarantee for \$165 million to qualifying shipyards. Because loan guarantees leverage funding, the program would require only \$15 million to leverage \$165 million. This \$15 million is offset by reprogramming previously appropriated funds, so there is no additional spending associated with this program.

The federal assistance would be a short-term financing "bridge" to enable shipyards to remain in operation and meet the future anticipated demand for domestically produced ships. I encourage my colleagues to help maintain the commercial shipbuilding capacity of the United States through the inclusion of a loan guarantee program.

Mr. SPECTER. It is my intent to offer this amendment when the time is right. I know the distinguished majority leader is now arranging a schedule of pending amendments for votes. So I will not offer it at this time but will seek to have all of the relevant record and all of the relevant information included in the RECORD as I have stated.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, the legislation on the floor of the Senate is the FAA reauthorization bill. Senator ROCKEFELLER is here, Senator HUTCHISON has been here, and we are working now, trying to find a way to move the legislation. It has attracted a lot of amendments that have nothing at all to do with the subject. It is as if some believe this is not urgent or important. Of course, nothing could be further from the truth. There is an urgency to this legislation.

I know it is not, perhaps, the highest profile legislation in the Congress these days, but we have a requirement to reauthorize the activities of the FAA. We have now failed to do that and instead had to extend their authorization 11 successive times. But because we extend it, we then do not improve the authorization and do the things that are necessary for improving airline safety, the things that are necessary to include the passenger bill of rights which is in this bill, airport improvement funds, and particularly modernization of the air traffic control system.

I mentioned yesterday the urgency of moving on what is called NextGen; that is, next-generation air traffic control.

In this country, we now fly to ground-based radar. We have all of these airplanes in the sky. Most of them have a transponder or something that puts a mark on a controller's screen somewhere in an air traffic control sector, and it says, this is where the airplane is. Well, that is technically right at that nanosecond, that is where the airplane is, but instantly thereafter the airplane is somewhere else, and for the next 7 seconds or so, as the sweep of the radar occurs, that airplane, particularly if it is a jet, is long gone from that little spot. So because we do not know exactly where the airplane is—we know about where the airplane is—we have routes that are flown that are much less direct than they should be. We use more fuel than we should. Rather than have direct flights, we cost the passengers time and we pollute the air by keeping that airplane in the sky longer because we cannot fly direct routes because we do not fly by GPS. Our children can operate by GPS with their cell phones, but we cannot fly or we do not fly a system of GPS. We fly a system of ground-based radar for our navigation, and that has been around forever.

I mentioned yesterday the circumstances of being able to control air traffic in this country. When people began to learn how to fly and they started flying airplanes and figured out they could make money by carrying the mail, they could only do that when the Sun was up because they could not figure out how to fly at night. So they started building bonfires, and then they would fly to a bonfire, put a big-

old bonfire out there 50 miles away and fly to a bonfire and then land. Then they put up light stanchions with the lights into the air so they could fly toward the lights. Then they invented radar. Then they fly based on and guided by ground-based radar.

But we are way beyond ground-based radar right now. That is what we still use. But you do not drive a car out here with ground-based radar; you drive a car with GPS. Talk about all of the people who are driving their vehicles using this little monitor—that is GPS. Your kids have GPS on their cell phones, but if you are on a 757 with 250 people behind the cockpit flying from Washington, DC, to Seattle, you are not flying by GPS because they do not have the technology, they do not have the equipage in the planes, in most cases, and they do not have the capability on the ground through the FAA to convert from ground-based radar to GPS and something called Next Generation, modernization of the air traffic control system.

If we pass this legislation, finally, at long last, we will move in that direction aggressively. I have met with the Europeans and others who are moving aggressively on Next Generation, and we just keep extending—11 times—the FAA reauthorization bill.

So we bring it to the floor. It includes safety, which I will talk about in a moment, it includes investment in the airport infrastructure in this country, which means jobs, putting people back to work. But we bring the bill to the floor at long last, I think 3 years after it should have been done but we could not do it because it got extended.

Now we have amendments that have nothing at all to do with this—earmark moratoriums, discretionary spending limits, school vouchers for Washington, DC, coastal impact programs for drilling. They do not have the foggiest thing to do with the bill that is on the floor of the Senate, which is why it is so hard to get things done.

I have often said, you know, the difference between a glacier and the Senate is at least you can see a glacier move from time to time. It is so hard to get things done. And this is a demonstration of it right now. People come trotting to the floor of the Senate and say: Oh, we are working on aviation safety. You know what. Why don't I offer an amendment on something that has nothing to do with it at all and then go back to my office. It is unbelievable to me.

Let me talk for a moment about safety because that also represents the urgency in this bill.

I chaired the hearing—several of them now—on the tragic crash that occurred in Buffalo, NY, 1 year ago. It took 50 lives—the captain, the copilot, flight attendants, passengers, and 1 person died on the ground. This is a case where, when we investigate it, as we have, a lot of things went wrong. We have a very safe system, very few accidents, but if you investigate what

happened that night flying into Buffalo, NY, you understand we are not far away from another accident unless we fix some of these things.

Here is a Dash 8 airplane, propeller airplane, flying at night in icy conditions in the winter, about to land in Buffalo, NY.

Here is what we have learned. I don't know whether it is just this case, just this cockpit, just this airplane, but I doubt it. What we learned is the captain of the plane had not slept in a bed 2 nights previous. The copilot had not slept in a bed the night before. Two people in the cockpit had not slept in a bed the night before the flight. Why? The copilot flew from Seattle all the way to Newark to be at the duty station because that is where she went to work. She flew all night long on a plane that stopped in Memphis to get to the duty station. This is a young woman making between \$20,000 and \$23,000 a year in salary. Do we think a young pilot making \$20,000 or \$23,000—which raises another question about compensation, low compensation—do we think that person, if that person travels all night, is going to have the money to pay for a hotel? I don't think so. Two people in that cockpit flying at night in the winter with icing conditions.

We now know that what are supposed to be sterile conditions in the cockpit, speaking only below 10,000 feet and only about what is happening with that airplane, that sterile condition was violated repeatedly, talking about other things, careers and so on. We know now there was a training deficiency with respect to the issue of the stick push and the stick shaker which engaged when the icing became significant. We now know that the most wanted list of airline safety requirements from the NTSB, they have had on their most wanted list several things that deal with fatigue, with icing that have been there for 10, 15 years. All of these things come together and raise questions about how do you fix this, how do you make sure this doesn't happen again.

I am not suggesting that regional airlines are unsafe, although I think evidence suggests that the most recent crashes have been regional carriers. There are questions about the number of hours required to be able to sit in the right seat on a regional carrier. There are questions about whether the majors that hire a regional carrier to carry passengers have some responsibility for that. I believe they should. But when someone gets on a regional carrier, which carries 50 percent of the passengers in the country, all they see is the fuselage and the marking that says United, Continental, Delta, USAIR. That is all they see. But that may not be the company that is transporting them. It may be a very different company, a regional airline company.

The question is, that trunk carrier whose brand exists on the fuselage,

have they required the same set of standards? Is there one level of safety? That is a requirement dating back at the time in the mid-1990s, one level of safety. When you step on an airplane, you should have the opportunity to believe that in that cockpit, on that plane, with the training and so on, there is one level expected. I think this crash in Buffalo raises serious questions about whether that exists.

I had a chart that describes a combination of a couple of issues. One is duty time. The other is fatigue. The third is commuting. In this case, with this tragedy, I want to show what has occurred. It requires us to address this issue. I want to show a chart that shows Colgan Air pilots. This could be a chart of virtually any airline, the major carriers or the regional carriers. What it shows is where the Colgan pilots were commuting from in order to get to the work station at Newark, living in Seattle, Portland, Los Angeles, San Francisco, and commuting to work all the way across the country. It is not unusual. Commuting has been going on for a long time. But the issue of commuting is a reasonable issue for us to try to understand and do something about.

It also relates to the issue of fatigue. Do you think in that cockpit on that airplane, with a pilot who hadn't slept in a bed for 2 nights and a copilot that hadn't slept in a bed the night previous, there was not fatigue? It seems pretty unlikely that that group was not fatigued. We don't in this bill address the issue of commuting. Randy Babbitt, the FAA Administrator, now has sent to OMB a rulemaking on fatigue which is important.

My point is, this crash, this tragedy a year ago raised so many questions. You can make the point that this is a very safe system. All of us fly all the time. Most every weekend we get on airplanes believing that we are being transported safely. I am not trying to scare anybody to say that is not the case. I am saying you can decide to ignore some of the things we have discovered about the Colgan crash, but we do that at our risk, at the risk of reducing that margin of safety.

Here is what a pilot said in a Wall Street Journal article on the subject. This is an 18-year veteran pilot describing the routine of commuter flights with short layovers in the middle of night: Take a shower, brush your teeth, then pretend you slept.

An important issue for those who fly airplanes, an important issue in terms of the question, are pilots fatigued? This shows a pilot watching a movie on his computer at a crash house in Sterling Park, VA. It houses up to 20 to 24 occupants and is designed to give flight crews from regional airlines a quiet place to sleep near their base. Many can't afford hotels.

The copilot made between \$20,000 and \$23,000 a year. That was her salary. She had a part-time job working at a coffee shop. She got on the airplane in Seattle to fly to Newark to begin her

workday because that is where her duty station was. She flew all night long to do it. The fact is, crews who are making that amount of money, particularly those who are flying right seat in an airplane, did not have the funding to get a motel room.

My point is, Senator ROCKEFELLER and I and others have worked on this FAA reauthorization bill to try to address a wide range of issues. This is one, the issue of safety.

In addition, the captain of this plane had failed a number of different exams along the way to getting accredited. But the airline that hired the pilot was not able to have the information to understand that. This legislation changes that. This airline has said: Had we known about the failure of those exams, this pilot would not have been hired. But he was because the company didn't know. This legislation fixes that. If you want to hire a pilot, you know everything there is to know about the record of that pilot.

My point is, Senator ROCKEFELLER and I, Senator HUTCHISON and others, have brought this bill to the floor of the Senate at long last hoping that perhaps we can get a bill passed. There is an urgency here with respect to safety and other things. I hope Senator ROCKEFELLER and others can expect some cooperation. It is very hard to get cooperation here on the floor of the Senate, but if ever there is something we might decide to cooperate on, how about making certain there is an extra margin of safety in the skies by passing legislation that addresses, among other issues, aviation safety. If we do that, we will give the American people some measure of confidence on this important subject.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, I ask unanimous consent to set aside the pending amendment and call up amendment No. 3475.

Mr. ROCKEFELLER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MCCAIN. I understand that is the process right now. However, I will discuss the amendment. It is very simple. It would place a moratorium on all earmarks in years in which there is a deficit. I am pleased to be joined in this effort by my good friend from Indiana Senator BAYH. I thank him for his leadership and courage.

I am sure I don't need to remind my colleagues about our Nation's fiscal situation. But let's review the facts anyway. This morning the Treasury Department announced that the government racked up a record high monthly budget deficit of \$220.9 billion last month. We now have a deficit of over \$1.4 trillion and a debt of over \$12.5 trillion. I recently have seen a bumper sticker in Arizona that says: Please don't tell the President what comes after a trillion.

Unemployment remains close to 10 percent. According to Forbes.com, a

record 2.8 million American households were threatened with foreclosure last year. That number is expected to rise to well over 3 million homes this year. Even with all of this, we continue to spend and spend and spend. Every time we pass an appropriations bill with increased spending loaded up with earmarks, we are robbing future generations of their ability to obtain the American dream. I believe that is immoral. That is why I have been pleased and somewhat surprised over the last several days to hear about the renewed bipartisan interest in banning earmarks. I am thankful for the attention. I welcome the Democratic House leadership to the fight against earmarks.

According to today's Washington Post:

Facing an election year backlash over runaway spending and ethics scandals, House Democrats moved Wednesday to ban earmarks for private companies, sparking a war between the parties over which would embrace the most dramatic steps to change the way business is done in Washington.

I applaud the Democrats in the other body for this step. It is a small step, but it is a step in the right direction. As House Appropriations Committee Chairman OBEY pointed out, the fiscal year 2010 budget included more than 1,000 earmarks for private companies. So the effect of the moratorium proposed by the other body would be a reduction of about 1,000 earmarks. The problem with this is that there were over 9,000 earmarks loaded onto just one of the bills we passed last year.

According to Taxpayers for Common Sense, last year's earmarks funded by Congress but not requested by the administration totaled \$15.9 billion. So we spent \$15.9 billion on earmarks while we are facing the highest national debt in history. Additionally, according to today's Congressional Quarterly, "there are several significant catches" to the House Democrats' earmark moratorium. They note:

If a program is not formally considered an earmark, according to congressional rules, for instance, it could escape any ban. Billions of dollars in spending for the defense industry could end up slipping through that caveat alone, analysts say.

So why am I not surprised. Thankfully, the House Republican caucus recognized the fact that the Speaker's proposal did little to seriously address the problem so they upped the ante and voted unanimously to impose an across-the-board earmark ban on their conference. I congratulate Mr. BOEHNER and especially Congressman FLAKE of Arizona for taking this bold step. It was the right thing to do.

Unfortunately, this newfound zeal for attacking earmarks is not shared by their Senate counterparts. According to today's Congressional Quarterly:

Senate Democrats signal that they would not follow suit, even as senior House Republicans responded that all earmarks should be banned.

Congressional Quarterly also noted:

It is not clear where Majority Leader Harry Reid stands. His office declined to

comment on the House appropriations move. But the Senate appropriators' opposition does not bode well for a ban's prospects in that body.

Again, I am not surprised. The Washington Post article I cited earlier also noted that:

The latest earmark reform efforts follow a wave of investigations focusing on House appropriators' actions. The Justice Department has looked into the earmarking activities of several lawmakers and, relying on public documents, the House Ethics Committee investigated five Democrats and two Republicans on the Appropriations defense subcommittee, finding that the lawmakers steered more than \$245 million to clients of a lobbying firm under federal criminal investigation.

The lawmakers collected more than \$840,000 in political contributions from the firm's lobbyists and clients in a little more than two years.

The battle over earmarks has been waged over many years—I have been engaged in it for 20 years—and I am under no illusions that it will end anytime soon. I was encouraged in January 2007 when the Senate passed, by a vote of 96 to 2, an ethics and lobbying reform package which contained, meaningful earmark reforms. I believed that at last we would finally enact some effective reforms. Unfortunately, that victory was short lived.

In August 2007—some 8 months later—we were presented with a bill containing very watered-down earmark provisions and doing far too little to rein in wasteful earmarks and porkbarrel spending. I find myself encouraged by what I have heard over the last several days, but I have been around here long enough to know not to get my hopes up. I do not look at this as being cynical, just practical.

Let's take a look at some of the things we have spent hundreds of billions of taxpayers' dollars on over the last several years: \$165,000 for maple syrup research in Vermont; \$150,000 for the Polynesian Voyaging Society in Honolulu; \$250,000 for turtle observer funding; \$500,000 for the Bellevue Arts Museum in Washington; \$2 million for the algae research in Washington; \$500,000—one of my all-time favorites; it comes back all the time—to the National Wild Turkey Federation in Nebraska; \$799,000 for soybean research; \$349,000 for pig waste management in North Carolina; \$819,000 for catfish genome research in Alabama; \$250,000 for gypsy moth research in New Jersey; \$1 million for potato research at Oregon State University—and the list goes on—a \$250,000 earmark for the Iowa Vitality Center at Iowa State University. The list goes on and on.

For over 20 years, I have fought vigorously against the wasteful practice of earmarking. The fight has been a lonely one and has not won me friends in this town over the years. But it is an important fight, and I am confident that, in the end, the opponents of this practice will be victorious. The corruption which stems from earmarking has resulted in current and former Members of both the House and the Senate

either under investigation, under indictment, or in prison.

Again, I was pleased to see that the Speaker of the House and the chairman of the House Appropriations Committee have recognized earmarks for what they are: a corrupting influence that should not be tolerated in these times of fiscal crisis—or ever. I applaud my Republican colleagues in the House and Senate, especially Senators COBURN and DEMINT, who have called for a yearlong moratorium on all earmarks. I fully support and join them in those efforts.

But I also think we need to do more. We need a complete ban on earmarks until our budget is balanced and we have eliminated our massive deficit. This amendment, if considered—and I will make it considered at one point or another—will have a proposal to do just that, and I encourage my colleagues to join me in this effort. It is what the American people want, and we have an obligation to give it to them.

We, as Members of Congress, owe it to the American people to conduct ourselves in a way that reinforces, rather than diminishes, the public's faith and confidence in Congress. An informed citizenry is essential to a thriving democracy, and a democratic government operates best in the disinfecting light of the public eye. By seriously addressing the corrupting influence of earmarks, we will allow Members to legislate with the imperative that our government must be free from corrupting influences, both real and perceived. We must act now to ensure that the erosion we see today in the public's confidence in Congress does not become a complete collapse of faith in our institutions. We can and we must end the practice of earmarking.

I have traveled around the country and all around my home State of Arizona. I have seen the Tea Party participants. I have met citizens in my State who have never ever been involved in the political process before. They are angry, they are frustrated, and they want change. They want the change that was promised them last November, which they have not gotten. They want us to act as careful stewards of their tax dollars.

Just the other night, my colleague from Arizona, Senator KYL, and I were on a teleconference call to the citizens of our State, and many thousands of them were on the call, and we responded to their questions. A guy on the phone—he was from Thatcher, AZ—said: I've never been involved nor cared much about politics before. But you have gotten me off the couch.

"You have gotten me off the couch." We have lots of people "off the couch" because they are saying: Enough. They are saying: Enough of a \$1.4 trillion debt this year and an increase in that debt for next year of some \$1.5 trillion and an accumulated debt of \$12.5 trillion. They believe we have spent too much and we have taxed too much.

So I hope we can send a message by completely banning earmarks and go through the appropriate process for the funding of sometimes much needed projects; that is, the authorization and then appropriation route. Many people believe I am saying—I and those of us who oppose earmarks—that we are against any projects for anyone's State or much needed help.

It is not the case. What we are saying is that we want any project and expenditure of taxpayers' dollars authorized and then appropriated. That way, by authorizing, the authorizing committees can compare all the virtues or the necessities of every project and match them up against one another rather than an appropriation being added in the middle of the night that is directly related to a position on the Appropriations Committee or a position of influence rather than merit. We cannot afford to continue that practice which has led to the anger and cynicism of the American people, and also has led over time to the investigation, sometimes indictment, and even incarceration of Members of Congress in Federal prison.

So I urge my colleagues to now stand up and do the right thing; that is, to ban the earmarks, at least until we can tell the American people we have eliminated this debt we have laid on our children and our grandchildren.

I say to the distinguished chairman of the committee, I did have an amendment on bicycle storage facilities, and one other. Perhaps at the appropriate time—I will be glad to brief the chairman and his staff—it would be appropriately in order.

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. ROCKEFELLER. 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. ROCKEFELLER. Madam President, a primary emphasis I have put into this Federal aviation bill over the last number of years is modernizing our air traffic control system. I have heard myself talk about it so much that I am tired of listening to myself. But, on the other hand, I am not sure other people have heard it enough, it is so important.

One way of explaining it is that most cars use a more sophisticated global positioning system than do our air carriers, our legacy airlines. That is kind of pathetic and it has to end. The only way we can do that is by modernizing the air traffic control system. It is doable. There is money in the bill to do it on an annual basis. It should be completed by the year 2025. In fact, it has already begun. In one of the Gulf States, it is completed and they are using it. Mongolia is using it, and we just would think it is not too much to

ask to catch up to Mongolia on air traffic control.

We have a very safe air system, but it is not safe enough. By that I mean we move 30,000 flights a day in America. More than half of all the air traffic in the world is American. Nearly 700 million people per year use our airplanes. So how you position airplanes and how you guide them and how they know where they are and where they are going and how they can most quickly and safely get there is very important.

The FAA's recent forecasts say there will be probably a 50-percent increase in the foreseeable future. That will be well over 1 billion passengers per year. But we are already stretched too thin in the air traffic control system that we have, which is antiquated and which is owned by no other industrialized country in the world, obviously, including Mongolia, which probably is not fully industrialized.

So the Next Generation Air Transportation System—and the word for it is NextGen; we just use that word—will create the capacity, will save us millions of dollars, it will help clean up our air because airplanes will be able to go from one place to the other because they will be able to see in real time what the weather patterns are, where other planes are. It will help the air traffic controllers on the ground position them. Airplanes will be able to fly more closely to each other's tail, so to speak. In all ways, it will be much more efficient, much more manageable—all in real time. We do it with our automobiles, and we ought to be able to do it with planes.

It is very good environmentally, which to the Presiding Officer, the Senator from New Hampshire, may sound like a reasonable prospect. Jet fuel is not inexpensive, and it is not carbon free. This will produce a lot less carbon emissions. It will also lower another kind of emission, which is noise, which affects people, and not just in this city but everywhere.

Most importantly, NextGen will dramatically improve safety, and that is the whole point. It will provide pilots and air traffic controllers with better situational awareness. It is what we do for our troops, it is what we do for ourselves, and we need to do it for our airplanes.

If you can see weather maps in real time—and you just know airplanes are going this way and that way to avoid what they visually see in the way of clouds or rain or whatever—if they can get it in real-time GPS, then they can cut right through and go from point to point much quicker.

So our bill, S. 1451, takes a lot of steps right away to do that. We will be spending \$500 million a year—that is in the bill—on this. We expect it to be finished by 2025. It seems like a long time. We are not going to pay for all of it. We are going to ask the airlines to pay for equipage, which is their electronic response to what is on the ground, which is what we will pay for. Obviously,

every airplane will have to have that. They will want to do that. They will not like paying for it, but they will not like not having it when everybody else does.

The bill takes further steps to make certain about NextGen. This is one of those items that does not sound very good, but if it is done properly, it will be very good. We create an air traffic control modernization oversight board within the FAA, and they will be active. We establish a chief NextGen officer at the FAA. That is a person and a group to be responsible simply for seeing that progress is on schedule, pushing people who have to be pushed, and we will include representatives of Federal employees in the planning of the NextGen projects. It is appropriate that we include people who fly airplanes in this.

So we need to begin implementing this technology now, and we need to get to the day when we can know we are as safe as we are in our car. Actually, I am not sure that is the right encouraging statement, but it is dangerous up there and we take a lot of chances. I have been in an airplane that was struck by lightning, a single-engine plane with one pilot. I did a lot of praying, and here I am.

Senator DORGAN was speaking about safety. The grieving families from flight 3407, that accident in Buffalo, NY, are never to be forgotten, and we can never allow a tragedy such as that to happen again. That is the problem when you have commuter airlines. Fifty percent of all our air traffic is now commuter airlines. As I am sure the Presiding Officer understands, in West Virginia and New Hampshire, we don't get—you get a lot more than we do of major jet flights. We don't get those very much. So we make do with the propellers, and I squeeze my 6-foot-7 frame as best I can usually next to the exit door because there is more room there.

But that accident in Buffalo, NY, was avoidable. It didn't have to happen, and it shouldn't ever happen again. We have an important opportunity to make serious changes, and we need to make sure these changes put safety first. Safety is always the No. 1 consideration.

So a few ideas. Our bill includes measures to strengthen the Nation's aviation safety system and takes great strides to promote something called one level of safety. As I stand here speaking to the Presiding Officer, I can't believe that one level of safety is going to be achieved within 6 months, but that is the objective of the bill—that nobody gets to be more safe than somebody else.

When the Senator from North Dakota was talking about—and this is airline pilot folks. They pay their senior people a great deal. But if you pay somebody who did not land in Buffalo, NY, in that tragic flight, he was being paid between \$20,000 and \$25,000. Neither the Presiding Officer's State nor

mine pay teachers that little. It is shocking. It is absolutely shocking that an airline pilot would be subject to those wages and, therefore, can't stay in a motel overnight and, therefore, may go one or two nights without sleep and then fly a plane. We can't do that. We can't allow that. That is why we want to get to this bill, and we ought to pass this bill instead of waiting year after year and postponing it 11 times, as we have, by extending the authorization.

So in recent years we actually have seen the safest period in aviation history, even with the busiest system in the world. The air traffic controllers oversee over 30,000 flights a day—I think it is closer to 36,000 flights a day—and, again, 800 million people each year. But there are ways we can do better. Our passengers and the dedicated airline workforce deserve better.

As chairman of the Commerce Committee and as former chairman of the Aviation Subcommittee for more than 10 years—I have been into this a lot—I appreciate the work Senator DORGAN, who is now chairman of the Aviation Subcommittee, has done to continue to focus on safety, using flight 3407 that crashed in Buffalo as his sort of emotional touch point but simply driving and driving and driving—we have had actually eight safety hearings in the committee since that time, since that accident.

One could say, well, so what. But that is what galvanizes us. That is what allows us to put together a better safety section in this bill which, in fact, we have done.

So in the bill, we strengthen greatly the training and certification of commercial aviation pilots, two vague words with two very sharp meanings.

Our bill requires the FAA to reevaluate pilot training and qualifications and issue a new rule to make certain flight crew members have the proper skills and experience. They either do or they don't. They have to be evaluated, and if they don't make it, they are out. I don't know what the union will say about that, but that is what we have to do. If the FAA fails to do this and do so by the end of 2011, then all air carrier pilots must have at least 1,500 flight hours, and now it would be more at the 800 level. In other words, that is a jolt. That is a real stick which we are holding out there in this bill to make them better in their certification and the rest of it.

We focus a lot on pilot fatigue. That is a human phenomenon, but it is a dangerous one if you are flying an airplane. It requires the FAA to revise the flight and duty time regulations for commercial airline pilots and issue the final rule within 1 year. No, that is not tomorrow but within 1 year, they will have a schedule that will hopefully stop this kind of thing, where pilots fly in from San Francisco, don't get any sleep, have to sleep in a little bunk house.

We also require some other key changes. We require an electronic data-

base that the FAA must develop and that carriers must consult to obtain a full picture of a pilot's experience and skills before giving them such enormous responsibility. They have to pass that database examination.

The FAA will also require air carriers to implement a formal remedial training program for underperforming pilots. The underperforming is a hard thing to evaluate, but it is doable, and the remedial training is not hard to do. That is just time in simulated cockpits or in real cockpit situations.

In conclusion, we all must understand the reality we are living with; that our utmost priority is always safety, but that is easier said than accomplished. The National Transportation Safety Board recently determined pilot error was the primary cause of that accident in Buffalo, flight 3407. To put it even more clearly, this tragedy simply did not have to happen and could have been avoided, and by passing this bill, we can do more to make sure we don't repeat that kind of history.

Safety is always important. I don't know of anyplace where it is more important than in the skies.

I thank the Presiding Officer. I yield the floor and note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 3453, AS MODIFIED

Mr. ROCKEFELLER. Madam President, I ask unanimous consent that the Sessions amendment No. 3453 be modified with the changes at the desk.

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

The amendment (No. 3453), as modified, is as follows:

At the end, insert the following:

**SEC. 01. DISCRETIONARY SPENDING LIMITS.**

(a) IN GENERAL.—Title III of the Congressional Budget Act of 1974 is amended by inserting at the end the following:

“DISCRETIONARY SPENDING LIMITS

“SEC. 316. (a) DISCRETIONARY SPENDING LIMITS.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, or conference report that includes any provision that would cause the discretionary spending limits as set forth in this section to be exceeded.

“(b) LIMITS.—In this section, the term ‘discretionary spending limits’ has the following meaning subject to adjustments in subsection (c):

“(1) For fiscal year 2011—

“(A) for the defense category (budget function 050), \$564,293,000,000 in budget authority; and

“(B) for the nondefense category, \$529,662,000,000 in budget authority.

“(2) For fiscal year 2012—

“(A) for the defense category (budget function 050), \$573,612,000,000 in budget authority; and

“(B) for the nondefense category, \$533,232,000,000 in budget authority.

“(3) For fiscal year 2013—

“(A) for the defense category (budget function 050), \$584,421,000,000 in budget authority; and

“(B) for the nondefense category, \$540,834,000,000 in budget authority.

“(4) With respect to fiscal years following 2013, the President shall recommend and the Congress shall consider legislation setting limits for those fiscal years.

“(c) ADJUSTMENTS.—

“(1) IN GENERAL.—After the reporting of a bill or joint resolution relating to any matter described in paragraph (2), or the offering of an amendment thereto or the submission of a conference report thereon—

“(A) the Chairman of the Senate Committee on the Budget may adjust the discretionary spending limits, the budgetary aggregates in the concurrent resolution on the budget most recently adopted by the Senate and the House of Representatives, and allocations pursuant to section 302(a) of the Congressional Budget Act of 1974, by the amount of new budget authority in that measure for that purpose and the outlays flowing there from; and

“(B) following any adjustment under subparagraph (A), the Senate Committee on Appropriations may report appropriately revised suballocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this subsection.

“(2) MATTERS DESCRIBED.—Matters referred to in paragraph (1) are as follows:

“(A) OVERSEAS DEPLOYMENTS AND OTHER ACTIVITIES.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013, that provides funding for overseas deployments and other activities, the adjustment for purposes paragraph (1) shall be the amount of budget authority in that measure for that purpose but not to exceed—

“(i) with respect to fiscal year 2011, \$50,000,000,000 in new budget authority;

“(ii) with respect to fiscal year 2012, \$50,000,000,000 in new budget authority; and

“(iii) with respect to fiscal year 2013, \$50,000,000,000 in new budget authority.

“(B) INTERNAL REVENUE SERVICE TAX ENFORCEMENT.—

“(i) IN GENERAL.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013, that includes the amount described in clause (ii)(I), plus an additional amount for enhanced tax enforcement to address the Federal tax gap (taxes owed but not paid) described in clause (ii)(II), the adjustment for purposes of paragraph (1) shall be the amount of budget authority in that measure for that initiative not exceeding the amount specified in clause (ii)(II) for that fiscal year.

“(ii) AMOUNTS.—The amounts referred to in clause (i) are as follows:

“(I) For fiscal year 2011, \$7,171,000,000, for fiscal year 2012, \$7,243,000,000, and for fiscal year 2013, \$7,315,000,000.

“(II) For fiscal year 2011, \$899,000,000, for fiscal year 2012, and \$908,000,000, for fiscal year 2013, \$917,000,000.

“(C) CONTINUING DISABILITY REVIEWS AND SSI REDETERMINATIONS.—

“(i) IN GENERAL.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013 that includes the amount described in clause (ii)(I), plus an additional amount for Continuing Disability Reviews and Supplemental Security Income Redeterminations for the Social Security Administration described in clause (ii)(II), the adjustment for purposes of paragraph (1) shall be the amount of budget authority in that measure for that initiative not exceed-

ing the amount specified in clause (ii)(II) for that fiscal year.

“(ii) AMOUNTS.—The amounts referred to in clause (i) are as follows:

“(I) For fiscal year 2011, \$276,000,000, for fiscal year 2012, \$278,000,000, and for fiscal year 2013, \$281,000,000.

“(II) For fiscal year 2011, \$490,000,000; for fiscal year 2012, and \$495,000,000; for fiscal year 2013, \$500,000,000.

“(iii) ASSET VERIFICATION.—

“(I) IN GENERAL.—The additional appropriation permitted under clause (ii)(II) may also provide that a portion of that amount, not to exceed the amount specified in subclause (II) for that fiscal year instead may be used for asset verification for Supplemental Security Income recipients, but only if, and to the extent that the Office of the Chief Actuary estimates that the initiative would be at least as cost effective as the redeterminations of eligibility described in this subparagraph.

“(II) AMOUNTS.—For fiscal year 2011, \$34,340,000, for fiscal year 2012, \$34,683,000, and for fiscal year 2013, \$35,030,000.

“(D) HEALTH CARE FRAUD AND ABUSE.—

“(i) IN GENERAL.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013 that includes the amount described in clause (ii) for the Health Care Fraud and Abuse Control program at the Department of Health & Human Services for that fiscal year, the adjustment for purposes of paragraph (1) shall be the amount of budget authority in that measure for that initiative but not to exceed the amount described in clause (ii).

“(ii) AMOUNT.—The amount referred to in clause (i) is for fiscal year 2011, \$314,000,000, for fiscal year 2012, \$317,000,000, and for fiscal year 2013, \$320,000,000.

“(E) UNEMPLOYMENT INSURANCE IMPROPER PAYMENT REVIEWS.—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013 that includes \$10,000,000, plus an additional amount for in-person reemployment and eligibility assessments and unemployment improper payment reviews for the Department of Labor, the adjustment for purposes paragraph (1) shall be the amount of budget authority in that measure for that initiative but not to exceed—

“(i) with respect to fiscal year 2011, \$51,000,000 in new budget authority;

“(ii) with respect to fiscal year 2012, \$51,000,000 in new budget authority; and

“(iii) with respect to fiscal year 2013, \$52,000,000 in new budget authority.

“(F) LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP).—If a bill or joint resolution is reported making appropriations for fiscal year 2011, 2012, or 2013 that includes \$3,200,000,000 in funding for the Low-Income Home Energy Assistance Program and provides an additional amount up to \$1,900,000,000 for that program, the adjustment for purposes of paragraph (1) shall be the amount of budget authority in that measure for that initiative but not to exceed \$1,900,000,000.

“(d) EMERGENCY SPENDING.—

“(1) AUTHORITY TO DESIGNATE.—In the Senate, with respect to a provision of direct spending or receipts legislation or appropriations for discretionary accounts that Congress designates as an emergency requirement in such measure, the amounts of new budget authority, outlays, and receipts in all fiscal years resulting from that provision shall be treated as an emergency requirement for the purpose of this subsection.

“(2) EXEMPTION OF EMERGENCY PROVISIONS.—Any new budget authority, outlays, and receipts resulting from any provision designated as an emergency requirement, pursuant to this subsection, in any bill, joint

resolution, amendment, or conference report shall not count for purposes of this section, sections 302 and 311 of the Congressional Budget Act of 1974, section 201 of S. Con. Res. 21 (110th Congress) (relating to pay-as-you-go), and section 311 of S. Con. Res. 70 (110th Congress) (relating to long-term deficits).

“(3) DESIGNATIONS.—If a provision of legislation is designated as an emergency requirement under this subsection, the committee report and any statement of managers accompanying that legislation shall include an explanation of the manner in which the provision meets the criteria in paragraph (6).

“(4) DEFINITIONS.—In this subsection, the terms ‘direct spending’, ‘receipts’, and ‘appropriations for discretionary accounts’ mean any provision of a bill, joint resolution, amendment, motion, or conference report that affects direct spending, receipts, or appropriations as those terms have been defined and interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.

“(5) POINT OF ORDER.—

“(A) IN GENERAL.—When the Senate is considering a bill, resolution, amendment, motion, or conference report, if a point of order is made by a Senator against an emergency designation in that measure, that provision making such a designation shall be stricken from the measure and may not be offered as an amendment from the floor.

“(B) SUPERMAJORITY WAIVER AND APPEALS.—

“(i) WAIVER.—Subparagraph (A) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn.

“(ii) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this paragraph shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this paragraph.

“(C) DEFINITION OF AN EMERGENCY DESIGNATION.—For purposes of subparagraph (A), a provision shall be considered an emergency designation if it designates any item as an emergency requirement pursuant to this paragraph.

“(D) FORM OF THE POINT OF ORDER.—A point of order under subparagraph (A) may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

“(E) CONFERENCE REPORTS.—When the Senate is considering a conference report on, or an amendment between the Houses in relation to, a bill, upon a point of order being made by any Senator pursuant to this paragraph, and such point of order being sustained, such material contained in such conference report shall be deemed stricken, and the Senate shall proceed to consider the question of whether the Senate shall recede from its amendment and concur with a further amendment, or concur in the House amendment with a further amendment, as the case may be, which further amendment shall consist of only that portion of the conference report or House amendment, as the case may be, not so stricken. Any such motion in the Senate shall be debatable. In any case in which such point of order is sustained against a conference report (or Senate amendment derived from such conference report by operation of this subsection), no further amendment shall be in order.

“(6) CRITERIA.—

“(A) IN GENERAL.—For purposes of this subsection, any provision is an emergency requirement if the situation addressed by such provision is—

“(i) necessary, essential, or vital (not merely useful or beneficial);

“(ii) sudden, quickly coming into being, and not building up over time;

“(iii) an urgent, pressing, and compelling need requiring immediate action;

“(iv) subject to clause (ii), unforeseen, unpredictable, and unanticipated; and

“(v) not permanent, temporary in nature.

“(7) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

“(e) LIMITATIONS ON CHANGES TO EXEMPTIONS.—It shall not be in order in the Senate or the House of Representatives to consider any bill, resolution, amendment, or conference report that would exempt any new budget authority, outlays, and receipts from being counted for purposes of this section.

“(f) POINT OF ORDER IN THE SENATE.—

“(1) WAIVER.—The provisions of this section shall be waived or suspended in the Senate only—

“(A) by the affirmative vote of two-thirds of the Members, duly chosen and sworn; or

“(B) in the case of the defense budget authority, if Congress declares war or authorizes the use of force.

“(2) APPEAL.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the measure. An affirmative vote of two-thirds of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

“(3) LIMITATIONS ON CHANGES TO THIS SUBSECTION.—It shall not be in order in the Senate or the House of Representatives to consider any bill, resolution, amendment, or conference report that would repeal or otherwise change this subsection.”

(b) TABLE OF CONTENTS.—The table of contents set forth in section 1(b) of the Congressional Budget and Impoundment Control Act of 1974 is amended by inserting after the item relating to section 315 the following new item:

“Sec. 316. Discretionary spending limits.”

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. SHAHEEN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

#### INTERNATIONAL WOMEN'S DAY

Mrs. SHAHEEN. Mr. President, I rise to express my disappointment, and frankly bewildered, over the blocking of a resolution to recognize International Women's Day. This week, on Monday, March 8, the world commemorated International Women's Day, a day for people around the world to celebrate the economic, political, and social achievements of women—past, present, and future.

We have made significant progress over the years in advancing women's rights and these should be celebrated.

However, International Women's Day is also a day to recognize how much work there is yet to do in the struggle for equal rights and opportunities.

But last week, I, along with three of our colleagues—Senator CARDIN, Senator GILLIBRAND, and Senator BOXER—submitted a resolution to do that, to recognize and honor those women in the United States and around the world who have worked throughout history to ensure that women are guaranteed equality and basic human rights and to recognize the significant obstacles women continue to face. Our resolution garnered 15 cosponsors from both sides of the aisle, so both our Republican colleagues and Democrats cosponsored this resolution.

I think it is important to note that over the last several years, Congress has unanimously passed similar statements supporting the goals of International Women's Day and encouraging people across the country to observe this important day with appropriate programs and activities.

But this year, while this day was celebrated and recognized around the world, it was not recognized by the Senate. This noncontroversial, bipartisan resolution was blocked and the blocking of this resolution, is inexplicable and indefensible. But, sadly, it is not surprising because obstruction seems to have become a way of doing business around here no matter how innocuous the issue.

Because we were not able to get agreement from the other side in passing this resolution, I would like to read into the RECORD some of the statements that are in the resolution so we can honor, at least in our RECORD, the contributions of women around the world.

Whereas women around the world participate in the political, social, and economic life of their communities and play the predominant role in providing and caring for their families;

... Whereas although strides have been made in recent decades, women around the world continue to face significant obstacles in all aspects of their lives including discrimination, gender-based violence, and denial of basic human rights;

Whereas women are responsible for 66 percent of the work done in the world, yet earn only 10 percent of the income earned in the world;

Whereas women account for approximately 70 percent of individuals living in poverty world-wide;

... Whereas women in developing countries are disproportionately affected by global climate change;

... Whereas according to the Department of State, 56 percent of all forced labor victims are women and girls;

Whereas according to the United Nations, 1 in 3 women in the world will be beaten, coerced into sex, or otherwise abused in her lifetime;

... Whereas, the United Nations theme for International Women's Day 2010 is “Equal rights, equal opportunities: Progress for all”: Now, therefore, be it

Resolved, That the Senate . . . recognizes and honors the women in the United States and around the world who have worked throughout history to strive to

ensure that women are guaranteed equality and basic human rights;

reaffirms the commitment to end gender-based discrimination in all forms, to end violence against women and girls worldwide; and

encourages the people of the United States to observe International Women's Day with appropriate programs and activities.

That is a brief version of the full resolution, but I think you can tell by what I read, this is a resolution that recognizes the challenges that still face too many women, not only in this country but especially in developing countries around the world. I hope next year when International Women's Day comes around, this body, the Senate, will be willing to recognize that day and recognize what is happening with women across the country and around the world.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. CARDIN. Mr. President, I thank Senator SHAHEEN for her leadership on S. Res. 433. I thank her for coming to the floor this evening to explain what this resolution does, that it would have the Senate go on record in support of recognizing March 8 as International Women's Day. I appreciate Senator SHAHEEN reading into the RECORD what is included in this resolution. The resolution supports the goals of International Women's Day. It recognizes that the economic growth and empowerment of women is inextricably linked with the potential of nations to generate economic growth in sustainable democracies. It recognizes the women in the United States and around the world who have worked throughout history to strive to ensure that women are guaranteed equality and basic human rights. It reaffirms the commitment to end gender-based discrimination in all forms, to end violence against women and girls worldwide, and encourages the people of the United States to observe International Women's Day with appropriate programs and activities.

I think it is important, as Senator SHAHEEN has done, to point out we have not been able to adopt this resolution because of the objection of a Senator. This should have been done. There is nothing controversial in this resolution. It has 15 cosponsors. It is bipartisan.

But most important, it points out a very important fact about women around the world; that is, that they are being discriminated against; they are being abused; they are being treated unjustly, and we should go on record as to what we need to do in order to recognize that fact. It is beyond dispute. These are the facts. These are facts stated by respected international organizations about how women and girls are abused.

We know about the trafficking of young women and girls. We know about the lack of maternal health care. We know about the lack of health care for children. We know about the discrimination in education. In Sub-Saharan

Africa, only 17 percent of girls are enrolled in secondary schools. We know about that. We know about the abuses in the workforce, the fact that Senator SHAHEEN mentioned—66 percent of the work done by women and only 10 percent of the income. These are facts, and we know we need to go on record to say we will not allow this to continue.

I am disappointed we are not going to be able to approve this resolution because of the objections. I think it is an inappropriate use of a Senator's right to object. I think it is important the American people understand that. I thank my colleague from New Hampshire for bringing to the attention of our colleagues in the Senate, bringing to the attention of the American people, that we stand for gender equality. Unfortunately, one Senator is preventing us from passing a resolution that should have been passed unanimously by this body.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

TRIBUTE TO KATE PUZEY

Mr. ISAKSON. Mr. President, I rise on a very sad moment for me, but a very poignant moment as well. This morning at 6:30, when I got up in my condominium in Washington, I lit a candle. When I return there this evening, I will relight that candle. If you go on YouTube and look to "Light A Candle for Kate Puzey," you will understand why I lit it, because 12 months ago today, March 11 of last year, Katherine "Kate" Puzey was murdered in Benin, Africa. Two years of volunteer teaching in a school in Benin and she was brutally murdered, her life was taken.

I didn't know Kate Puzey in life, but I have come to know her well in death. When I read the article in the Atlanta newspaper about her death, I was compelled to go to the funeral that day, to a family I did not know in a neighborhood I had not visited. I sat at the back of the church, and I listened for 2 hours to the tributes of young person after young person, minister after minister, teacher after teacher, Peace Corps volunteer after Peace Corps volunteer, talking about this wonderful woman of the world, this wonderful light to the world. Kate Puzey graduated at the top of her class in Cumming, GA, Forsyth County, in high school. She went on to William and Mary College, graduated with distinction and honors, was president of student government in high school, was everything you would like to see in a young person.

But she was not just a citizen of America, she was a citizen of the world.

She cared about the less fortunate. She cared deeply about troubled children. She committed her life to the Peace Corps immediately upon her graduation from college.

She was assigned to Benin, in west Africa. I am on the Africa subcommittee and travel to Africa every year. Last year I was in Rwanda, Tan-

zania, Sudan and Darfur, Kenya. I understand the wonderful work of the Peace Corps volunteers in Africa. They are bringing hope out of despair, love out of tragedy. That was Kate's mission in life.

To listen to those Peace Corps volunteers who served with her—and they came to visit me and tell me about her—she was a shining star for America, she was a shining star for the children of Benin, Africa, she was everything John Kennedy intended the Peace Corps to be around the world when he created it 49 years ago this month.

Tragically, though, Kate was murdered. She was brutally murdered at the hands of an alleged person who is pending trial in Benin now, a person who is alleged to have murdered her because Kate Puzey did what is right. You see, Kate, as a teacher in this school, learned there was an individual who was sexually abusing young African children in Benin.

Benin is not like Washington. You do not pick up the phone and call the main desk and order something; you don't pick up a newspaper and read it; you do not send an e-mail, because it does not exist. To communicate is very difficult.

But Kate, at risk to herself, communicated back to the central office what she had learned was taking place in the abuse of these children. The next day she was murdered at night in her hut.

The trial has not taken place yet. I am never going to convict anybody until they have had their day of justice. But from all the evidence that has been seen, Kate Puzey died because she did what is right. It caused me to think, when I met with her folks a few weeks ago, and listened to their concerns about other young people around the world volunteering in the Peace Corps, that maybe there is something we ought to do as a tribute to the sacrifice of Kate Puzey's life; that is, find a way to provide for these volunteers a protection, such as whistleblowers receive every day in government.

You see, whistleblower protection for those who would report something that is being done wrong keeps them from being abused. But Peace Corps people are not employees, they are volunteers. I met with Aaron Williams not too long ago, the new Director, who is doing a wonderful job at the Peace Corps. He agreed to meet with Kate's parents, Lois and Harry Puzey, who suggested to him some of the things that could be done as a tribute to Kate, and hopefully preventing something like this from ever happening again. I know Aaron Williams is looking at that. I commend him for the investigation he is doing.

CHRISTOPHER DODD from Connecticut, in this body, a Peace Corps volunteer himself many years ago, and I have met. He has some legislation coming soon on the Peace Corps. I spoke to him about incorporating a protection similar to whistleblower protection

that government employees have for these volunteers who are in the Peace Corps, and immediately he seized on the idea, because he recognized what I know: Peace Corps volunteers are not in the luxury spots around the world. They live in danger and with very little support. They live way out, but they live there because they want to help. They want to protect. They want to right the wrongs.

When I travel to Africa every year, in every country I go, I invite Peace Corps volunteers for breakfast or lunch or dinner. I am always struck, first, that it usually takes them a couple of days to get to me, because they have to hitch rides or literally walk, because there is no transportation. I realize how remote their service is. But I also realize how wonderfully received their service is in the countries where they serve. We are blessed as a nation to have had a President who created the Peace Corps. We are blessed as a nation to have 7,600 Americans right now volunteering around the world, 155 of them from my home State of Georgia.

But periodically we face great tragedy. A year ago, Kate Puzey's life was taken away from her and her family, tragically. As sad as that tragedy is, we need to bring hope from that tragedy. From the despair that her family feels, we need to have a sense of love, and the best way to do it is to see to it that we pass legislation to protect or add protection to Peace Corps volunteers for providing information that is critical to be known and protect them from retribution.

I will work with CHRIS DODD on that as a tribute to Kate Puzey, and when I go home tonight, I am going to relight that candle, a candle that pays tribute to the life and the love and the many successes of Kate Puzey.

While taken from us at the age of 24, she has left us with a legacy of everything that is right with America, everything that is right with our youth, everything that is right with the Peace Corps; that is, to deliver the message of hope to people around the world who have no hope, promise to those who have despair and hope for the future of mankind.

I pay tribute to the life of Catherine "Kate" Puzey, of Cumming, GA.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

HEALTH CARE

Mr. WHITEHOUSE. Mr. President, more than a year ago I came to the Senate floor to share stories I had heard from Rhode Islanders who are struggling in our broken health care system. Since then I have been here on many occasions continuing to share

those stories and continuing to urge Congress to get to work on legislation to transform our health care system so all Americans can receive the health care they deserve.

Over the past year, with my colleagues in the Senate on the HELP Committee, our colleagues on the Finance Committee—the many colleagues who were active in preparing this legislation and working on the Senate floor—we have worked through differences, ironed out details, and slowly but surely moved toward creating a reformed health care system that will lower costs, cover millions of the uninsured, and deliver the care we need when we need it.

Today, we stand on the brink, on the doorstep, just a few short steps away, from achieving this landmark reform. As we move forward to take those welcome final steps, let's not forget that the deliberate failure to act—as our Republican colleagues recommend—would leave millions of Americans mired in a status quo that consistently—consistently—fails them.

I recently heard from Valerie, a working mother in Warwick, who carried the health insurance coverage for her entire family until she lost her job. The double blow of losing her job and her insurance left Valerie and her husband with very few choices. The choice they faced was a difficult one. Here is what they decided: After paying for costly individual plans for their teenagers, they could not afford coverage for themselves. So they went ahead, covered their kids, and have left themselves exposed to the devastating financial consequences of getting sick while uninsured.

Here is what Valerie wrote to me:

Looking back on our lives, major life decisions have been based upon the availability and affordability of health insurance for our family. I have had to pass up job opportunities and make other major sacrifices to ensure we had affordable insurance. Now that isn't even possible.

Valerie is one of the 14,000 Americans who lose their health care coverage every day we do not act. Mr. President, 14,000 is a very big number, but it is just a number. Behind each one of those 14,000 people is a story like Valerie's and a family who is worried and anxious, perhaps even frightened.

For Emily, a resident of Barrington, the continuation of the status quo would prolong the endless runaround she and her husband have endured to get just one health insurance claim resolved.

Last March, Emily's husband required back surgery. The insurance company preapproved the coverage, assuring him the surgery would be paid for. With this assurance, Emily's husband went to the hospital and went through with the surgery.

Months later, however, the insurance company still had not paid. They began to ask for more information. Emily re-submitted lengthy paperwork, but she heard nothing back. Nine months have

now passed—9 months—and the insurer has yet to pay the \$17,000 charge for her husband's surgery.

Nationally, insurance company overhead has more than doubled in the past 6 years. It is up more than 100 percent in the past 6 years. It is now estimated to cost America \$128 billion. What do you suppose they spent that money on when they doubled their overhead and their bureaucracy? More people to take cases such as Emily's and find more ways to deny and delay their payment.

If we do not change the status quo, there will be even more insurance bureaucracy, even more fighting to delay or deny claims, and even more people such as Emily and her husband who are on the short end of the stick when the insurance companies engage with them.

For Christine, a concerned mother in Providence, the status quo has left her worried sick about her son. Christine has always provided health insurance for her family, but when her son turned 23 years old he became ineligible for coverage under her insurance policy.

In this difficult economy, Christine's son has only been able to find part-time work, like so many other Americans, so many Rhode Islanders. Christine writes this:

It breaks my heart when he expresses to me that he feels insecure and strange that he is not covered medically.

Christine prays that nothing goes wrong with her son that would require medical care, and asks me: "What is he to do?"

Well, when this bill passes, Christine's son will have something to do. He will be able to stay on her family coverage until he turns 26.

These stories I have shared today—stories from anxious families of fear, uncertainty, and frustration—are the direct result of the rampant dysfunction in the broken status quo of our health care system. I know the Presiding Officer, who comes from Minnesota, sees this in his home State every day.

The legislation we passed in the Senate on Christmas Eve will begin to correct this rampant dysfunction. It will begin to make our system start to work for the American people and not support the insurance companies working against them.

To our Republican colleagues who seek to delay and obstruct this historic reform, I have to say we need to pass comprehensive health care reform so people like Valerie never have to make the choice between health insurance for herself and health insurance for her children. We need to pass comprehensive health care reform so that people such as Emily and her husband can't be denied care or denied payment or get the runaround from profit-driven insurance companies. We need to pass comprehensive health care reform so that children such as Christine's son can stay on their parents' insurance policies, particularly during this tough economy, until the age of 26, helping

them get by during those exciting, challenging, tumultuous years when a young person gets out of college and starts to find their way in the workforce, those years between college and an established career.

These changes will make a real difference in the lives of millions of Americans. I hope all of my colleagues will hit the reset button on their opposition and will think of the Emilys and the Valeries and the Christines in their home States, the thousands of Americans whose lives will be made better in real and important ways by this reform. I urge them to join us in supporting this historic effort.

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

The PRESIDING OFFICER (Mr. BURRIS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### UNANIMOUS CONSENT AGREEMENT

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the list that I will send to the desk shortly be the only first-degree amendments in order to H.R. 1586 other than any pending amendments; that the first-degree amendments be subject to second-degree amendments which are relevant to the amendment to which offered; that managers' amendments be in order if they have been cleared by the managers and leaders and, if offered, they be considered and agreed to and the motion to reconsider be laid upon the table; further, that upon disposition of all amendments, the substitute amendment, as amended, if amended, be agreed to and the motion to reconsider be laid upon the table; the bill, as amended, be read a third time and the Senate proceed to vote on the passage of the bill; that upon passage, the title amendment, which is at the desk, be considered and agreed to and the motion to reconsider be laid upon the table.

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

The list of amendments is as follows:

#### DEMOCRATIC LIST—FAA

- Baucus: 1. Relevant to any on list.
- Begich: 1. Alaska Native training, 2. Oxygen cylinders, 3. NextGen Avionics.
- Bingaman: 1. EAS.
- Cantwell: 1. Increase number of beyond perimeter exemption DCA, 2. Bond financing fixed wing emergency medical aircraft (#3477), 3. Study natural soundscape preservation, 4. Required navigation performance improvements, 5. Implementation NextGen, 6. Rollover treatment IRAs airline carrier bankruptcy, 7. Shipping investment withdrawal rules.
- Cardin: 1. Worker safety, 2. Passenger bill of rights, 3. EAS, 4. Relevant.
- Durbin: 1. Study airline and intercity rail codeshare arrangements, 2. Development best practices/metrics/design/maintenance.
- Feingold: 1. Transportation earmarks (pending), 2. Airport development funds.
- Feinstein: 1. Cabin air quality.

Landrieu: 1. Passenger rights.  
 Lautenberg: 1. Newark Airport Traffic study #3473, 2. Transportation terminal fees #3484.  
 Lieberman: D.C. Schools (pending).  
 Menendez: 1. Transparency of fees, 2. Fuel surcharges, 3. Monitoring of air noise in NYC/NJ air space, 4. Pilot distraction study.  
 Nelson (NE): 1. Passenger fare charges.  
 Nelson (FL): 1. General Aviation/Military airport program #3479.  
 Rockefeller: 1. Relevant to any on list, 2. Relevant to any on list.  
 Reid: 1. Clark County lands #3467, 2. Airport improvement land lease #3468, 3. Flood mitigation #3469, 4. Relevant to any on list.  
 Schumer: 1. Rules relocation #3478, 2. Transfer off peak slots #3480, 3. Pilot qualifications.  
 Shaheen: 1. Expansion New Hampshire site.  
 Specter: 1. Qualified shipyards loan guarantees.  
 Warner: 1. DCA slots/perimeter rules, 2. DCA slots/perimeter rules, 3. DCA slots/perimeter rules, 4. Volunteer pilot organization (medical airlift).  
 Wyden: 1. Regulating air tours in national parks.  
 Sessions: 3453.  
 Vitter: 3458.  
 DeMint: 3454.  
 McCain: 3472, Bicycle storage facilities, Grand Canyon Overflights, NextGen, Earmarks moratorium.  
 Ensign: 3476, DCA perimeter rules.  
 Johanns: FAA.  
 Inhofe: 3464, Volunteer Pilots.  
 Coburn: Audit Airports with 10,000 Enplanements, Offset National Park Tour Management Plans, Repeal an Essential Air Service Alternative Program, Reform the Essential and Small Air Service program, Prioritize Aviation national priorities over earmarks, Cap subsidy rate per passenger for certain programs.  
 Collins: FAA hearing in Maine.  
 Murkowski: FAA trainee program, flight service stations.  
 Bunning: Pilots.  
 Crapo: 3457, Boise TRACON.  
 Barrasso: 3474.  
 Bennett: 3462.  
 Hutchison: 3481, 2. relevant to list.  
 Grassley: 1. relevant to list.  
 McConnell: 1. relevant to list.  
 Wicker: 3494, Amtrak technicals.

#### MORNING BUSINESS

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Senate 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.

#### TRIBUTE TO GENEVIEVE "GENE" SEGERBLOM

Mr. REID. Mr. President, I rise today to honor Genevieve "Gene" Segerblom for a lifetime of service to her family, community, and the entire State of Nevada. It has been my privilege to serve the State of Nevada for close to 45 years in a variety of capacities, and during this time I have worked alongside monumental figures from my home State. Yet, perhaps no other person with whom I have come in contact over these years has been as great a force for good as has Gene. Gene will

soon be celebrating her 92nd birthday, and on this occasion I am happy to recognize her life and accomplishments before the U.S. Senate.

Gene was born in Ruby Valley, near Elko, NV. Gene and her family moved to Salt Lake City when she was a baby, but the Great Depression brought them to the Reno area, where Gene attended junior high school. After graduating from high school in Winnemucca, Gene enrolled as a mechanical engineering student at the University of Nevada but changed her major to education. It was during this time that Gene met Cliff Segerblom, the man she eventually married and with whom she raised two children, Robin and Richard. After her graduation, Gene relocated to Boulder City, NV, where she worked as a school teacher.

This upcoming Monday, March 15, Gene will celebrate her 92nd birthday at an event honoring her late husband's artwork. Nevada: The Photography of Cliff Segerblom, is certain to display Cliff's marvelous talent in capturing with his artistic eye the state that I love. I would like to take a moment to speak about Gene's husband Cliff. Cliff Segerblom was one of Nevada's most accomplished artists. Although he was best known for his work with watercolors, Cliff also thrived in photography and acrylics. I am lucky enough to own some of Cliff's incredible paintings, and I count them among my most prized possessions. Gene's husband displayed incredible gifts, and I know that all of Nevada has been enriched by his talents.

Gene is a third-generation Nevadan and comes from a family with a long tradition of public service in Nevada. Her grandfather, W. J. Bell, was in the Nevada Legislature, and her mother, Hazel Bell Wines, was a Humboldt County assemblywoman. Like her mother and grandfather before her, Gene took an active interest in the betterment of her community. In 1979, she ran for and won a seat on the Boulder City Council. Her election coincided with an uneasy period of growth for Boulder City, a time in which the city's water and power resources were dwindling. However, Gene met the problem head-on and helped to bring about an era of sustainable growth to Boulder City.

By 1993, Gene was serving in the Nevada State Assembly, representing Boulder City, Henderson, Laughlin, and my hometown of Searchlight. In 2000, Gene Segerblom's time in the assembly came to a close. However, it was not long before her son Richard "Tick" Segerblom followed in his mother's footsteps and was elected to the Nevada State Legislature.

My wife Landra and I feel grateful for the chance to call Gene a dear friend. Indeed, Gene's life has been one of friendship and compassion to all Nevadans. I am proud of all that she has accomplished, and all she will continue to achieve. I wish her a very happy 92nd birthday.

#### TAX EXTENDERS ACT

Mr. KYL. Mr. President, the economic downturn has continued for a year-and-a-half now and has affected most Americans in some way.

Congress has approved a number of measures, which I supported, aimed at helping those Americans. It recently extended unemployment benefits for those who do not have a job. It also expanded the eligibility requirements and duration for COBRA health benefits for those between jobs, and provided a subsidy for those premiums.

I could not, however, support the so-called jobs bill put forward by the majority leader and recently passed by the Senate.

A jobs bill should create jobs. Beyond some of the tax extenders, there is little in this bill that provides a foundation for jobs creation.

The bill is essentially a large spending package that extends, through 2010, aspects of current law. The provisions it contains, such as long-term extensions of unemployment insurance, COBRA, and FMAP State aid, do not promote jobs growth, and, in fact, anticipate that unemployment will still be a serious problem for the remainder of the year.

A negative correlation exists between unemployment benefits and work incentives. As President Obama's chief economist Larry Summers has written:

Government-assistance programs contribute to long-term unemployment by providing an incentive, and the means, not to work. Each unemployed person has a 'reservation wage'—the minimum wage he or she insists on getting before accepting a job. Unemployment insurance and other social-assistance programs increase that reservation wage, causing an unemployed person to remain unemployed longer.

He further concludes:

Unemployment insurance also extends the time a person stays off the job.

That analysis underscores my point. While I do not disavow the need for unemployment benefits and have supported every short-term extension, I do believe that long-term extensions of those benefits do not lead to job creation and should not be touted as part of a jobs bill.

The cost of this bill is also a problem. When President Obama signed the pay-go Act 4 weeks ago, he said:

Now, Congress will have to pay for what it spends, just like everybody else.

This bill waives those brand new pay-go requirements and adds more than \$100 billion to the already-exploding deficit.

Good jobs legislation would address the underlying problem of unemployment, rather than treating the symptoms of a weak economy. Good jobs provide far more security to American families than temporary government benefits do.

There are a number of steps Congress can take that will actually put Americans back to work.

One is ending the constant cycle of spending billions of dollars the Treasury does not have. When the government borrows money—it borrowed \$1.4

trillion last year—it's more difficult for the private sector to borrow and invest. When businesses can't grow their operations, they can't afford to hire new employees.

Congress can also ameliorate the uncertainty that is preventing new hiring by not raising taxes and costs on employers. Unless they are extended, the lower tax rates that have been in place since 2001 are set to expire at the end of this year, triggering a \$2 trillion tax increase over the next decade. Businesses will remain timid about hiring if they think new taxes will add to the cost of their business and consume the capital that could be used to pay new employees.

There are other steps Congress can take—promoting our Nation's exports by passing free-trade agreements with Colombia, Panama, and South Korea, and increasing production of domestic energy resources, for example.

Passing bills that increase our Nation's debt and create disincentives to work will not encourage investment in the economy. If we want business owners and entrepreneurs to start creating jobs, Congress should act so that it does not become harder and more expensive to do business.

#### TRIBUTE TO MARY MCBRIDE

Mrs. MURRAY. Mr. President, I would like to take a moment today to recognize Mary McBride for her years of service to the U.S. Senate and the people of Washington State. Mary served on my staff for the last 9 years of her distinguished public career. Prior to her service in my office, Mary served as the Washington State Director of USDA Rural Development during the Clinton administration. As of March 1, 2010, Mary is assuming yet another role in the Federal Government as Region X Administrator for the U.S. Department of Housing and Urban Development.

Mary is a thoughtful and dedicated public servant. She covered three diverse regions in Washington State on my behalf: central Washington, the Olympic Peninsula, and South Puget Sound. The issues facing each of these regions differ greatly, and Mary was able to immerse herself in the concerns facing my constituents and build lasting relationships in each community. Whether working on farm worker housing, economic development or gang violence, Mary approached each topic with an outstanding knowledge of the Federal process and resources and with a strong commitment to solving problems and creating opportunity.

I would like to thank Mary for her years of service to me and the people of Washington State. Her career is a tremendous example of public service, and her dedication to her work is truly appreciated. I wish her all the best in her future endeavors and know that her many talents will continue to serve the U.S. Department of Housing and Urban Development in the Obama administration.

#### TRIBUTE TO JUDY OLSON

Mrs. MURRAY. Mr. President, I would like to take a moment today to recognize Judy Olson for her years of service to the U.S. Senate and the people of Washington State. Judy served on my staff for 11 years prior to becoming the Washington State Director of the U.S. Department of Agriculture Farm Service Agency in August of 2009.

During her many years on my staff, Judy served as my eastern Washington regional director. Covering a region that spanned 13 counties and 24,239 square miles, Judy brought a tireless dedication to the needs of my constituents in this vast region. A longtime resident of Whitman County, Judy and her husband farmed wheat, dried peas, and lentils. This gave her deep understanding and firsthand knowledge of the challenges facing our farmers and agricultural communities. Over the years, Judy continuously worked to ensure that the people of Washington State, whether they lived in Spokane or in Omak, were well served by the Federal Government.

I would like to thank Judy for her years of service to me and the people of Washington State. Her career is a tremendous example of public service, and her dedication to her work is truly appreciated. I wish her all the best in her future endeavors and know that her many talents will continue to serve the Farm Service Agency in the Obama administration.

#### REMEMBERING KENT M. RONHOVDE

Mr. BENNETT. Mr. President, I was saddened to learn that Kent M. Ronhovde of the Congressional Research Service died on February 19. Mr. Ronhovde devoted a 36-year career at CRS to serving both sides of the aisle and both sides of the Capitol, Senate and the House.

Mr. Ronhovde was a senior leader and an adviser to Director Daniel P. Mulhollan. For the last 7 years as Associate Director of the Office of Congressional Affairs and Counselor to the Director, he brought astute judgment and keen insight into some of the most sensitive issues facing the Service.

CRS provides members of Congress authoritative, objective and non-partisan analysis. All of us appreciate CRS experts' solid advice untainted by advocacy, hidden agendas or personal biases. Kent Ronhovde was instrumental in preserving those core values of CRS.

Mr. Ronhovde was the primary liaison between CRS and its Senate and House oversight committees. He managed the CRS Review Office in which all CRS written work is judged for conformance with CRS policies.

Mr. Ronhovde was a native Washingtonian who received his JD at Georgetown University Law Center and served in Vietnam. He subsequently earned a master's in public administration while

at CRS. CRS hired him in 1974 as an attorney and he rose progressively through the American Law Division and CRS senior management.

Some of us here today may remember Mr. Ronhovde's excellent work as a legislative attorney in the American Law Division in the 1970s and 80s. He served senators, committees and their staffs in such areas as criminal law, intelligence activities, gun control and terrorism. He wrote extensively on legal issues raised in connection with the reports of the Senate Select Committee to Study Government Operations with Respect to Intelligence Activities—Church Committee—and of the House Select Committee on Assassinations.

His distinguished performance led to his selection as section head in 1985 and assistant chief of the division in 1986. As assistant chief, he managed the Federal Law Update, a twice-yearly series of seminars on important issues of law and policy related to the legislative business of Congress. In 1996, he was promoted to a senior management position in CRS and in 2003 assumed the duties of associate director and counselor to the Director. Throughout this illustrious career, Mr. Ronhovde guarded and exemplified CRS's core values: authoritativeness, confidentiality and objectivity. He honored and respected CRS's role in serving the Congress and he ensured the role was undertaken judiciously and wisely. His astute counsel, sound judgment and devotion to the institutions of CRS and Congress will be sorely missed.

Mr. President, I extend my sincerest condolences to Mr. Ronhovde's wife Juliet, daughters Kristen and Brooke, their families, and to all his many friends and colleagues at CRS.

#### RIGHT TO BEAR ARMS

Mr. UDALL of New Mexico. Mr. President, last week, the Supreme Court heard oral arguments in the *McDonald v. City of Chicago* case.

Despite much of the rhetoric surrounding this case, *McDonald v. Chicago* isn't a case about gun control. It is a case about our constitutional, fundamental rights as Americans.

Our freedoms in the Bill of Rights—including those of speech and religion and the press—are incorporated by the 14th amendment. They cannot be infringed upon by the states. The Supreme Court ruled on that issue long ago.

The issue in *McDonald* is whether an individual's second amendment right to keep and bear arms must be protected against State infringement. The case follows the Court's landmark 2008 ruling in *District of Columbia v. Heller*. In *Heller*, the Court—for the first time—ruled that the second amendment protects an individual's right to keep and bear arms.

There is precedent dating back more than 100 years that reaffirms that the second amendment applies only to the

Federal Government. However, in 1873, the Court began to develop modern incorporation doctrine principles. These principles were used to determine if amendments apply to the States through the due process clause of the 14th amendment.

The Court in *McDonald* is likely to use the modern incorporation doctrine, rather than simply uphold precedent from its previous second amendment cases.

The Supreme Court in *Duncan v. Louisiana* summarized the modern incorporation doctrine, stating, “the question has been asked whether a right is among those fundamental principles of liberty and justice which lie at the base of all our civil and political institutions . . . whether it is basic in our system of jurisprudence . . . and whether it is a fundamental right, essential to a fair trial.”

I believe the second amendment right to bear arms is a fundamental, constitutional right of law-abiding Americans. And, like most of the Bill of Rights, it must also be protected from unreasonable state restrictions.

Since the *Heller* decision, three appellate courts have addressed whether the second amendment applies to the States. Two of the courts, the Second and Seventh Circuits, followed Supreme Court precedent. They held that the second amendment only applies to the Federal Government. This was not because the judges were in favor of gun control—as many tried to state during Justice Sotomayor’s confirmation hearing. Instead, it was because they showed judicial restraint. They recognized that only the Supreme Court should overturn its own precedent. In the third case, the Ninth Circuit failed to follow Supreme Court precedent. Instead, it applied modern incorporation principles. It held that the second amendment is incorporated by the 14th amendment and protected against State infringement. Although I think the Ninth Circuit should have followed precedent, I agree with their analysis.

I would emphasize this: Even if the Court decides that the second amendment does not apply to the States, citizens do not need to worry that people are going to start taking away their firearms.

Forty-four State constitutions contain provisions addressing the right to bear arms. Most of these are much clearer than the Federal Constitution. They were adopted more recently and address specific issues such as concealed carry laws.

New Mexico’s Constitution states: No law shall abridge the right of the citizen to keep and bear arms for security and defense, for lawful hunting and recreational use and for other lawful purposes, but nothing herein shall be held to permit the carrying of concealed weapons. No municipality or county shall regulate, in any way, an incident of the right to keep and bear arms.

I am confident that our citizens’ right to bear arms will continue, re-

gardless of the *McDonald* decision. However, I believe that the Court will hold that the second amendment is incorporated by the 14th amendment.

When the Court asks whether the right to bear arms is “among those fundamental principles of liberty and justice which lie at the base of all our civil and political institutions . . . and is deeply rooted in this nation’s history and tradition,” I have no doubt in the conclusion they will reach.

#### ADDITIONAL STATEMENTS

##### RECOGNIZING DAMARISCOTTA RIVER GRILL

● Ms. SNOWE. Mr. President, today I honor a small restaurant in my home State of Maine that has taken a creative approach to bringing people together by hosting a number of community-oriented events. Located in the charming and quaint town of Damariscotta, the Damariscotta River Grill has become a well-known name in the midcoast Maine dining scene by providing diners with a comfortable and welcoming environment to enjoy a good meal while meeting local artists.

The Damariscotta River Grill opened in late 2003 and has quickly become a recognized name throughout Maine’s burgeoning restaurant scene. Noted for its fresh and diverse menu, the Grill offers customers an eclectic mix of local seafood, meats, and produce. For lunch, the restaurant makes a wide array of sandwiches, and on Sundays the restaurant prepares a delectable brunch complete with an incredible number of options for landlubbers and seafood lovers alike.

The restaurant has quickly caught the attention of critics from far and wide, who all agree that the Damariscotta River Grill is not to be missed when visiting Midcoast Maine. Publications as divergent as the *Boston Herald*, *New York Times*, *Portland Press Herald*, and *Fodor’s* have praised the consistent and mouthwatering cuisine that chef-owner Rick Hirsch cooks up year round. Cape Cod Today went as far as to say that the restaurant offers “. . . as original and appealing a menu as any in New England”—a ringing endorsement given the number of superb establishments throughout the six-state region!

On March 30, Chef Rick Hirsch will be acknowledged for his hard work and dedication in producing such a high-caliber restaurant when he receives the Maine Restaurant Association’s 2010 Chef of the Year award at a ceremony in Portland. A graduate of the renowned Johnson & Wales University in Rhode Island, Mr. Hirsch is extraordinarily deserving of this prestigious award, which recognizes Mr. Hirsch’s more than two decades of culinary experience as the owner of two restaurants in Maine—the Damariscotta River Grill, as well as the Anchor Inn Restaurant in Round Pond—and his Red Plate Catering business.

Additionally, since its inception, the Damariscotta River Grille has been an engaged participant in the local community. The Maine winner of the National Restaurant Association’s 2008 Restaurant Neighbor Award, the Damariscotta River Grill contributes regularly and generously to numerous regional organizations and initiatives, including the Boys and Girls Clubs’ wreath sale each year. The restaurant is also involved in the annual Chocolate Fest, which was just held last month, to support “Healthy Kids!,” a program that helps prevent child abuse and neglect in Lincoln County through educational outreach to families.

Beyond fundraisers for charities and other organizations, the Damariscotta River Grill hosts inventive gatherings to attract the restaurant’s loyal following. To highlight its Wine Spectator award-winning wine list, the restaurant’s Wine Club features at least six wine and food tastings with a wine expert, as well as door prizes and discounts on wine purchases. Additionally, the Grill’s “Art At the Grill” series, presently in its 5th year, shines a significant spotlight on area artists. The restaurant displays an artist’s work for a period of time, and hosts a reception, open to the public, where guests can speak with the artists about their work. In 2010, the restaurant plans to host over 15 artists, including painters, potters, photographers and fabric artists through this unique project.

The Damariscotta River Grill has become a favorite of locals and tourists alike because of its wide-ranging menu and unique character and charm. Chef Hirsch, along with his wife and business partner, Jean Kerrigan, has created something truly special in downtown Damariscotta. I congratulate Mr. Hirsch on his well-deserved award, and wish everyone at the Damariscotta River Grill a remarkable and successful year.●

#### MESSAGES FROM THE HOUSE

At 9:33 a.m., a message from the House of Representatives, delivered by Mrs. Cole, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4573. An act to urge the Secretary of the Treasury to instruct the United States Executive Directors at the International Monetary Fund, the World Bank, the Inter-American Development Bank, and other multilateral development institutions to use the voice, vote, and influence of the United States to cancel immediately and completely Haiti’s debts to such institutions, and for other purposes.

#### ENROLLED BILL SIGNED

The President pro tempore (Mr. BYRD) reported that he had signed the following enrolled bill, which was previously signed by the Speaker of the House:

H.R. 3433. An act to amend the North American Wetlands Conservation Act to establish requirements regarding payment of

the non-Federal share of the costs of wetlands conservation projects in Canada that are funded under that Act, and for other purposes.

At 11:51 a.m., a message from the House of Representatives, delivered by Mr. Novotny, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4621. An act to protect the integrity of the constitutionally mandated United States census and prohibit deceptive mail practices that attempt to exploit the decennial census.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 249. Concurrent resolution commemorating the 45th anniversary of Bloody Sunday and the role that it played in ensuring the passage of the Voting Rights Act of 1965.

### MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 4621. An act to protect the integrity of the constitutionally mandated United States census and prohibit deceptive mail practices that attempt to exploit the decennial census; to the Committee on Homeland Security and Governmental Affairs.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 249. Concurrent resolution commemorating the 45th anniversary of Bloody Sunday and the role that it played in ensuring the passage of the Voting Rights Act of 1965; to the Committee on the Judiciary.

### PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-85. A resolution adopted by the Legislature of Guam expressing strong and abiding opposition to any use of eminent domain [condemnation] for the purpose of obtaining Guam lands for either the currently planned military buildup or other U.S. federal government purposes, or both; to the Committee on Armed Services.

#### RESOLUTION No. 258-30 (COR)

Relative to expressing the strong and abiding opposition of *I Liheslaturan Guåhan* and the People of Guam to any use of eminent domain [condemnation] for the purpose of obtaining Guam lands for either the currently planned military buildup or other U.S. federal government purposes, or both.

Be it Resolved by *I Mina'Trenta Na Liheslaturan Guåhan*

Whereas, the island of Guam has only one hundred forty-seven thousand (147,000) acres of land available to it for all purposes; and

Whereas, the Department of Defense currently possesses forty thousand (40,000) acres, constituting 27.21 percent of the island's land mass; and

Whereas, the United States National Park Service currently possesses six hundred ninety-five (695) acres, or 0.47 percent of the island; and

Whereas, the United States Fish & Wildlife Service currently possesses three hundred

eighty-five (385) acres, or 0.26 percent of the island; and

Whereas, the Government of Guam currently possesses thirty-seven thousand six hundred seventy-three and thirty-six (37,673.36) acres, or 25.6 percent of the island; and

Whereas, the private lands of Guam consist of only sixty-eight thousand two hundred forty-six (68,246) acres, or 46.43 percent of the island; and

Whereas, the Federal Government, in its draft Environmental Impact Statement (DEIS) for the military buildup, has stated it desires additional land for its buildup for a Proposed Training Range Complex, offering two (2) alternatives: Alternative A, identified as the preferred alternative, calls for acquiring by lease or condemnation nine hundred twenty-one (921) acres for this training range complex, which apparently is limited to public lands belonging to the Chamorro Land Trust Commission and the Ancestral Lands Commission, and Alternative B, east of Andy South, that calls for acquiring by long-term lease or condemnation one thousand one hundred twenty-nine (1,129) additional acres, some private and some public; and

Whereas, the DEIS also states that the military desires the former FAA Housing Area, comprising six hundred eighty (680) acres of Ancestral Lands, which would fill in a gap in the future Marine Corps base between NCTS Finegayan and South Finegayan; and

Whereas, the Joint Guam Program Office (JGPO) has declined to be clear regarding the possibility of eminent domain/condemnation being used as a tool to acquire the desired access to additional land in Guam, either directly or indirectly as a threat to back up "negotiations"; and

Whereas, the Joint Guam Program Office has stated that all options "are on the table" when it comes to additional land needed by the military, and that there is such a thing as "friendly condemnation"; and

Whereas, it appears that the Federal Government has no appreciation for the history of Federal land takings in Guam, or the importance of land to the people of Guam; and

Whereas, the history of land takings and the importance of land in the local culture of a tiny island have resulted in a significant sensitivity to Federal land takings on the part of the local people; and

Whereas, Chamorro historian, Reverend Joaquin Flores Sablan, wrote that land and family lineage continued to be the basis of wealth and prestige: "Land ownership was the greatest security, particularly inherited property which they treated as a sacred trust from their parents. To part with the land was the same as committing suicide." [Destiny's Landfall: A History of Guam, by Robert F. Rogers, University of Hawai'i Press, 1995, page 142]; and

Whereas, the Naval government, from 1898 until 1950, completely ignored the Chamorro people's devotion to the land, issuing their second order, on January 30, 1899, to confiscate land in the Piti area to use for a coal- ing site and Navy yard. The people of Guam were never compensated for that very first land taking, just the "first of a long series of controversial steps whereby United States governmental agencies acquired large portions of land on Guam" [Rogers, page 115]; and

Whereas, the Naval government held over one-third of the island of Guam on the eve of World War II, and within three (3) months of the liberation of the island in 1944, five (5) airfields were built; and

Whereas, by Public Law 594, the Land Acquisition Act passed by the U.S. Congress on August 2, 1946, the Navy Department was au-

thorized to acquire private land needed for permanent military installations on the island, but compensation was inadequate, due in part to a lack of proper land valuation in the largely agrarian island, amounting to only pennies on the dollar for the actual value of the land; and

Whereas, from 1947 to 1950, the main mission of Guam's military command was to complete building facilities, and for this purpose large pieces of land were taken; and

Whereas, the postwar land takings were mixed in time and process with limited and inadequate compensation for personal injury and death and property damage under the Federally-created Land and Claims Commission; and

Whereas, the United States federal government still has not appreciated the connection between compensation for the sufferings of the people of Guam at the hands of the Japanese occupiers and the takings of land; and

Whereas, the Land and Claims Commission condemned land, but became bogged down in the legal complexities of hundreds of property transactions. Rogers states [p. 215] that, "The commission was understaffed as well as inexperienced in real estate matters. Higher commands nonetheless pressured the staff to meet tight deadlines for land transfers in order for construction of new military projects to proceed"; and

Whereas, when former landowners or their heirs attempted to take these injustices to Federal court for redress of the situation, they were told that the statute of limitations had been exceeded; and

Whereas, without consultation with Guam officials or owners of leased properties, the new civilian governor, Carlton Skinner, signed a quitclaim deed on July 31, 1950, the day before the Organic Act went into effect, whereby the Government of Guam transferred all condemned property to the United States of America "for its own use." This left the Navy and Air Force in direct control of about forty-nine thousand six hundred (49,600) acres, or over thirty-six percent (36%) of the island; and

Whereas, the very first case in the new court under the Organic Act, which granted American citizenship to the Chamorros, was a retaking of all of the previous takings, to ensure that no claim could be made that land could not be taken from the Chamorros prior to their becoming American citizens; and

Whereas, in 1977, the creation of the new War in the Pacific Memorial Park saw the condemnation of coastal land in the Agat area, thus preventing the construction of the Agat Marina for many years; and

Whereas, in the 1980's, the U.S. Congress attempted to correct the obvious injustice of the postwar land takings by authorizing the land taking cases to be reopened and additional compensation be paid; and

Whereas, while many former landowners accepted the class action settlement under this law, some previous landowners of large holdings, such as those at Andersen Air Force Base and including the very land at NCTS envisioned by the federal government for the new Marine Corps base, opted out of the settlement and their claims against the federal government under that law have not been settled to this day; and

Whereas, the final insult to the people of Guam came when the three hundred eighty-five (385) acres of the former Naval Facility, Guam at Ritidian Point was declared excess in the 1990's and was grabbed quietly, without fanfare or advance notice, by the U.S. Fish & Wildlife Service, rather than being returned to the original landowners via the Government of Guam; and

Whereas, a former Assistant U.S. Attorney handling land matters in Guam in 2000 and

2001, freely admitted that many Chamorro landowners at the time were cheated out of their land by land agents telling them that the paperwork to be signed was compensation for damage to coconut trees or that the land would be returned to the owner once there was no longer any need for it; and

Whereas, this sordid history of the people of Guam's most precious resource, other than its children, needs to be and must be appreciated by the United States federal government; and

Whereas, in response, I Liheslatura has specifically enacted legislation addressing Federal acquisition of property, including:

(a) Public Law 29-113, specifically §15105 of Chapter 15, Title 21 of the Guam Code Annotated, which calls for duly enacted legislation by I Liheslatura to authorize "the acquisition by condemnation or otherwise of private property" by means of Congressional appropriation to acquire property for public use; and

(b) Public Law 30-21, specifically §2401 (c) of Chapter 24, Title 1 of the Guam Code Annotated, which tasks the Guam First Commission to determine which land the federal government may intend to lease or sub-lease, exchange for other land, or purchase, and to report their findings to I Liheslatura and I Maga'lahi, and also requires Legislative approval of any Federal acquisition of government of Guam property, whether by lease, sub-lease, exchange or sale; Now, therefore, be it

*Resolved*, That I Mina'Trenta Na Liheslaturan Guåhan does hereby, on behalf of the people of Guam, absolutely oppose the use, or threat of use, of eminent domain/condemnation for any acquisition of any additional Guam land, private or public, for any purpose whatsoever related to the planned military buildup; and be it further

*Resolved*, That I Mina'Trenta Na Liheslaturan Guåhan does hereby, on behalf of the people of Guam, demand negotiations at arms length, with a level table, and without undue pressure being exerted on Guam landowners by the United States federal government/Department of Defense, for the acquisition of any additional land, public or private; and be it further

*Resolved*, That I Mina'Trenta Na Liheslaturan Guåhan does hereby, on behalf of the people of Guam, demand dealings concerning land are held in good faith between the United States federal government/Department of Defense and private landowners that are willing to lease/sell their property to the federal government, and are also held in good faith with the official representatives of the people of Guam in discussing the potential lease of land from the government of Guam; and be it further

*Resolved*, That I Mina'Trenta Na Liheslaturan Guåhan does hereby, on behalf of the people of Guam, demand that the federal government renounce any repeat of history, and declares that condemnation SHALL NOT be a tool available to the federal government, either directly or through the use of intimidation, in relation to the Guam military buildup; and be it further

*Resolved*, That I Mina'Trenta Na Liheslaturan Guåhan does hereby, on behalf of the people of Guam, recognize and memorialize the many years of injustice and mistreatment of the people of Guam, as reflected in the foregoing history of Federal land takings; and be it further

*Resolved*, That the Speaker certify, and the Legislative Secretary attest to, the adoption hereof, and that copies of the same be thereafter transmitted to the Honorable Barack Obama, President of the United States; to the Honorable Nancy Pelosi, Speaker of the United States House of Representatives; to the Honorable Robert Byrd, President Pro

Tem of the U.S. Senate; to the Honorable Madeleine Z. Bordallo, Guam Delegate to Congress; to the Honorable Ban Ki-moon, Secretary General of the United Nations; to the Honorable Hillary Rodham Clinton, Secretary of State; to the Honorable William Gates, Secretary of Defense; to the Honorable Ray Mabus, Secretary of the Navy; to the Honorable Michael B. Donley, Secretary of the Air Force; to the Honorable John M. McHugh, Secretary of the Army; to the Honorable Ken Salazar, Secretary of the Interior; to the Honorable Anthony Babauta, Assistant Secretary of the Interior for Insular Affairs; to the Honorable Benigno Fitial, Governor of the Commonwealth of the Northern Mariana Islands; and to the Honorable Felix P. Camacho, I Maga'lahañ Guåhan (Governor of Guam).

POM-86. A joint memorial adopted by the Legislature of the State of New Mexico requesting the support in the preservation of the Navajo Code Talkers' remarkable legacy; to the Committee on Armed Services.

#### SENATE JOINT MEMORIAL NO. 51

Whereas, the few living Navajo Code Talkers are undertaking a multi-year project to build an educational, historical and humanitarian facility that will bring pride to Native American and Non-Native American communities alike, educate the young and old and conserve the instruments of freedom gifted to the American people by an awe-inspiring group of young Navajo men during World War II; and

Whereas, during World War II, these modest young Navajo men fashioned from the Navajo language the only unbreakable code in military history; and

Whereas, these Navajo Radio Operators transmitted the code throughout the dense jungles and exposed beachheads of the Pacific theater from 1942 to 1945, passing over eight hundred error-free messages in forty-eight hours at Iwo Jima alone; and

Whereas, the bravery and ingenuity of these young Navajo men gave the United States and allied forces the upper hand they so desperately needed, finally hastening the war's end and assuring victory for the United States; and

Whereas, after being sworn to secrecy for twenty-three years after the war, these young Navajo men eventually came to be known as Navajo Code Talkers and were honored by President George W. Bush more than fifty years after the war with Congressional Gold and Silver Medals in 2001; and

Whereas, the Navajo Code Talkers are now in their eighties, and with fewer than fifty remaining from the original four hundred, the urgency to capture and share their stories and memorabilia from their service in the war is now critical; and

Whereas, these American treasures and revered elders of the Navajo Nation have come together to tell their story, one that has never been heard, from their own hearts and in their own words; and

Whereas, the Navajo Code Talkers' heroic story of an ancient language, valiant people and a decisive victory that changed the path of modern history is the greatest story never told; and

Whereas, the Navajo Code Talkers ultimately envision a lasting memorial, the Navajo Code Talkers Museum and Veterans Center, on donated private land; and

Whereas, the Navajo Code Talkers' mission is to create a place where their legacy of service will inspire others to achieve excellence and instill core values of pride, discipline and honor in all those who visit; and

Whereas, through the lead efforts of the Navajo Code Talkers foundation and many partners and individuals, the Navajo Code

Talkers' legacy, history, language and code will be preserved to benefit all future generations; Now, therefore, be it

*Resolved by the Legislature of the State of New Mexico*, That the United States Congress, Department of the Interior, Department of Veterans Affairs, Department of Health and Human Services, Department of Defense, Department of Agriculture, Department of State and Department of Energy be requested to support the preservation of the Navajo Code Talkers' remarkable legacy; and, be it further

*Resolved*, That copies of this memorial be transmitted to the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives, the Secretary of the Interior, the Secretary of Defense, the Secretary of Veterans Affairs, the Secretary of Health and Human Services, the Secretary of Agriculture, the Secretary of State, the Secretary of Energy and the New Mexico Congressional Delegation.

POM-87. A memorial adopted by the Senate of the State of New Mexico urging Congress to expedite the passage of legislation to enact the necessary amendments to the Surface Mining Control and Reclamation Act of 1977 to clarify that uncertified states have authority to use payments for non-coal mine reclamation projects; to the Committee on Energy and Natural Resources.

#### SENATE MEMORIAL NO. 30

Whereas, New Mexico is known to have some of the richest uranium resources in the nation in the area known as "The Grants Mineral Belt"; and

Whereas, dating back to the 1940s, states such as New Mexico mined uranium for the benefit of the Atomic Energy Commission and the federal government's Nuclear Weapons Program; and

Whereas, the Atomic Energy Commission did not require that early mines be reclaimed; and

Whereas, research shows that many uranium mines were abandoned and never reclaimed; and

Whereas, the federal government has direct responsibility to provide funding, both for the initial surveying of these mines and for potential subsequent reclamation where warranted; and

Whereas, the Surface Mining Control and Reclamation Act of 1977 is a federal law that mandates a reclamation fee on each ton of coal produced in the country, and Title IV of that Act provides for abandoned mine reclamation; and

Whereas, in 2006, the United States Congress passed amendments to Title IV of the Surface Mining Control and Reclamation Act of 1977 providing that the funds collected from the reclamation fees will now go directly to the states rather than be appropriated by Congress; and

Whereas, the Solicitor of the Department of the Interior has interpreted those 2006 amendments to limit uncertified states, such as New Mexico, from using the funds available through the Surface Mining Control and Reclamation Act of 1977 for non-coal mine reclamation; and

Whereas, following the 2006 amendments, the Office of Surface Mining Reclamation and Enforcement promulgated regulations that restrict uncertified states from using funds available through the Surface Mining and Control Reclamation Act of 1977 for non-coal mine reclamation; and

Whereas, Secretary Ken Salazar of the Department of the Interior has suggested that a legislative solution is necessary in order to allow funding distribution under Section 411(h)(1) of the Surface Mining Control and Reclamation Act of 1977 to be used for non-coal mine reclamation; Now, therefore, be it

*Resolved by the Senate of the State of New Mexico*, That Congress be requested to expedite the passage of legislation to enact the necessary amendments to the Surface Mining Control and Reclamation Act of 1977 to clarify that uncertified states have authority to use payments for non-coal mine reclamation projects; and be it further

*Resolved*, That copies of this memorial be transmitted to the Speaker of the United States House of Representatives, the President Pro Tempore of the United States Senate and the New Mexico Congressional Delegation.

POM-88. A resolution adopted by the House of the Legislature of the State of West Virginia urging support of West Virginia's coal industry by encouraging measures that protect miners and their families, provide incentives for the development of advanced coal technologies, enhance the energy independence of the State and the nation, protect the environment from which coal is mined, and supply consumers with cleaner and more affordable energy produced from coal; to the Committee on Energy and Natural Resources.

#### HOUSE RESOLUTION NO. 402

Whereas, the coal industry provides salaries and benefits to thousands of West Virginians; and

Whereas, the coal industry is responsible for millions of dollars of tax revenues that are used to fund important government services and programs; and

Whereas, the coal industry is vitally important to the economic welfare of this State and its citizens; and

Whereas, the Legislature, with the leadership and support of the Governor, has worked to enact legislation to ensure the future of West Virginia coal, including the adoption of sweeping coal mine safety reforms, planning requirements for post-mining land use, an alternative and renewable energy portfolio featuring clean coal technology, and a regulatory framework for carbon capture and sequestration projects; and

Whereas, recent events at the federal level, most notably the debate over "cap and trade" legislation in Congress and obscure regulatory actions by the Environmental Protection Agency, are casting a shadow of doubt and uncertainty over the future of the coal industry in West Virginia; and

Whereas, for the sake of those individuals who depend upon coal to support themselves and their families, the House of Delegates, the Senate, the Governor and West Virginia's congressional delegation must work together to secure the future of the coal industry, and with it the future of the State; therefore, be it

*Resolved by the House of Delegates*, That the West Virginia House of Delegates will continue to support the West Virginia coal industry by encouraging measures that protect miners and their families, provide incentives for the development of advanced coal technologies, enhance the energy independence of the State and the nation, protect the environment from which coal is mined, and supply consumers with cleaner and more affordable energy produced from coal; and, be it further

*Resolved*, That the West Virginia House of Delegates requests that West Virginia's congressional delegation resist and oppose efforts at the federal level to undermine the future of West Virginia's coal industry; and, be it further

*Resolved*, That the Clerk of the House of Delegates forward a certified copy of this resolution to United States Senators Robert C. Byrd and John D. Rockefeller IV and Representatives Nick J. Rahall, Alan B. Molohan and Shelley M. Capito.

POM-89. A memorial from the Public Safety Personnel Retirement System, transmitting, pursuant to Arizona law, a report relative to the Arizona Terrorism Country Divestment act; to the Committee on Banking, Housing, and Urban Affairs.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DORGAN, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1011. A bill to express the policy of the United States regarding the United States relationship with Native Hawaiians and to provide a process for the recognition by the United States of the Native Hawaiian governing entity (Rept. No. 111-162).

By Mr. KERRY, from the Committee on Foreign Relations, with an amendment in the nature of a substitute and with an amended preamble:

S. Res. 400. A resolution urging the implementation of a comprehensive strategy to address instability in Yemen.

By Mr. LEAHY, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1132. A bill to amend title 18, United States Code, to improve the provisions relating to the carrying of concealed weapons by law enforcement officers, and for other purposes.

#### EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of nominations were submitted:

By Mr. LEAHY for the Committee on the Judiciary.

Jane E. Magnus-Stinson, of Indiana, to be United States District Judge for the Southern District of Indiana.

Christopher Tobias Hoye, of Nevada, to be United States Marshal for the District of Nevada for the term of four years.

Kelvin Cornelius Washington, of South Carolina, to be United States Marshal for the District of South Carolina for the term of four years.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LUGAR (for himself, Mr. KAUFMAN, Mr. FRANKEN, Mr. INOUE, and Mr. RISCH):

S. 3104. A bill to permanently authorize Radio Free Asia, and for other purposes; to the Committee on Foreign Relations.

By Mr. WYDEN:

S. 3105. A bill to expand the scope of the definition of airport planning to include waste management planning; to the Committee on Commerce, Science, and Transportation.

By Mrs. HAGAN (for herself, Mr. BURR, Mr. ISAKSON, Mr. MERKLEY, and Mr. CHAMBLISS):

S. 3106. A bill to authorize States to exempt certain nonprofit housing organizations from the licensing requirements of the S.A.F.E. Mortgage Licensing Act of 2008; to

the Committee on Banking, Housing, and Urban Affairs.

By Mr. AKAKA (for himself, Mr. BURR, Mr. ROCKEFELLER, Mrs. MURRAY, Mr. SANDERS, Mr. BROWN of Ohio, Mr. TESTER, Mr. BEGICH, Mr. BARRIS, Mr. SPECTER, Mr. ISAKSON, and Mr. GRAHAM):

S. 3107. A bill to amend title 38, United States Code, to provide for an increase, effective December 1, 2010, in the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. MENENDEZ (for himself, Mr. LAUTENBERG, Mr. JOHNSON, Mr. FEINGOLD, Mr. BINGAMAN, Mr. CASEY, and Mr. BROWN of Ohio):

S. 3108. A bill to amend title 31 of the United States Code to require that Federal children's programs be separately displayed and analyzed in the President's budget; to the Committee on the Budget.

By Mr. BAUCUS (for himself and Mr. TESTER):

S. 3109. A bill to require the Secretary of the Army to conduct levee system evaluations and certifications on receipt of requests from non-Federal interests; to the Committee on Environment and Public Works.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BURR (for himself, Mr. INHOFE, Mr. BROWN of Massachusetts, Ms. MURKOWSKI, and Mr. JOHANNNS):

S. Res. 451. A resolution expressing support for designation of a "Welcome Home Vietnam Veterans Day"; to the Committee on Veterans' Affairs.

By Mr. JOHANNNS (for himself, Mrs. LINCOLN, Mr. CHAMBLISS, Mr. ROBERTS, Mr. BROWNBACK, Mrs. HUTCHISON, Mr. CORNYN, Mr. ENZI, Mr. DORGAN, Mr. CONRAD, Mr. INHOFE, Mr. THUNE, Mr. CRAPO, Mr. PRYOR, Mr. BARRASSO, Mr. BOND, Mr. NELSON of Nebraska, Ms. KLOBUCHAR, Mr. RISCH, Mr. BENNET, Mr. UDALL of New Mexico, Mr. NELSON of Florida, Mr. VOINOVICH, and Mr. COBURN):

S. Res. 452. A resolution supporting increased market access for exports of United States beef and beef products to Japan; to the Committee on Finance.

By Mr. UDALL of New Mexico (for himself, Mr. BROWN of Ohio, Mr. BARRIS, Mr. WYDEN, Mr. AKAKA, Mr. MENENDEZ, Mr. TESTER, Mr. BEGICH, Mr. DURBIN, and Mr. MERKLEY):

S. Res. 453. A resolution supporting the goals and ideals of "National Public Health Week"; to the Committee on Health, Education, Labor, and Pensions.

#### ADDITIONAL COSPONSORS

S. 148

At the request of Mr. KOHL, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 148, a bill to restore the rule that agreements between manufacturers and retailers, distributors, or wholesalers to set the minimum price below which the manufacturer's product or

service cannot be sold violates the Sherman Act.

S. 259

At the request of Mr. BOND, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 259, a bill to establish a grant program to provide vision care to children, and for other purposes.

S. 653

At the request of Mr. CARDIN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 653, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the writing of the Star-Spangled Banner, and for other purposes.

S. 704

At the request of Mr. HARKIN, the name of the Senator from North Carolina (Mrs. HAGAN) was added as a cosponsor of S. 704, a bill to direct the Comptroller General of the United States to conduct a study on the use of Civil Air Patrol personnel and resources to support homeland security missions, and for other purposes.

S. 750

At the request of Mrs. BOXER, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 750, a bill to amend the Public Health Service Act to attract and retain trained health care professionals and direct care workers dedicated to providing quality care to the growing population of older Americans.

S. 781

At the request of Mr. ROBERTS, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 781, a bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants.

S. 904

At the request of Mr. HARKIN, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 904, a bill to amend the Fair Labor Standards Act of 1938 to prohibit discrimination in the payment of wages on account of sex, race, or national origin, and for other purposes.

S. 987

At the request of Mr. DURBIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 987, a bill to protect girls in developing countries through the prevention of child marriage, and for other purposes.

S. 999

At the request of Mr. BINGAMAN, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 999, a bill to increase the number of well-trained mental health service professionals (including those based in schools) providing clinical mental health care to children and adolescents, and for other purposes.

S. 1038

At the request of Mrs. FEINSTEIN, the name of the Senator from Indiana (Mr.

LUGAR) was added as a cosponsor of S. 1038, a bill to improve agricultural job opportunities, benefits, and security for aliens in the United States and for other purposes.

S. 1089

At the request of Mr. BAUCUS, the names of the Senator from Minnesota (Ms. KLOBUCHAR) and the Senator from New Mexico (Mr. UDALL) were added as cosponsors of S. 1089, a bill to facilitate the export of United States agricultural commodities and products to Cuba as authorized by the Trade Sanctions Reform and Export Enhancement Act of 2000, to establish an agricultural export promotion program with respect to Cuba, to remove impediments to the export to Cuba of medical devices and medicines, to allow travel to Cuba by United States citizens and legal residents, to establish an agricultural export promotion program with respect to Cuba, and for other purposes.

S. 1171

At the request of Mr. PRYOR, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1171, a bill to amend title XVIII of the Social Security Act to restore State authority to waive the 35-mile rule for designating critical access hospitals under the Medicare Program.

S. 1192

At the request of Mr. WYDEN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 1192, a bill to restrict any State or local jurisdiction from imposing a new discriminatory tax on mobile wireless communications services, providers, or property.

S. 1516

At the request of Mr. FEINGOLD, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1516, a bill to secure the Federal voting rights of persons who have been released from incarceration.

S. 1612

At the request of Mrs. LINCOLN, the name of the Senator from Vermont (Mr. SANDERS) was added as a cosponsor of S. 1612, a bill to amend the Internal Revenue Code of 1986 to improve the operation of employee stock ownership plans, and for other purposes.

S. 1652

At the request of Mr. HARKIN, the names of the Senator from Maine (Ms. SNOWE) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 1652, a bill to amend part B of the Individuals with Disabilities Education Act to provide full Federal funding of such part.

S. 1700

At the request of Mr. LUGAR, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1700, a bill to require certain issuers to disclose payments to foreign governments for the commercial development of oil, natural gas, and minerals, to express the sense of Congress that the President should disclose any payment

relating to the commercial development of oil, natural gas, and minerals on Federal land, and for other purposes.

S. 1932

At the request of Mr. MCCAIN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 1932, a bill to amend the Elementary and Secondary Education Act of 1965 to allow members of the Armed Forces who served on active duty on or after September 11, 2001, to be eligible to participate in the Troops-to-Teachers Program, and for other purposes.

S. 2749

At the request of Mrs. GILLIBRAND, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 2749, a bill to amend the Richard B. Russell National School Lunch Act to improve access to nutritious meals for young children in child care.

S. 2750

At the request of Mr. SCHUMER, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 2750, a bill to amend the Public Health Service Act to authorize the Secretary of Health and Human Services to make grants to eligible States for the purpose of reducing the student-to-school nurse ratio in public secondary schools, elementary schools, and kindergarten.

S. 2758

At the request of Ms. STABENOW, the name of the Senator from New Mexico (Mr. UDALL) was added as a cosponsor of S. 2758, a bill to amend the Agricultural Research, Extension, and Education Reform Act of 1998 to establish a national food safety training, education, extension, outreach, and technical assistance program for agricultural producers, and for other purposes.

S. 2760

At the request of Mr. UDALL of New Mexico, the name of the Senator from North Carolina (Mrs. HAGAN) was added as a cosponsor of S. 2760, a bill to amend title 38, United States Code, to provide for an increase in the annual amount authorized to be appropriated to the Secretary of Veterans Affairs to carry out comprehensive service programs for homeless veterans.

S. 2908

At the request of Mr. KOHL, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2908, a bill to amend the Energy Policy and Conservation Act to require the Secretary of Energy to publish a final rule that establishes a uniform efficiency descriptor and accompanying test methods for covered water heaters, and for other purposes.

S. 2989

At the request of Ms. LANDRIEU, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 2989, a bill to improve the Small Business Act, and for other purposes.

S. 3018

At the request of Mr. WYDEN, the name of the Senator from Missouri

(Mr. BOND) was added as a cosponsor of S. 3018, a bill to amend the Internal Revenue Code of 1986 to make the Federal income tax system simpler, fairer, and more fiscally responsible, and for other purposes.

S. 3036

At the request of Mr. BAYH, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 3036, a bill to establish the Office of the National Alzheimer's Project.

S. 3038

At the request of Mr. INHOFE, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 3038, a bill to amend the Safe Drinking Water Act to prevent the enforcement of certain national primary drinking water regulations unless sufficient funding is available.

S. 3047

At the request of Mr. ISAKSON, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 3047, a bill to terminate the Internal Revenue Code of 1986, and for other purposes.

S. 3056

At the request of Mr. WYDEN, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 3056, a bill to amend the Energy Policy Act of 2005 to repeal a section of that Act relating to exportation and importation of natural gas.

S. 3058

At the request of Mr. DORGAN, the names of the Senator from Maine (Ms. SNOWE) and the Senator from Pennsylvania (Mr. CASEY) were added as cosponsors of S. 3058, a bill to amend the Public Health Service Act to reauthorize the special diabetes programs for Type I diabetes and Indians under that Act.

S. 3059

At the request of Mr. BINGAMAN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 3059, a bill to improve energy efficiency of appliances, lighting, and buildings, and for other purposes.

S. 3065

At the request of Mr. LIEBERMAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 3065, a bill to amend title 10, United States Code, to enhance the readiness of the Armed Forces by replacing the current policy concerning homosexuality in the Armed Forces, referred to as "Don't Ask, Don't Tell", with a policy of nondiscrimination on the basis of sexual orientation.

S. 3095

At the request of Mr. INHOFE, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. 3095, a bill to reduce the deficit by establishing discretionary caps for non-security spending.

S. 3098

At the request of Mr. MERKLEY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a co-

sponsor of S. 3098, a bill to prohibit proprietary trading and certain relationships with hedge funds and private equity funds, to address conflicts of interest with respect to certain securitizations, and for other purposes.

S. RES. 409

At the request of Mr. FEINGOLD, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. Res. 409, a resolution calling on members of the Parliament in Uganda to reject the proposed "Anti-Homosexuality Bill", and for other purposes.

S. RES. 432

At the request of Mr. CRAPO, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. Res. 432, a bill supporting the goals and ideals of the Year of the Lung 2010.

AMENDMENT NO. 3453

At the request of Mr. SESSIONS, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of amendment No. 3453 proposed to H.R. 1586, a bill to impose an additional tax on bonuses received from certain TARP recipients.

AMENDMENT NO. 3454

At the request of Mr. DEMINT, the names of the Senator from Florida (Mr. LEMIEUX), the Senator from Missouri (Mrs. MCCASKILL), the Senator from Nevada (Mr. ENSIGN), the Senator from Texas (Mr. CORNYN), the Senator from Idaho (Mr. RISCH) and the Senator from South Carolina (Mr. GRAHAM) were added as cosponsors of amendment No. 3454 proposed to H.R. 1586, a bill to impose an additional tax on bonuses received from certain TARP recipients.

AMENDMENT NO. 3458

At the request of Mr. VITTER, the names of the Senator from Texas (Mr. CORNYN), the Senator from Mississippi (Mr. WICKER) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of amendment No. 3458 proposed to H.R. 1586, a bill to impose an additional tax on bonuses received from certain TARP recipients.

AMENDMENT NO. 3463

At the request of Mr. BENNETT, the name of the Senator from Idaho (Mr. RISCH) was added as a cosponsor of amendment No. 3463 intended to be proposed to H.R. 1586, a bill to impose an additional tax on bonuses received from certain TARP recipients.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. AKAKA (for himself, Mr. BURR, Mr. ROCKEFELLER, Mrs. MURRAY, Mr. SANDERS, Mr. BROWN of Ohio, Mr. TESTER, Mr. BEGICH, Mr. BURRIS, Mr. SPECTER, Mr. ISAKSON, and Mr. GRAHAM):

S. 3107. A bill to amend title 38, United States Code, to provide for an increase, effective December 1, 2010, in the rates of compensation for veterans

with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

Mr. AKAKA. Mr. President, today, as Chairman of the Senate Committee on Veterans' Affairs, I introduce the Veterans' Compensation Cost-of-Living Adjustment Act of 2010.

This measure would direct the Secretary of Veterans Affairs to increase, effective December 1, 2010, the rates of veterans' compensation to keep pace with the rising cost-of-living in this country, if such an adjustment is triggered by an increase in the Consumer Price Index. This legislation, commonly referred to as the COLA, would make an increase available to veterans at the same level as a cost-of-living increase, if provided to those who receive Social Security benefits.

My colleagues on the Committee on Veterans' Affairs, including Senators BURR, ROCKEFELLER, MURRAY, SANDERS, BROWN of Ohio, TESTER, BEGICH, BURRIS, SPECTER, ISAKSON, and GRAHAM join me in introducing this important legislation. I appreciate their continued support of the Nation's veterans.

Congress regularly enacts a cost-of-living adjustment for veterans' compensation in order to ensure that inflation does not erode the purchasing power of those veterans and survivors who depend upon this income to meet their daily needs. Last year, Congress passed, and the President signed into law, Public Law 111-37. While there was no cost-of-living increase in 2010 due to a decline in the Consumer Price Index, the 2011 adjustment has not yet been determined.

The COLA affects, among other benefits, veterans' disability compensation and dependency and indemnity compensation for surviving spouses and children. It is projected that over 3.5 million veterans and survivors will be in receipt of compensation benefits in fiscal year 2011. Many of these recipients depend upon these tax-free payments not only to provide for their own basic needs, but those of their spouses and children as well.

It is important that we view veterans' compensation, including the COLA, and indeed all benefits earned by veterans, as a continuing cost of war. It is clear that the ongoing conflicts in Iraq and Afghanistan will continue to result in injuries and disabilities that will yield an increase in claims for compensation.

Payment of disability compensation to those of our Nation's veterans who have an illness or disability related to their service constitutes one of the central missions of the Department of Veterans Affairs. It is a necessary measure of appreciation afforded to those veterans whose lives were forever altered by their service to this country.

I urge our colleagues to work together to ensure this benefit remains

available and is not diminished by the effects of inflation. I also ask our colleagues for their continued support for the Nation's veterans.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 3107

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Veterans' Compensation Cost-of-Living Adjustment Act of 2010".

**SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.**

(a) **RATE ADJUSTMENT.**—Effective on December 1, 2010, the Secretary of Veterans Affairs shall increase, in accordance with subsection (c), the dollar amounts in effect on November 30, 2010, for the payment of disability compensation and dependency and indemnity compensation under the provisions specified in subsection (b).

(b) **AMOUNTS TO BE INCREASED.**—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) **WARTIME DISABILITY COMPENSATION.**—Each of the dollar amounts under section 1114 of title 38, United States Code.

(2) **ADDITIONAL COMPENSATION FOR DEPENDENTS.**—Each of the dollar amounts under section 1115(1) of such title.

(3) **CLOTHING ALLOWANCE.**—The dollar amount under section 1162 of such title.

(4) **DEPENDENCY AND INDEMNITY COMPENSATION TO SURVIVING SPOUSE.**—Each of the dollar amounts under subsections (a) through (d) of section 1311 of such title.

(5) **DEPENDENCY AND INDEMNITY COMPENSATION TO CHILDREN.**—Each of the dollar amounts under sections 1313(a) and 1314 of such title.

(c) **DETERMINATION OF INCREASE.**—

(1) **PERCENTAGE.**—Except as provided in paragraph (2), each dollar amount described in subsection (b) shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 2010, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(2) **ROUNDING.**—Each dollar amount increased under paragraph (1), if not a whole dollar amount, shall be rounded to the next lower whole dollar amount.

(d) **SPECIAL RULE.**—The Secretary of Veterans Affairs may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons under section 10 of Public Law 85-857 (72 Stat. 1263) who have not received compensation under chapter 11 of title 38, United States Code.

(e) **PUBLICATION OF ADJUSTED RATES.**—The Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b), as increased under subsection (a), not later than the date on which the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 2011.

By Mr. BAUCUS (for himself and Mr. TESTER):

S. 3109. A bill to require the Secretary of the Army to conduct levee

system evaluations and certifications on receipt of requests from non-Federal interests; to the Committee on Environment and Public Works.

Mr. BAUCUS. Mr. President, I rise today to introduce the Rural Community Flood Protection Act of 2010.

We have all seen, and many of us have experienced firsthand, the devastation that a flood can bring to any community. This devastation is experienced equally, whether your home is in an area that is high or low hazard, rural or urban, wealthy or poor. Flood control is a multi-pronged effort involving structural and non-structural flood control measures, hazard mitigation, emergency planning, and insurance. Our Nation has a myriad of programs designed to address flood hazards. FEMA produces flood maps to define the risk and operates hazard mitigation programs to reduce risk. The National Flood Insurance Program, NFIP, provides flood insurance to property owners in a mapped risk area. The Army Corps of Engineers designs and constructs flood control projects. This hodgepodge of responsibilities has always been a challenge for the U.S., and it continues to be one today.

Nowhere is this challenge more evident than in the process of FEMA's map modernization program, the Corps' levee certification responsibilities, and NFIP program requirements. This issue has lingered around the edges for years, and its impact is now being felt in an enormous way in Montana where communities struggling to navigate the maze of what seems to be an overwhelming Federal bureaucracy are incredibly frustrated.

Let me begin by saying that it is important that we recognize the risks we face before we make snap judgments about whether preventive action should or shouldn't be taken. Specifically, it is a good idea for FEMA to update our Nation's flood maps so that we can be honest with ourselves about the risks we face. However, that process, must be transparent and it must recognize the differences between Sacramento, CA, and Saco, MT. It can be overwhelming for a small community in Montana to participate in this process. That is why I have written to FEMA Director Craig Fugate asking him to consider the needs of small, rural communities as the Agency progresses with its map modernization program.

Once flood hazards are accurately mapped, communities must work to ensure that their flood control structures, if they have them, are up to par and can actually provide protection for the hazards they face. Without a levee "certification" by a professional engineer, those portions of a community located behind the levee, believing for years that they had adequate flood protection, are suddenly faced with a map that depicts them as in the floodplain, unprotected, required to purchase flood insurance.

It seems like it would be a simple process to get a levee certification.

Traditionally, the Army Corps has performed this work. However, in 2008 the Army Corps of Engineers established a policy that it would no longer perform levee certifications on non-Federally operated levees. This policy has left communities like Great Falls, Montana high and dry when it comes to a certification process. I wrote to the Corps of Engineers on February 18, 2010, asking the Agency to re-evaluate this policy.

I hope that the Corps will change their policy. But, Montana cannot wait for that to happen. Great Falls, Vaughn, Miles City, Glendive, Saco, Havre, Forsyth, Malta, Glasgow and others cannot wait for the Corps deliberations. That is why I am introducing legislation today that will give the Corps direct authority to perform levee certifications. In addition, my bill includes special provisions for small communities and for those levee districts that are operated by a volunteer staff, allowing the Corps to perform these certifications at 100 percent Federal cost.

This bill is one step in what will be a long process for all of us as we update and upgrade our knowledge of the risks posed by flooding, our current level of protection, and additional steps we need to take to ensure that lives and property are not unnecessarily lost. In the process of that upgrade, we cannot lose sight of the impact of this process and these decisions on our local communities.

We don't want the cost of staying in the NFIP to rise above the point where small communities can participate. We don't want a burdensome Federal bureaucracy to make it impossible for people to make good decisions about their own safety and that of their community. In these economic times, rural communities are struggling to come up with enough money just to keep afloat, and a hefty certification fee can be an undue burden.

I urge my colleagues to support this measure.

Mr. President, I ask unanimous consent that letters of support be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD.

U.S. SENATE,

Washington, DC, March 11, 2010.

Administrator W. CRAIG FUGATE,  
Office of the Administrator, Federal Emergency  
Management Agency, C Street, S.W., Wash-  
ington, DC.

DEAR ADMINISTRATOR FUGATE: I am writing to express concern about the impact of FEMA's Flood Insurance Rate Map Modernization on small communities across Montana. Let me state up front that I fully support your agency's efforts to provide the nation with digital flood hazard data and maps that are more reliable. It is critically important that land owners are protected against the risk to life and property posed by flooding.

However, as your agency conducts the Map Modernization in Montana, I urge you to take every possible step to accommodate the unique circumstances small rural communities face. For example, small towns often

cannot afford to challenge FEMA's preliminary flood insurance study. These communities are left in the untenable position of paying thousands of dollars for an engineering firm to develop the revised flood insurance study required to appeal FEMA's preliminary study, or to accept FEMA's preliminary flood insurance study as is, even if there are valid grounds to dispute the study's findings. It is clear that an improved appeals process could help correct errors made during FEMA's map modernization and thus prevent unneeded flood insurance expenses.

Please provide a detailed list of the steps your agency is taking to accommodate the special needs of rural communities during the map modernization process. Specifically, detail how your agency accommodates appeals to a preliminary flood insurance study by small communities with small budgets.

Thank you for your prompt response to this request.

Sincerely,

MAX BAUCUS.

U.S. SENATE,

Washington, DC, February 18, 2010.

Hon. JO-ELLEN DARCY,

Assistant Secretary of the Army (Civil Works),  
U.S. Army Corps of Engineers, G Street,  
NW., Washington, DC.

DEAR ASSISTANT SECRETARY DARCY: I am writing to you regarding the January 23, 2008 memo establishing priorities for Fiscal Year 2008 Levee Safety Program Inspection Funds. Specifically, I would like you to provide additional justification for your policy determination that levee certification is a non-Federal responsibility and that these certifications will not be funded using Federal funds.

Throughout Montana and the rest of the country, non-Federal sponsors for Federally-constructed levees are struggling to work through the FEMA floodplain re-mapping process and the associated requirements for levee certification. I recognize the need to ensure that accurate information is provided to property owners and decision-makers regarding the residual risk of flooding that exists behind a flood control structure and to ensure that such properties are adequately insured to prevent excessive disaster payments by the Federal government. I understand that FEMA's map updates will portray a floodplain area protected by a certified levee as an area with 1 in 100 year flood protect and a floodplain area that is protected by an uncertified levee as unprotected.

Therefore, the levee certification process is a critical step in the nation's efforts to ensure that our existing flood control system offers viable protection for life and property. First and foremost, from an engineering perspective, it is important that any flaws or shortcomings in our existing levees are identified and repaired before a disaster, not after. Second, because the certification of a levee is the determining factor in how a particular floodplain will be mapped and what insurance requirements will apply, it is important that communities have access to a clear, reasonable process to obtain this certification.

Prior to January 2008, the Corps performed levee certifications for Federally-constructed levees. On January 23, 2008, a memorandum regarding prioritization of fiscal year 2008 funds was released by your office, which precluded the Corps from using fiscal year 2008 funds to perform levee certifications and stated that levee certification is a non-Federal responsibility. Please provide your justification for this abrupt change in policy, in addition to a cost analysis of the impact of this change to non-Federal sponsors. Please describe the outreach that was

performed prior to and after this decision to ensure that levee managers throughout the country were properly informed. Please articulate, in detail, the options available for levee districts seeking certification of their Federally-constructed levee. In determining the effective date of your new policy, was a transition plan considered and/or implemented for those levees that were already moving through the remapping process and were anticipating that the certification process would be conducted by the Corps? Was consideration given to the differing technical and financial capabilities of levee districts throughout the country to ensure that small, rural communities are not adversely impacted by this policy change when compared to large communities? Has the Corps considered the lack of engineering resources in certain parts of the country as a planning factor for implementing the new January 2008 policy? The January 23 memo states that the Corps can perform levee certification on a reimbursable basis. How do the limitations adopted in 31 U.S.C. 6505, as amended, affect the ability of the Corps to perform these certifications? Have levee districts in small, rural communities elected to pay the Corps to perform levee certifications since January 2008? Please describe how this decision was and continues to be coordinated with the FEMA remapping process. Thank you for your attention to this critical issue.

Sincerely,

MAX BAUCUS.

#### SUBMITTED RESOLUTIONS

#### SENATE RESOLUTION 451—EX-PRESSING SUPPORT FOR A DESIGNATION OF A "WELCOME HOME VIETNAM VETERANS DAY"

Mr. BURR (for himself, Mr. INHOFE, Mr. BROWN of Massachusetts, Ms. MURKOWSKI, and Mr. JOHANNIS) submitted the following resolution; which was referred to the Committee on Veterans Affairs:

S. RES. 451

Whereas the Vietnam War was fought in the Republic of South Vietnam from 1961 to 1975, and involved North Vietnamese regular forces and Viet Cong guerrilla forces in armed conflict with United States Armed Forces and the Army of the Republic of Vietnam;

Whereas the United States Armed Forces became involved in Vietnam because the United States Government wanted to provide direct military support to the Government of South Vietnam to defend itself against the growing Communist threat from North Vietnam;

Whereas members of the United States Armed Forces began serving in an advisory role to the Government of the Republic of South Vietnam in 1961;

Whereas, as a result of the Gulf of Tonkin incidents on August 2 and 4, 1964, Congress overwhelmingly passed the Gulf of Tonkin Resolution (Public Law 88-408), on August 7, 1964, which provided the authority to the President of the United States to prosecute the war against North Vietnam;

Whereas, in 1965, United States Armed Forces ground combat units arrived in Vietnam;

Whereas, by the end of 1965, there were 80,000 United States troops in Vietnam, and by 1969, a peak of approximately 543,000 troops was reached;

Whereas, on January 27, 1973, the Treaty of Paris was signed, which required the release

of all United States prisoners-of-war held in North Vietnam and the withdrawal of all United States Armed Forces from South Vietnam;

Whereas, on March 30, 1973, the United States Armed Forces completed the withdrawal of combat units and combat support units from South Vietnam;

Whereas, on April 30, 1975, North Vietnamese regular forces captured Saigon, the capitol of South Vietnam, effectively placing South Vietnam under Communist control;

Whereas more than 58,000 members of the United States Armed Forces lost their lives in Vietnam and more than 300,000 members of the Armed Forces were wounded;

Whereas, in 1982, the Vietnam Veterans Memorial was dedicated in the District of Columbia to commemorate those members of the United States Armed Forces who died or were declared missing-in-action in Vietnam;

Whereas the Vietnam War was an extremely divisive issue among the people of the United States and a conflict that caused a generation of veterans to wait too long for the United States public to acknowledge and honor the efforts and services of such veterans;

Whereas members of the United States Armed Forces who served bravely and faithfully for the United States during the Vietnam War were often wrongly criticized for the policy decisions made by 4 presidential administrations in the United States;

Whereas the establishment of a "Welcome Home Vietnam Veterans Day" would be an appropriate way to honor those members of the United States Armed Forces who served in South Vietnam and throughout Southeast Asia during the Vietnam War; and

Whereas March 30, 2010, would be an appropriate day to establish as "Welcome Home Vietnam Veterans Day": Now, therefore, be it

*Resolved*, That the Senate—

(1) honors and recognizes the contributions of veterans who served in the United States Armed Forces in Vietnam during war and during peace;

(2) encourages States and local governments to also establish "Welcome Home Vietnam Veterans Day"; and

(3) encourages the people of the United States to observe "Welcome Home Vietnam Veterans Day" with appropriate ceremonies and activities that—

(A) provide the appreciation Vietnam War veterans deserve, but did not receive upon returning home from the war;

(B) demonstrate the resolve that never again shall the Nation disregard and denigrate a generation of veterans;

(C) promote awareness of the faithful service and contributions of such veterans during their military service as well as to their communities since returning home;

(D) promote awareness of the importance of entire communities empowering veterans and the families of veterans to readjust to civilian life after military service; and

(E) promote opportunities for such veterans to assist younger veterans returning from the wars in Iraq and Afghanistan in rehabilitation from wounds, both seen and unseen, and to support the reintegration of younger veterans into civilian life.

#### SENATE RESOLUTION 452—SUPPORTING INCREASED MARKET ACCESS FOR EXPORTS OF UNITED STATES BEEF AND BEEF PRODUCTS TO JAPAN

Mr. JOHANNIS (for himself, Mrs. LINCOLN, Mr. CHAMBLISS, Mr. ROBERTS, Mr. BROWNBACK, Mrs. HUTCHISON, Mr.

CORNBYN, Mr. ENZI, Mr. DORGAN, Mr. CONRAD, Mr. INHOFE, Mr. THUNE, Mr. CRAPO, Mr. PRYOR, Mr. BARRASSO, Mr. BOND, Mr. NELSON of Nebraska, Ms. KLOBUCHAR, Mr. RISCH, Mr. BENNET, Mr. UDALL of New Mexico, Mr. NELSON of Florida, Mr. VOINOVICH, and Mr. COBURN) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 452

Whereas, in 2003, Japan was the largest market for United States beef, with exports valued at \$1,400,000,000;

Whereas, after the discovery of 1 Canadian-born cow infected with bovine spongiform encephalopathy (BSE) disease in the State of Washington in December of 2003, Japan closed its market to United States beef, and still restricts access to a large number of safe United States beef products;

Whereas for years the Government of the United States has developed and implemented a multilayered system of interlocking safeguards to ensure the safety of United States beef, and after the 2003 discovery, the United States implemented further safeguards to ensure beef safety;

Whereas a 2006 study by the United States Department of Agriculture found that BSE was virtually nonexistent in the United States;

Whereas the internationally recognized standard-setting body, the World Organization for Animal Health (OIE), has classified the United States as a controlled risk country for BSE, which means that United States beef is safe for export and consumption;

Whereas, from 2004 through 2009, United States beef exports to Japan averaged roughly \$196,000,000, less than 15 percent of the amount the United States sold to Japan in 2003, causing significant losses for United States cattle producers; and

Whereas, while Japan remains an important ally and trading partner of the United States, this unscientific trade restriction is not consistent with fair trade practices, nor with United States treatment of Japanese imports: Now, therefore, be it

*Resolved*, That it is the sense of the Senate that—

(1) it is not in the interest of either the United States or Japan to arbitrarily restrict market access for their close partners;

(2) trade between the United States and Japan should be conducted with mutual respect and based on sound science;

(3) since banning United States beef in December 2003, Japan has not treated United States beef producers fairly;

(4) both Japan and the United States should comply with guidelines based on sound science;

(5) Japan should immediately expand market access for United States exporters of both bone-in and boneless beef beyond the existing standard of beef from cattle 20 months and younger; and

(6) the President should insist on increased access for United States exporters of beef and beef products to the market in Japan.

Mr. JOHANNIS. Mr. President, I rise to offer a resolution supporting increased access for U.S. beef and beef products to the country of Japan. Let me step back and set the stage for this resolution.

On December 23, 2003, one cow was discovered in the United States with BSE, the disease sometimes referred to in a kind of slang way as “mad cow disease.” Even though that animal was actually born in Canada, the reaction

of our trading partners around the world was swift and devastating. Almost immediately, Japan and other countries closed their markets to U.S. beef. Virtually with the snap of a finger, we lost over 90 percent of our export market. It just disappeared. At the time, Japan was the largest export market for U.S. beef. It had a value to our producers of \$1.4 billion.

We began work to address BSE in this country dating all the way back to 1988, when the Department of Agriculture established a BSE committee to make recommendations on appropriate regulatory controls. Our government has developed and implemented a multilayered system of interlocking safeguards to ensure the safety of American beef. After the 2003 BSE discovery, we added even more safeguards. These efforts by our government, in coordination with U.S. cattle producers, have paid off. A 2006 study by USDA found that BSE was virtually nonexistent among the 40 million adult cattle in our country. Again in 2007, the World Organization for Animal Health, the internationally recognized standard-setting body, also known as OIE, classified the United States as a “controlled risk” country for BSE. This classification simply means that because of the expansive system of safeguards that are in place, U.S. beef is safe for export and for consumption.

Interestingly enough, that is the identical classification the OIE gave to Japan just last year. So as Japan asked their trading partners to treat them fairly under OIE standards, we are asking them to reopen their market for our beef.

Seven years have passed. We have proven, time and again, the effectiveness of our safety system. The Japanese still restrict most U.S. beef products. Japan’s actions are not consistent with fair trading practices, nor with the U.S. treatment of Japan’s imports. That is why I agreed to meet last week with the Japanese Ambassador to discuss this matter. I asked the Ambassador: What would happen if the United States said it doesn’t want any more car parts from Japan until they can assure us that there are absolutely no defects? That is essentially what it has done to our beef industry. If we in the United States said we would never do anything in response to the current Toyota situation that they have not already done to us, that would not be a good deal for Japan when it comes to exports. Their treatment of our beef has cost our Nation’s beef industry billions of dollars and has been economically devastating to States such as mine, the State of Nebraska. If we treated their products the same way, it would be equally as devastating to Japan because we are a major importer of Japanese goods. Over the last 6 years, the United States has purchased, on average, over \$132 billion in Japanese goods annually. In 2009 alone, even in the midst of a global economic downturn, the United States purchased

\$95.9 billion of products from Japan. Cars led the way. We purchased \$31.5 billion in vehicles and parts. Beyond that, we bought \$19.5 billion in nuclear reactors, machinery, and parts. Just over \$15 billion worth of electronics we bought from Japan, another \$5 billion in optic, photo, medical or surgical instruments, and dozens and dozens of other products that add up to another \$25 billion.

I wish to make something clear. I am not advocating that the United States close its borders to Japan’s products. Japan is a valued friend. But what I do say I say directly and with the resolution: Sanctions on our beef do not represent the act of a friend nor that of a fair trading partner. There is simply no scientific justification for their restrictions, none whatsoever, a point my friends from Japan cannot deny. Quite honestly, Japan’s standard of accepting only beef from cattle aged 20 months and younger was pulled out of thin air. It is nothing more than an economic sanction.

I have been dealing with this issue for nearly 7 years, first as the Governor of Nebraska, then as our Agriculture Secretary, and now as a Senator. My confirmation hearing before this body to become Secretary of Agriculture was dominated by one topic: Opening Japan’s borders to our beef.

I come forward to offer this sense-of-the-Senate resolution. The resolution does not say we want to keep Japanese products out of the United States. It is in the interest of neither the United States nor Japan to arbitrarily restrict market access for friends and close partners. We are both with Japan. Trade between the United States and Japan should be conducted with mutual respect and based on sound science, something we haven’t seen from Japan in this area in the last 7 years. My resolution does say that both Japan and the United States should comply with science-based standards. It also states the Obama administration should insist on increased access for U.S. beef and beef products to Japan.

Very simply, it is time for fair treatment from our friends in Japan. I will continue to press this issue. I ask my colleagues to join me in supporting a resolution that basically says trade should be fair.

SENATE RESOLUTION 453—SUPPORTING THE GOALS AND IDEALS OF “NATIONAL PUBLIC HEALTH WEEK”

Mr. UDALL of New Mexico (for himself, Mr. BROWN of Ohio, Mr. BURRIS, Mr. WYDEN, Mr. AKAKA, Mr. MENENDEZ, Mr. TESTER, Mr. BEGICH, Mr. DURBIN, and Mr. MERKLEY) submitted the following resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. RES. 453

Whereas the week of April 5 through 11, 2010, is “National Public Health Week”;

Whereas the theme of “National Public Health Week” is “A Healthier America: One Community at a Time”;

Whereas the United States spends more on health care than any other country in the world, but an estimated 47,000,000 people in the United States do not have health insurance and millions more do not have access to life-saving clinical preventive services;

Whereas millions of people in the United States do not have access to cost-effective, community-based preventive services;

Whereas many of the illnesses that are caused by tobacco use, poor diet, physical inactivity, and alcohol consumption are potentially preventable;

Whereas many neighborhoods lack access to safe walkways and bikeways, are inaccessible by public transportation, and are too far from offices, schools, health providers, and grocery stores to walk;

Whereas studies have shown that 10,500,000 cases of infectious disease and 33,000 deaths can be prevented in the United States by the standard childhood immunization series;

Whereas public health professionals and lawmakers are working to enact a health reform bill that emphasizes prevention and supports a strong public health infrastructure, despite challenges; and

Whereas a change in individual communities will improve the health of the people of the United States: Now, therefore, be it

*Resolved*, That the Senate—

(1) supports the goals and ideals of “National Public Health Week”;

(2) recognizes the efforts of public health professionals, the Federal Government, States, municipalities, local communities, and individuals in improving the health of the people of the United States;

(3) recognizes the role of public health programs in preventing disease, promoting good health, protecting the food supply, protecting worker health and safety, ensuring access to clean air and water, promoting nutrition for children, and achieving the many other benefits of public health programs that promote the health of the people of the United States;

(4) encourages efforts to increase access to both clinical and community-based preventive services and to strengthen the public health system of the United States to improve the health of the people of the United States;

(5) encourages community planners to consider the health implications of planning decisions and to plan communities and transportation systems that enable all residents to access safe, affordable housing, nutritious foods, clean air and water, public transportation, safe sidewalks, safe streets, and public health services; and

(6) encourages each person in the United States to learn about the role of public health programs in improving the health of the people of the United States.

Mr. UDALL of New Mexico. Mr. President, I rise to ask the U.S. Senate to resolve that April 5th–11th be known as National Public Health Week 2010. I submit this resolution along with my colleagues Senators AKAKA, BEGICH, SHERROD BROWN, BURRIS, DURBIN, MENENDEZ, TESTER, WYDEN, and BERKLEY.

Since 1995, we have recognized the first week in April as National Public Health Week in order to help focus the efforts of hundreds of thousands of public health professionals and organizations to educate the public, policy-makers, and practitioners about the importance of public health.

This year’s theme is “A Healthier America: One Community at a Time.” This is especially timely since I hope that we will soon pass comprehensive health care reform and because for the first time, the next generation is not expected to be healthier than the previous one. This is also consistent with the First Lady Michelle Obama’s efforts to reduce child obesity.

Our Nation’s health is in poor shape. Despite spending more money on health care than any other country, more than 47 million Americans still do not have health insurance, nearly 900,000 people die from deaths that can be prevented each year, and we lag far behind the rest of the developed world in preventing obesity, HIV/AIDS infections, and many other diseases.

During this week, public health workers across the country will be focusing on how to more fully and effectively achieve a healthier Nation. They will be addressing the underlying social and economic conditions that encourage individuals and communities to be healthy, as well as shifting us from a Nation solely focused on treating individual illness to one that also promotes population-based health services that encourage preventive and early intervention practices.

For example, public health and prevention strategies from the foundation for health system reform. Community-level intervention has more positive health impact on people than individual interventions alone. Population-based programs address main causes of disease, disability and health disparities for a wide range of people and can help achieve increased value for our health dollar.

During National Public Health Week, Americans will be asked to champion public health by making healthy changes—big and small—in their families, individual neighborhoods, workplaces and schools.

I wish to thank the American Public Health Association for leading this effort and the National Association of County and City Health Officials, Council of State and Territorial Epidemiologists, and Partnership for Prevention for endorsing this recognition, and helping us highlight the importance of strengthening our public health system and encouraging Americans to value public health and take part in preventing disease and building healthier communities.

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 3466. Mr. KAUFMAN (for Mr. DODD) proposed an amendment to the bill H.R. 2194, to amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran.

SA 3467. Mr. REID (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table.

SA 3468. Mr. REID submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3469. Mr. REID submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3470. Mr. FEINGOLD (for himself, Mr. COBURN, Mr. BROWN, of Ohio, and Mr. MCCAIN) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra.

SA 3471. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3472. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3473. Mr. LAUTENBERG submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3474. Mr. BARRASSO submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3475. Mr. MCCAIN (for himself and Mr. BAYH) submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3476. Mr. ENSIGN (for himself, Mr. KYL, Mr. MCCAIN, and Mr. COBURN) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3477. Ms. CANTWELL (for herself and Mrs. MURRAY) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3478. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3479. Mr. NELSON, of Florida submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3480. Mr. SCHUMER (for himself and Mr. NELSON, of Florida) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3481. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3482. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3483. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3484. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3485. Mr. SPECTER submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3486. Mr. SCHUMER submitted an amendment intended to be proposed to

amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3487. Mr. BINGAMAN (for himself, Ms. SNOWE, Mr. HARKIN, Mr. CONRAD, and Mr. BURRIS) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3488. Mr. WARNER submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3489. Mr. WARNER (for himself and Mr. WEBB) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3490. Mr. WARNER (for himself and Mr. WEBB) submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3491. Mr. BEGICH submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3492. Mr. BEGICH (for himself and Ms. MURKOWSKI) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3493. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3494. Mr. WICKER submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3495. Mr. BENNETT (for himself, Mr. BROWNBACK, and Mr. WICKER) submitted an amendment intended to be proposed by him to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3496. Mr. CARDIN (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3497. Mr. CARDIN submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3498. Mr. DURBIN proposed an amendment to the bill H.R. 2847, making appropriations for the Departments of Commerce and Justice, and Science, and Related Agencies for the fiscal year ending September 30, 2010, and for other purposes.

SA 3499. Mr. DURBIN proposed an amendment to amendment SA 3498 proposed by Mr. DURBIN to the bill H.R. 2847, supra.

SA 3500. Mr. DURBIN proposed an amendment to the bill H.R. 2847, supra.

SA 3501. Mr. DURBIN proposed an amendment to the bill H.R. 2847, supra.

SA 3502. Mr. DURBIN proposed an amendment to amendment SA 3501 proposed by Mr. DURBIN to the bill H.R. 2847, supra.

SA 3503. Mr. MENENDEZ (for himself, Mr. SCHUMER, Mrs. GILLIBRAND, and Mr. LAUTENBERG) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional TARP tax on bonuses received from certain TARP recipients; which was ordered to lie on the table.

SA 3504. Mr. MENENDEZ submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3505. Mr. MENENDEZ submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3506. Mr. MENENDEZ (for himself and Mr. SCHUMER) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3507. Mr. JOHANNIS submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3508. Mr. JOHANNIS submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3509. Mr. JOHANNIS submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3510. Mr. JOHANNIS submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3511. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3512. Ms. CANTWELL submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

SA 3513. Mr. JOHANNIS submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, supra; which was ordered to lie on the table.

#### TEXT OF AMENDMENTS

**SA 3466.** Mr. KAUFMAN (for Mr. DODD) proposed an amendment to the bill H.R. 2194, to amend the Iran Sanctions Act of 1996 to enhance United States diplomatic efforts with respect to Iran by expanding economic sanctions against Iran; as follows:

Strike all after the enacting clause and insert the following:

##### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2009”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

Sec. 3. Sense of Congress regarding illicit nuclear activities and violations of human rights in Iran.

##### TITLE I—SANCTIONS

Sec. 101. Definitions.

Sec. 102. Expansion of sanctions under the Iran Sanctions Act of 1996.

Sec. 103. Economic sanctions relating to Iran.

Sec. 104. Liability of parent companies for violations of sanctions by foreign subsidiaries.

Sec. 105. Prohibition on procurement contracts with persons that export sensitive technology to Iran.

Sec. 106. Increased capacity for efforts to combat unlawful or terrorist financing.

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##### TITLE II—DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN

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Sec. 302. Identification of locations of concern with respect to transshipment, reexportation, or diversion of certain items to Iran.

Sec. 303. Destinations of Possible Diversion Concern and Destinations of Diversion Concern.

Sec. 304. Report on expanding diversion concern system to countries other than Iran.

##### TITLE IV—EFFECTIVE DATE; SUNSET

Sec. 401. Effective date; sunset.

##### SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The illicit nuclear activities of the Government of Iran and its support for international terrorism represent threats to the security of the United States, its strong ally Israel, and other allies of the United States around the world.

(2) The United States and other responsible countries have a vital interest in working together to prevent the Government of Iran from acquiring a nuclear weapons capability.

(3) The International Atomic Energy Agency has repeatedly called attention to Iran’s illicit nuclear activities and, as a result, the United Nations Security Council has adopted a range of sanctions designed to encourage the Government of Iran to cease those activities and comply with its obligations under the Treaty on Non-Proliferation of Nuclear Weapons, done at Washington, London, and Moscow July 1, 1968, and entered into force March 5, 1970 (commonly known as the “Nuclear Non-Proliferation Treaty”).

(4) The serious and urgent nature of the threat from Iran demands that the United States work together with its allies to prevent Iran from acquiring a nuclear weapons capability.

(5) The United States and its major European allies, including the United Kingdom, France, and Germany, have advocated that sanctions be strengthened should international diplomatic efforts fail to achieve verifiable suspension of Iran’s uranium enrichment program and an end to its illicit nuclear activities.

(6) There is an increasing interest by States, local governments, educational institutions, and private institutions to seek to disassociate themselves from companies that conduct business activities in the energy sector of Iran, since such business activities may directly or indirectly support the efforts of the Government of Iran to achieve a nuclear weapons capability.

(7) Black market proliferation networks continue to flourish in the Middle East, allowing countries like Iran to gain access to sensitive dual-use technologies.

(8) The Government of Iran continues to engage in serious, systematic, and ongoing violations of human rights and religious freedom, including illegitimate prolonged detention, torture, and executions. Such violations have increased in the aftermath of the presidential election in Iran on June 12, 2009.

### SEC. 3. SENSE OF CONGRESS REGARDING ILLICIT NUCLEAR ACTIVITIES AND VIOLATIONS OF HUMAN RIGHTS IN IRAN.

It is the sense of Congress that—

(1) international diplomatic efforts to address Iran's illicit nuclear efforts and support for international terrorism are more likely to be effective if the President is empowered with the explicit authority to impose additional sanctions on the Government of Iran;

(2) additional measures should be adopted by the United States to prevent the diversion and transshipment of sensitive dual-use technologies to Iran;

(3) the concerns of the United States regarding Iran are strictly the result of the actions of the Government of Iran;

(4) the people of the United States—

(A) have a long history of friendship and exchange with the people of Iran;

(B) regret that developments in recent decades have created impediments to that friendship;

(C) hold the people of Iran, their culture, and their ancient and rich history in the highest esteem; and

(D) remain deeply concerned about continuing human rights abuses in Iran;

(5) the President should—

(A) continue to press the Government of Iran to respect the internationally recognized human rights and religious freedoms of its citizens;

(B) identify the officials of the Government of Iran that are responsible for continuing and severe violations of human rights and religious freedom in Iran; and

(C) take appropriate measures to respond to such violations, including by—

(i) prohibiting officials the President identifies as being responsible for such violations from entry into the United States; and

(ii) freezing the assets of those officials; and

(6) additional funding should be provided to the Secretary of State to document, collect, and disseminate information about human rights abuses in Iran, including serious abuses that have taken place since the presidential election in Iran conducted on June 12, 2009.

### TITLE I—SANCTIONS

#### SEC. 101. DEFINITIONS.

In this title:

(1) **AGRICULTURAL COMMODITY.**—The term “agricultural commodity” has the meaning given that term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) **APPROPRIATE CONGRESSIONAL COMMITTEES.**—The term “appropriate congressional committees” has the meaning given that term in section 14(2) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(3) **EXECUTIVE AGENCY.**—The term “executive agency” has the meaning given that term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

(4) **FAMILY MEMBER.**—The term “family member” means, with respect to an individual, the spouse, children, grandchildren, or parents of the individual.

(5) **INFORMATION AND INFORMATIONAL MATERIALS.**—The term “information and informa-

tional materials” includes publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds.

(6) **INVESTMENT.**—The term “investment” has the meaning given that term in section 14(9) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(7) **IRANIAN DIPLOMATS AND REPRESENTATIVES OF OTHER GOVERNMENT AND MILITARY OR QUASI-GOVERNMENTAL INSTITUTIONS OF IRAN.**—The term “Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran” has the meaning given that term in section 14(11) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(8) **MEDICAL DEVICE.**—The term “medical device” has the meaning given the term “device” in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(9) **MEDICINE.**—The term “medicine” has the meaning given the term “drug” in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

#### SEC. 102. EXPANSION OF SANCTIONS UNDER THE IRAN SANCTIONS ACT OF 1996.

(a) **IN GENERAL.**—Section 5 of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note) is amended by striking subsection (a) and inserting the following:

“(a) **SANCTIONS WITH RESPECT TO THE DEVELOPMENT OF PETROLEUM RESOURCES OF IRAN, PRODUCTION OF REFINED PETROLEUM PRODUCTS IN IRAN, AND EXPORTATION OF REFINED PETROLEUM PRODUCTS TO IRAN.**—

“(1) **DEVELOPMENT OF PETROLEUM RESOURCES OF IRAN.**—

“(A) **IN GENERAL.**—Except as provided in subsection (f), the President shall impose 2 or more of the sanctions described in paragraphs (1) through (6) of section 6(a) with respect to a person if the President determines that the person, with actual knowledge, on or after the effective date of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2009—

“(i) makes an investment described in subparagraph (B) of \$20,000,000 or more; or

“(ii) makes a combination of investments described in subparagraph (B) in a 12-month period if each such investment is at least \$5,000,000 and such investments equal or exceed \$20,000,000 in the aggregate.

“(B) **INVESTMENT DESCRIBED.**—An investment described in this subparagraph is an investment that directly and significantly contributes to the enhancement of Iran's ability to develop petroleum resources.

“(2) **PRODUCTION OF REFINED PETROLEUM PRODUCTS.**—

“(A) **IN GENERAL.**—Except as provided in subsection (f), the President shall impose the sanctions described in section 6(b) (in addition to any other sanctions imposed under this subsection) with respect to a person if the President determines that the person, with actual knowledge, on or after the effective date of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2009, sells, leases, or provides to Iran any goods, services, technology, information, or support described in subparagraph (B)—

“(i) any of which has a fair market value of \$200,000 or more; or

“(ii) that, during a 12-month period, have an aggregate fair market value of \$1,000,000 or more.

“(B) **GOODS, SERVICES, TECHNOLOGY, INFORMATION, OR SUPPORT DESCRIBED.**—Goods, services, technology, information, or support described in this subparagraph are goods, services, technology, information, or support that could directly and significantly facilitate the maintenance or expansion of Iran's domestic production of refined petroleum products, including any assistance with re-

spect to construction, modernization, or repair of petroleum refineries.

“(3) **EXPORTATION OF REFINED PETROLEUM PRODUCTS TO IRAN.**—

“(A) **IN GENERAL.**—Except as provided in subsection (f), the President shall impose the sanctions described in section 6(b) (in addition to any other sanctions imposed under this subsection) with respect to a person if the President determines that the person, with actual knowledge, on or after the effective date of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2009—

“(i) provides Iran with refined petroleum products—

“(I) that have a fair market value of \$200,000 or more; or

“(II) that, during a 12-month period, have an aggregate fair market value of \$1,000,000 or more; or

“(ii) sells, leases, or provides to Iran any goods, services, technology, information, or support described in subparagraph (B)—

“(I) any of which has a fair market value of \$200,000 or more; or

“(II) that, during a 12-month period, have an aggregate fair market value of \$1,000,000 or more.

“(B) **GOODS, SERVICES, TECHNOLOGY, INFORMATION, OR SUPPORT DESCRIBED.**—Goods, services, technology, information, or support described in this subparagraph are goods, services, technology, or support that could directly and significantly contribute to the enhancement of Iran's ability to import refined petroleum products, including—

“(i) underwriting or otherwise providing insurance or reinsurance for the sale, lease, or provision of such goods, services, technology, information, or support;

“(ii) financing or brokering such sale, lease, or provision; or

“(iii) providing ships or shipping services to deliver refined petroleum products to Iran.”

(b) **DESCRIPTION OF SANCTIONS.**—Section 6 of such Act is amended—

(1) by striking “The sanctions to be imposed on a sanctioned person under section 5 are as follows:” and inserting the following:

“(a) **IN GENERAL.**—The sanctions to be imposed on a sanctioned person under subsections (a)(1) and (b) of section 5 are as follows:”;

(2) by adding at the end the following:

“(b) **ADDITIONAL SANCTIONS.**—The sanctions to be imposed on a sanctioned person under paragraphs (2) and (3) of section 5(a) are as follows:

“(1) **FOREIGN EXCHANGE.**—The President shall, pursuant to such regulations as the President may prescribe, prohibit any transactions in foreign exchange by the sanctioned person.

“(2) **BANKING TRANSACTIONS.**—The President shall, pursuant to such regulations as the President may prescribe, prohibit any transfers of credit or payments between, by, through, or to any financial institution, to the extent that such transfers or payments involve any interest of the sanctioned person.

“(3) **PROPERTY TRANSACTIONS.**—The President shall, pursuant to such regulations as the President may prescribe and subject to the jurisdiction of the United States, prohibit any person from—

“(A) acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property with respect to which the sanctioned person has any interest;

“(B) dealing in or exercising any right, power, or privilege with respect to such property; or

“(C) conducting any transactions involving such property.”.

(c) REPORT RELATING TO PRESIDENTIAL WAIVER.—Section 9(c)(2) of such Act is amended by striking subparagraph (C) and inserting the following:

“(C) an estimate of the significance of the conduct of the person in contributing to the ability of Iran to, as the case may be—

“(i) develop petroleum resources, produce refined petroleum products, or import refined petroleum products; or

“(ii) acquire or develop—

“(I) chemical, biological, or nuclear weapons or related technologies; or

“(II) destabilizing numbers and types of advanced conventional weapons; and”.

(d) CLARIFICATION AND EXPANSION OF DEFINITIONS.—Section 14 of such Act is amended—

(1) in paragraph (13)(B)—

(A) by inserting “financial institution, insurer, underwriter, guarantor, and any other business organization, including any foreign subsidiary, parent, or affiliate thereof,” after “trust,”; and

(B) by inserting “, such as an export credit agency” before the semicolon at the end;

(2) in paragraph (14), by striking “petroleum and natural gas resources” and inserting “petroleum, refined petroleum products, oil or liquefied natural gas, natural gas resources, oil or liquefied natural gas tankers, and products used to construct or maintain pipelines used to transport oil or liquefied natural gas”;

(3) by redesignating paragraphs (15) and (16) as paragraphs (16) and (17), respectively; and

(4) by inserting after paragraph (14) the following:

“(15) REFINED PETROLEUM PRODUCTS.—The term ‘refined petroleum products’ means diesel, gasoline, jet fuel (including naphtha-type and kerosene-type jet fuel), and aviation gasoline.”.

(e) CONFORMING AMENDMENT.—Section 4 of such Act is amended—

(1) in subsection (b)(2), by striking “(in addition to that provided in subsection (d))”;

(2) by striking subsection (d); and

(3) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

#### SEC. 103. ECONOMIC SANCTIONS RELATING TO IRAN.

(a) IN GENERAL.—Notwithstanding any other provision of law, and in addition to any other sanction in effect, beginning on the date that is 15 days after the effective date of this Act, the economic sanctions described in subsection (b) shall apply with respect to Iran.

(b) SANCTIONS.—The sanctions described in this subsection are the following:

(1) PROHIBITION ON IMPORTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no article of Iranian origin may be imported directly or indirectly into the United States.

(B) EXCEPTION.—The prohibition in subparagraph (A) does not apply to imports from Iran of information and informational materials.

(2) PROHIBITION ON EXPORTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no article of United States origin may be exported directly or indirectly to Iran.

(B) EXCEPTIONS.—The prohibition in subparagraph (A) does not apply to exports to Iran of—

(i) agricultural commodities, food, medicine, or medical devices;

(ii) articles exported to Iran to provide humanitarian assistance to the people of Iran;

(iii) except as provided in subparagraph (C), information or informational materials;

(iv) goods, services, or technologies necessary to ensure the safe operation of commercial passenger aircraft produced in the

United States if the exportation of such goods, services, or technologies is approved by the Secretary of the Treasury, in consultation with the Secretary of Commerce, pursuant to regulations promulgated by the Secretary of the Treasury regarding the exportation of such goods, services, or technologies, if appropriate; or

(v) goods, services, or technologies that—

(I) are provided to the International Atomic Energy Agency and are necessary to support activities of that Agency in Iran;

(II) are necessary to support activities, including the activities of nongovernmental organizations, relating to promoting democracy in Iran; or

(III) the President determines to be necessary to the national interest of the United States.

(C) SPECIAL RULE WITH RESPECT TO INFORMATION AND INFORMATIONAL MATERIALS.—Notwithstanding subparagraph (B)(iii), information and informational materials of United States origin may not be exported directly or indirectly to Iran—

(i) if the exportation of such information or informational materials is otherwise controlled—

(I) under section 5 of the Export Administration Act of 1979 (50 U.S.C. App. 2404) (as in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)); or

(II) under section 6 of that Act (50 U.S.C. App. 2405), to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States; or

(ii) if such information or informational materials are information or informational materials with respect to which acts are prohibited by chapter 37 of title 18, United States Code.

(3) FREEZING ASSETS.—

(A) IN GENERAL.—At such time as the United States has access to the names of persons in Iran, including Iranian diplomats and representatives of other government and military or quasi-governmental institutions of Iran (including Iran’s Revolutionary Guard Corps and its affiliates), that satisfy the criteria for designation with respect to the imposition of sanctions under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) or are otherwise subject to sanctions under any other provision of law, the President shall take such action as may be necessary to freeze, as soon as possible, the funds and other assets belonging to anyone so named and any family members or associates of those so named to whom assets or property of those so named were transferred on or after January 1, 2009. The action described in the preceding sentence includes requiring any United States financial institution that holds funds and assets of a person so named to report promptly to the Office of Foreign Assets Control information regarding such funds and assets.

(B) ASSET REPORTING REQUIREMENT.—Not later than 14 days after a decision is made to freeze the property or assets of any person under this paragraph, the President shall report the name of such person to the appropriate congressional committees. Such a report may contain a classified annex.

(4) UNITED STATES GOVERNMENT CONTRACTS.—The head of an executive agency may not procure, or enter into a contract for the procurement of, any goods or services from a person that meets the criteria for the imposition of sanctions under section 5 of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(c) WAIVER.—The President may waive the application of the sanctions described in subsection (b) if the President—

(1) determines that such a waiver is in the national interest of the United States; and

(2) submits to the appropriate congressional committees a report describing the reasons for the determination.

#### SEC. 104. LIABILITY OF PARENT COMPANIES FOR VIOLATIONS OF SANCTIONS BY FOREIGN SUBSIDIARIES.

(a) DEFINITIONS.—In this section:

(1) ENTITY.—The term “entity” means a partnership, association, trust, joint venture, corporation, or other organization.

(2) OWN OR CONTROL.—The term “own or control” means, with respect to an entity—

(A) to hold more than 50 percent of the equity interest by vote or value in the entity;

(B) to hold a majority of seats on the board of directors of the entity; or

(C) to otherwise control the actions, policies, or personnel decisions of the entity.

(3) SUBSIDIARY.—The term “subsidiary” means an entity that is owned or controlled, directly or indirectly, by a United States person.

(4) UNITED STATES PERSON.—The term “United States person” means—

(A) a natural person who is a citizen, resident, or national of the United States; and

(B) an entity that is organized under the laws of the United States, any State or territory thereof, or the District of Columbia, if natural persons described in subparagraph (A) own or control the entity.

(b) IN GENERAL.—A United States person shall be subject to a penalty for a violation of the provisions of Executive Order 12959 (50 U.S.C. 1701 note) or Executive Order 13059 (50 U.S.C. 1701 note), or any other prohibition on transactions with respect to Iran imposed under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), if—

(1) the President determines, pursuant to such regulations as the President may prescribe, that the United States person establishes or maintains a subsidiary outside of the United States for the purpose of circumventing such provisions; and

(2) that subsidiary engages in an act that, if committed in the United States or by a United States person, would violate such provisions.

(c) WAIVER.—The President may waive the application of subsection (b) if the President—

(1) determines that such a waiver is in the national interest of the United States; and

(2) submits to the appropriate congressional committees a report describing the reasons for the determination.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Subsection (b) shall take effect on the date of the enactment of this Act and apply with respect to acts described in subsection (b)(2) that are—

(A) commenced on or after the date of the enactment of this Act; or

(B) except as provided in paragraph (2), commenced before such date of enactment, if such acts continue on or after such date of enactment.

(2) EXCEPTION.—Subsection (b) shall not apply with respect to an act described in paragraph (1)(B) by a subsidiary owned or controlled by a United States person if the United States person divests or terminates its business with the subsidiary not later than 90 days after the date of the enactment of this Act.

#### SEC. 105. PROHIBITION ON PROCUREMENT CONTRACTS WITH PERSONS THAT EXPORT SENSITIVE TECHNOLOGY TO IRAN.

(a) IN GENERAL.—Notwithstanding any other provision of law, and pursuant to such regulations as the President may prescribe, the head of an executive agency may not

enter into or renew a contract for the procurement of goods or services with a person that exports sensitive technology to Iran.

(b) **WAIVER.**—The President may waive the application of the prohibition under subsection (a) if the President—

(1) determines that such a waiver is in the national interest of the United States; and

(2) submits to Congress a report describing the reasons for the determination.

(c) **SENSITIVE TECHNOLOGY DEFINED.**—The term “sensitive technology” means hardware, software, telecommunications equipment, or any other technology that the President determines is to be used specifically—

(1) to restrict the free flow of unbiased information in Iran; or

(2) to disrupt, monitor, or otherwise restrict speech of the people of Iran.

**SEC. 106. INCREASED CAPACITY FOR EFFORTS TO COMBAT UNLAWFUL OR TERRORIST FINANCING.**

(a) **FINDING.**—Congress finds that the work of the Office of Terrorism and Financial Intelligence of the Department of the Treasury, which includes the Office of Foreign Assets Control and the Financial Crimes Enforcement Network, is critical to ensuring that the international financial system is not used for purposes of supporting terrorism and developing weapons of mass destruction.

(b) **AUTHORIZATION OF APPROPRIATIONS FOR OFFICE OF TERRORISM AND FINANCIAL INTELLIGENCE.**—There are authorized to be appropriated to the Secretary of the Treasury for the Office of Terrorism and Financial Intelligence—

(1) \$64,611,000 for fiscal year 2010; and

(2) such sums as may be necessary for each of the fiscal years 2011 and 2012.

(c) **AUTHORIZATION OF APPROPRIATIONS FOR THE FINANCIAL CRIMES ENFORCEMENT NETWORK.**—Section 310(d)(1) of title 31, United States Code, is amended by striking “such sums as may be necessary for fiscal years 2002, 2003, 2004, and 2005” and inserting “\$104,260,000 for fiscal year 2010 and such sums as may be necessary for each of the fiscal years 2011 and 2012”.

**SEC. 107. REPORTING REQUIREMENTS.**

(a) **REPORT ON INVESTMENT AND ACTIVITIES THAT MAY BE SANCTIONABLE UNDER IRAN SANCTIONS ACT OF 1996.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a report containing—

(A) a description of—

(i) any foreign investments of \$20,000,000 or more that contribute directly and significantly to the enhancement of Iran’s ability to develop petroleum resources made during the period described in paragraph (2);

(ii) any sale, lease, or provision to Iran during the period described in paragraph (2) of any goods, services, technology, information, or support that would facilitate the maintenance or expansion of Iran’s domestic production of refined petroleum products; and

(iii) any refined petroleum products provided to Iran during the period described in paragraph (2) and any other activity that could contribute directly and significantly to the enhancement of Iran’s ability to import refined petroleum products during that period;

(B) with respect to each investment or other activity described in subparagraph (A), an identification of—

(i) the date or dates of the investment or activity;

(ii) the steps taken by the United States to respond to the investment or activity;

(iii) the name and United States domiciliary of any person that participated or in-

vested in or facilitated the investment or activity; and

(iv) any Federal Government contracts to which any person referred to in clause (iii) are parties; and

(C) the determination of the President with respect to whether each such investment or activity qualifies as a sanctionable offense under section 5(a) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(2) **PERIOD DESCRIBED.**—The period described in this paragraph is the period beginning on January 1, 2009, and ending on the date on which the President submits the report under paragraph (1).

(b) **SUBSEQUENT REPORTS.**—Not later than 1 year after the date of the enactment of this Act, and every 180 days thereafter, the President shall submit to the appropriate congressional committees an updated version of the report required under subsection (a) that contains the information required under that subsection for the 180-day period preceding the submission of the updated report.

(c) **FORM OF REPORTS; PUBLICATION.**—A report submitted under subsection (a) or (b) shall be submitted in unclassified form, but may contain a classified annex. The unclassified portion of the report shall be published in the Federal Register.

**SEC. 108. SENSE OF CONGRESS REGARDING THE IMPOSITION OF SANCTIONS ON THE CENTRAL BANK OF IRAN.**

Congress urges the President, in the strongest terms, to consider immediately using the authority of the President to impose sanctions on the Central Bank of Iran and any other Iranian bank engaged in proliferation activities or support of terrorist groups.

**SEC. 109. POLICY OF THE UNITED STATES REGARDING IRAN’S REVOLUTIONARY GUARD CORPS AND ITS AFFILIATES.**

It is the sense of Congress that the United States should—

(1) continue to target Iran’s Revolutionary Guard Corps persistently with economic sanctions for its support for terrorism, its role in proliferation, and its oppressive activities against the people of Iran; and

(2) impose sanctions, including travel restrictions, sanctions authorized pursuant to this Act, and the full range of sanctions available to the President under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), on—

(A) any foreign individual or entity that is an agent, alias, front, instrumentality, official, or affiliate of Iran’s Revolutionary Guard Corps and is designated for the imposition of sanctions by the President;

(B) any individual or entity who—

(i) has provided material support to Iran’s Revolutionary Guard Corps or any of its affiliates designated for the imposition of sanctions by the President; or

(ii) has conducted any financial or commercial transaction with Iran’s Revolutionary Guard Corps or any of its affiliates so designated; and

(C) any foreign government found—

(i) to be providing material support to Iran’s Revolutionary Guard Corps or any of its affiliates designated for the imposition of sanctions by the President; or

(ii) to have conducted any commercial transaction or financial transaction with Iran’s Revolutionary Guard Corps or any of its affiliates so designated.

**SEC. 110. POLICY OF THE UNITED STATES WITH RESPECT TO IRAN AND HEZBOLLAH.**

It is the sense of Congress that the United States should—

(1) continue to counter support received by Hezbollah from the Government of Iran and other foreign governments in response to Hezbollah’s terrorist activities and the

threat Hezbollah poses to Israel, the democratic sovereignty of Lebanon, and the national security interests of the United States;

(2) impose the full range of sanctions available to the President under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) on Hezbollah, its designated affiliates and supporters, and persons providing Hezbollah with commercial, financial, or other services;

(3) urge the European Union, individual countries in Europe, and other countries to classify Hezbollah as a terrorist organization to facilitate the disruption of Hezbollah’s operations; and

(4) renew international efforts to disarm Hezbollah and disband its militias in Lebanon, as called for by United Nations Security Council Resolutions 1559 (2004) and 1701 (2006).

**SEC. 111. SENSE OF CONGRESS REGARDING THE IMPOSITION OF MULTILATERAL SANCTIONS WITH RESPECT TO IRAN.**

It is the sense of Congress that—

(1) in general, multilateral sanctions are more effective than unilateral sanctions at achieving desired results from countries such as Iran;

(2) the President should continue to work with allies of the United States to impose such sanctions as may be necessary to prevent the Government of Iran from acquiring a nuclear weapons capability; and

(3) the United States should continue to consult with the 5 permanent members of the United Nations Security Council and Germany (commonly referred to as the “P5-plus-1”) and other interested countries regarding imposing new sanctions with respect to Iran in the event that diplomatic efforts to prevent Iran from acquiring a nuclear weapons capability fail.

**TITLE II—DIVESTMENT FROM CERTAIN COMPANIES THAT INVEST IN IRAN**

**SEC. 201. DEFINITIONS.**

In this title:

(1) **ENERGY SECTOR.**—The term “energy sector” refers to activities to develop petroleum or natural gas resources or nuclear power.

(2) **FINANCIAL INSTITUTION.**—The term “financial institution” has the meaning given that term in section 14(5) of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C. 1701 note).

(3) **IRAN.**—The term “Iran” includes any agency or instrumentality of Iran.

(4) **PERSON.**—The term “person” means—

(A) a natural person, corporation, company, business association, partnership, society, trust, or any other nongovernmental entity, organization, or group;

(B) any governmental entity or instrumentality of a government, including a multilateral development institution (as defined in section 1701(c)(3) of the International Institutions Act (22 U.S.C. 262r(c)(3))); and

(C) any successor, subunit, parent company, or subsidiary of any entity described in subparagraph (A) or (B).

(5) **STATE.**—The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(6) **STATE OR LOCAL GOVERNMENT.**—The term “State or local government” includes—

(A) any State and any agency or instrumentality thereof;

(B) any local government within a State, and any agency or instrumentality thereof;

(C) any other governmental instrumentality; and

(D) any public institution of higher education within the meaning of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

**SEC. 202. AUTHORITY OF STATE AND LOCAL GOVERNMENTS TO DIVEST FROM CERTAIN COMPANIES THAT INVEST IN IRAN.**

(a) SENSE OF CONGRESS.—It is the sense of Congress that the United States Government should support the decision of any State or local government that for moral, prudential, or reputational reasons divests from, or prohibits the investment of assets of the State or local government in, a person that engages in investment activities in the energy sector of Iran, as long as that country is subject to economic sanctions imposed by the United States.

(b) AUTHORITY TO DIVEST.—Notwithstanding any other provision of law, a State or local government may adopt and enforce measures that meet the requirements of subsection (d) to divest the assets of the State or local government from, or prohibit investment of the assets of the State or local government in, any person that the State or local government determines, using credible information available to the public, engages in investment activities in Iran described in subsection (c).

(c) INVESTMENT ACTIVITIES DESCRIBED.—A person engages in investment activities in Iran described in this subsection if the person—

(1) has an investment of \$20,000,000 or more in the energy sector of Iran, including in a person that provides oil or liquefied natural gas tankers, or products used to construct or maintain pipelines used to transport oil or liquefied natural gas, for the energy sector in Iran; or

(2) is a financial institution that extends \$20,000,000 or more in credit to another person, for 45 days or more, if that person will use the credit to invest in the energy sector in Iran.

(d) REQUIREMENTS.—Any measure taken by a State or local government under subsection (b) shall meet the following requirements:

(1) NOTICE.—The State or local government shall provide written notice to each person to which a measure is to be applied.

(2) TIMING.—The measure shall apply to a person not earlier than the date that is 90 days after the date on which written notice is provided to the person under paragraph (1).

(3) OPPORTUNITY FOR HEARING.—The State or local government shall provide an opportunity to comment in writing to each person to which a measure is to be applied. If the person demonstrates to the State or local government that the person does not engage in investment activities in Iran described in subsection (c), the measure shall not apply to the person.

(4) SENSE OF CONGRESS ON AVOIDING ERRONEOUS TARGETING.—It is the sense of Congress that a State or local government should not adopt a measure under subsection (b) with respect to a person unless the State or local government has made every effort to avoid erroneously targeting the person and has verified that the person engages in investment activities in Iran described in subsection (c).

(e) NOTICE TO DEPARTMENT OF JUSTICE.—Not later than 30 days after adopting a measure pursuant to subsection (b), a State or local government shall submit written notice to the Attorney General describing the measure.

(f) NONPREEMPTION.—A measure of a State or local government authorized under subsection (b) is not preempted by any Federal law or regulation.

(g) DEFINITIONS.—In this section:

(1) INVESTMENT.—The “investment” of assets, with respect to a State or local government, includes—

(A) a commitment or contribution of assets;

(B) a loan or other extension of credit; and

(C) the entry into or renewal of a contract for goods or services.

(2) ASSETS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term “assets” refers to public monies and includes any pension, retirement, annuity, or endowment fund, or similar instrument, that is controlled by a State or local government.

(B) EXCEPTION.—The term “assets” does not include employee benefit plans covered by title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section applies to measures adopted by a State or local government before, on, or after the date of the enactment of this Act.

(2) NOTICE REQUIREMENTS.—Subsections (d) and (e) apply to measures adopted by a State or local government on or after the date of the enactment of this Act.

**SEC. 203. SAFE HARBOR FOR CHANGES OF INVESTMENT POLICIES BY ASSET MANAGERS.**

(a) IN GENERAL.—Section 13(c)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-13(c)(1)) is amended to read as follows:

“(1) IN GENERAL.—Notwithstanding any other provision of Federal or State law, no person may bring any civil, criminal, or administrative action against any registered investment company, or any employee, officer, director, or investment adviser thereof, based solely upon the investment company divesting from, or avoiding investing in, securities issued by persons that the investment company determines, using credible information available to the public—

“(A) conduct or have direct investments in business operations in Sudan described in section 3(d) of the Sudan Accountability and Divestment Act of 2007 (50 U.S.C. 1701 note); or

“(B) engage in investment activities in Iran described in section 202(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2009.”.

(b) SEC REGULATIONS.—Not later than 120 days after the date of the enactment of this Act, the Securities and Exchange Commission shall issue any revisions the Commission determines to be necessary to the regulations requiring disclosure by each registered investment company that divests itself of securities in accordance with section 13(c) of the Investment Company Act of 1940 to include divestments of securities in accordance with paragraph (1)(B) of such section, as added by subsection (a).

**SEC. 204. SENSE OF CONGRESS REGARDING CERTAIN ERISA PLAN INVESTMENTS.**

It is the sense of Congress that a fiduciary of an employee benefit plan, as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)), may divest plan assets from, or avoid investing plan assets in, any person the fiduciary determines engages in investment activities in Iran described in section 202(c) of this Act, without breaching the responsibilities, obligations, or duties imposed upon the fiduciary by section 404 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1104), if—

(1) the fiduciary makes such determination using credible information that is available to the public; and

(2) such divestment or avoidance of investment is conducted in accordance with section 2509.08-1 of title 29, Code of Federal Regulations (as in effect on the day before the date of the enactment of this Act).

**TITLE III—PREVENTION OF TRANSSHIPMENT, REEXPORTATION, OR DIVERSION OF SENSITIVE ITEMS TO IRAN**

**SEC. 301. DEFINITIONS.**

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate; and

(B) the Committee on Financial Services, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) END-USER.—The term “end-user” means an end-user as that term is used in the Export Administration Regulations.

(3) EXPORT ADMINISTRATION REGULATIONS.—The term “Export Administration Regulations” means subchapter C of chapter VII of title 15, Code of Federal Regulations.

(4) GOVERNMENT.—The term “government” includes any agency or instrumentality of a government.

(5) IRAN.—The term “Iran” includes any agency or instrumentality of Iran.

(6) STATE SPONSOR OF TERRORISM.—The term “state sponsor of terrorism” means any country the government of which the Secretary of State has determined has repeatedly provided support for acts of international terrorism pursuant to—

(A) section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (or any successor thereto);

(B) section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)); or

(C) section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)).

(7) TRANSSHIPMENT, REEXPORTATION, OR DIVERSION.—The term “transshipment, reexportation, or diversion” means the exportation, directly or indirectly, of items that originated in the United States to an end-user whose identity cannot be verified or to an entity in Iran in violation of the laws or regulations of the United States by any means, including by—

(A) shipping such items through 1 or more foreign countries; or

(B) by using false information regarding the country of origin of such items.

**SEC. 302. IDENTIFICATION OF LOCATIONS OF CONCERN WITH RESPECT TO TRANSSHIPMENT, REEXPORTATION, OR DIVERSION OF CERTAIN ITEMS TO IRAN.**

Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the Director of National Intelligence shall submit to the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the appropriate congressional committees a report that identifies all countries that the Director determines are of concern with respect to transshipment, reexportation, or diversion of items subject to the provisions of the Export Administration Regulations to an entity in Iran.

**SEC. 303. DESTINATIONS OF POSSIBLE DIVERSION CONCERN AND DESTINATIONS OF DIVERSION CONCERN.**

(a) DESTINATIONS OF POSSIBLE DIVERSION CONCERN.—

(1) DESIGNATION.—The Secretary of Commerce shall designate a country as a Destination of Possible Diversion Concern if the Secretary, in consultation with the Secretary of State and the Secretary of the Treasury, determines that such designation is appropriate to carry out activities to strengthen the export control systems of that country based on criteria that include—

(A) the volume of items that originated in the United States that are transported

through the country to end-users whose identities cannot be verified;

(B) the inadequacy of the export and reexport controls of the country;

(C) the unwillingness or demonstrated inability of the government of the country to control diversion activities; and

(D) the unwillingness or inability of the government of the country to cooperate with the United States in interdiction efforts.

(2) **STRENGTHENING EXPORT CONTROL SYSTEMS OF DESTINATIONS OF POSSIBLE DIVERSION CONCERN.**—If the Secretary of Commerce designates a country as a Destination of Possible Diversion Concern under paragraph (1), the United States shall initiate government-to-government activities described in paragraph (3) to strengthen the export control systems of the country.

(3) **GOVERNMENT-TO-GOVERNMENT ACTIVITIES DESCRIBED.**—The government-to-government activities described in this paragraph include—

(A) cooperation by agencies and departments of the United States with counterpart agencies and departments in a country designated as a Destination of Possible Diversion Concern under paragraph (1) to—

(i) develop or strengthen export control systems in the country;

(ii) strengthen cooperation and facilitate enforcement of export control systems in the country; and

(iii) promote information and data exchanges among agencies of the country and with the United States; and

(B) efforts by the Office of International Programs of the Department of Commerce to strengthen the export control systems of the country to—

(i) facilitate legitimate trade in high-technology goods; and

(ii) prevent terrorists and state sponsors of terrorism, including Iran, from obtaining nuclear, biological, and chemical weapons, defense technologies, components for improvised explosive devices, and other defense items.

(b) **DESTINATIONS OF DIVERSION CONCERN.**—

(1) **DESIGNATION.**—The Secretary of Commerce shall designate a country as a Destination of Diversion Concern if the Secretary, in consultation with the Secretary of State and the Secretary of the Treasury, determines—

(A) that the government of the country allows substantial transshipment, reexportation, or diversion of items that originated in the United States to end-users whose identities cannot be verified or to entities in Iran; or

(B) 12 months after the Secretary of Commerce designates the country as a Destination of Possible Diversion Concern under subsection (a)(1), that the country has failed—

(i) to cooperate with the government-to-government activities initiated by the United States under subsection (a)(2); or

(ii) based on the criteria described in subsection (a)(1), to adequately strengthen the export control systems of the country.

(2) **LICENSING CONTROLS WITH RESPECT TO DESTINATIONS OF DIVERSION CONCERN.**—

(A) **REPORT ON SUSPECT ITEMS.**—

(i) **IN GENERAL.**—Not later than 45 days after the date of the enactment of this Act, the Secretary of Commerce, in consultation with the Director of National Intelligence, the Secretary of State, and the Secretary of the Treasury, shall submit to the appropriate congressional committees a report containing a list of items that, if the items were transshipped, reexported, or diverted to Iran, could contribute to—

(I) Iran obtaining nuclear, biological, or chemical weapons, defense technologies,

components for improvised explosive devices, or other defense items; or

(II) support by Iran for acts of international terrorism.

(i) **CONSIDERATIONS FOR LIST.**—In developing the list required under clause (i), the Secretary of Commerce shall consider—

(I) the items subject to licensing requirements under section 742.8 of title 15, Code of Federal Regulations (or any corresponding similar regulation or ruling) and other existing licensing requirements; and

(II) the items added to the list of items for which a license is required for exportation to North Korea by the final rule of the Bureau of Export Administration of the Department of Commerce issued on June 19, 2000 (65 Fed. Reg. 38148; relating to export restrictions on North Korea).

(B) **LICENSING REQUIREMENT.**—Not later than 180 days after the date of the enactment of this Act, the Secretary of Commerce shall require a license to export an item on the list required under subparagraph (A)(i) to a country designated as a Destination of Diversion Concern.

(C) **WAIVER.**—The President may waive the imposition of the licensing requirement under subparagraph (B) with respect to a country designated as a Destination of Diversion Concern if the President—

(i) determines that such a waiver is in the national interest of the United States; and

(ii) submits to the appropriate congressional committees a report describing the reasons for the determination.

(c) **TERMINATION OF DESIGNATION.**—The designation of a country as a Destination of Possible Diversion Concern or a Destination of Diversion Concern shall terminate on the date on which the Secretary of Commerce determines, based on the criteria described in subparagraphs (A) through (D) of subsection (a)(1), and certifies to Congress and the President that the country has adequately strengthened the export control systems of the country to prevent transshipment, reexportation, and diversion of items through the country to end-users whose identities cannot be verified or to entities in Iran.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to carry out this section.

**SEC. 304. REPORT ON EXPANDING DIVERSION CONCERN SYSTEM TO COUNTRIES OTHER THAN IRAN.**

Not later than 180 days after the date of the enactment of this Act, the Director of National Intelligence, in consultation with the Secretary of Commerce, the Secretary of State, and the Secretary of the Treasury, shall submit to the appropriate congressional committees a report that—

(1) identifies any country that the Director determines may be transshipping, reexporting, or diverting items subject to the provisions of the Export Administration Regulations to another country if such other country—

(A) is seeking to obtain nuclear, biological, or chemical weapons, defense technologies, components for improvised explosive devices, or other defense items; or

(B) provides support for acts of international terrorism; and

(2) assesses the feasibility and advisability of expanding the system established under section 303 for designating countries as Destinations of Possible Diversion Concern and Destinations of Diversion Concern to include countries identified under paragraph (1).

**TITLE IV—EFFECTIVE DATE; SUNSET**

**SEC. 401. EFFECTIVE DATE; SUNSET.**

(a) **EFFECTIVE DATE.**—Except as provided in sections 104, 202, and 303(b)(2), the provisions

of, and amendments made by, this Act shall take effect on the date that is 120 days after the date of the enactment of this Act.

(b) **SUNSET.**—The provisions of this Act shall terminate on the date that is 30 days after the date on which the President certifies to Congress that—

(1) the Government of Iran has ceased providing support for acts of international terrorism and no longer satisfies the requirements for designation as a state sponsor of terrorism under—

(A) section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)) (or any successor thereto);

(B) section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)); or

(C) section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)); and

(2) Iran has ceased the pursuit, acquisition, and development of nuclear, biological, and chemical weapons and ballistic missiles and ballistic missile launch technology.

**SA 3467.** Mr. REID (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 364, between lines 17 and 18, insert the following:

**SEC. 434. AUTHORIZATION OF USE OF CERTAIN LANDS IN THE LAS VEGAS MCCARRAN INTERNATIONAL AIRPORT ENVIRONS OVERLAY DISTRICT FOR TRANSIENT LODGING AND ASSOCIATED FACILITIES.**

(a) **IN GENERAL.**—Notwithstanding any other provision of law and except as provided in subsection (b), Clark County, Nevada, is authorized to permit transient lodging, including hotels, and associated facilities, including enclosed auditoriums, concert halls, sports arenas, and places of public assembly, on lands in the Las Vegas McCarran International Airport Environs Overlay District that fall below the forecasted 2017 65 dB day-night annual average noise level (DNL), as identified in the Noise Exposure Map Notice published by the Federal Aviation Administration in the Federal Register on July 24, 2007 (72 Fed. Reg. 40357), and adopted into the Clark County Development Code in June 2008.

(b) **LIMITATION.**—No structure may be permitted under subsection (a) that would constitute a hazard to air navigation, result in an increase to minimum flight altitudes, or otherwise pose a significant adverse impact on airport or aircraft operations.

**SA 3468.** Mr. REID submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 262, strike line 18 and all that follows through “or transfer” on page 263, line 4, and insert the following:

(2) in subsection (c)—

(A) in paragraph (2)(A)(i), by striking “purpose” and inserting the following: “purpose, which includes serving as noise buffer land that may be—

“(I) undeveloped; or

“(II) developed in a way that is compatible with using the land for noise buffering purposes;”;

(B) in paragraph (2)(B)(iii), by striking “paid to the Secretary for deposit in the

Fund if another eligible project does not exist.” and inserting “reinvested in another project at the airport or transferred to another airport as the Secretary prescribes.”;

(C) by redesignating paragraph (3) as paragraph (5); and

(D) by inserting after paragraph (2) the following:

“(3)(A) A lease by an airport owner or operator of land acquired for a noise compatibility purpose using a grant provided under this subchapter shall not be considered a disposal for purposes of paragraph (2).

“(B) The airport owner or operator may use revenues from a lease described in subparagraph (A) for ongoing airport operational and capital purposes.

“(C) The Administrator of the Federal Aviation Administration shall coordinate with each airport owner or operator to ensure that leases described in subparagraph (A) are consistent with noise buffering purposes.

“(D) The provisions of this paragraph apply to all land acquired before, on, or after the date of the enactment of this paragraph.

“(4) In approving the reinvestment or transfer

**SA 3469.** Mr. REID submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 489, after line 8, add the following:  
**SEC. 7. LAND CONVEYANCE FOR SOUTHERN NEVADA SUPPLEMENTAL AIRPORT.**

(a) DEFINITIONS.—In this section:

(1) COUNTY.—The term “County” means Clark County, Nevada.

(2) PUBLIC LAND.—The term “public land” means the land located at—

(A) sec. 23 and sec. 26, T. 26 S., R. 59 E., Mount Diablo Meridian;

(B) the NE ¼ and the N ½ of the SE ¼ of sec. 6, T. 25 S., R. 59 E., Mount Diablo Meridian, together with the SE ¼ of sec. 31, T. 24 S., R. 59 E., Mount Diablo Meridian; and

(C) sec. 8, T. 26 S., R. 60 E., Mount Diablo Meridian.

(3) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

(b) LAND CONVEYANCE.—

(1) IN GENERAL.—As soon as practicable after the date described in paragraph (2), subject to valid existing rights, and notwithstanding the land use planning requirements of sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713), the Secretary shall convey to the County, without consideration, all right, title, and interest of the United States in and to the public land.

(2) DATE ON WHICH CONVEYANCE MAY BE MADE.—The Secretary shall not make the conveyance described in paragraph (1) until the later of the date on which the Administrator of the Federal Aviation Administration has—

(A) approved an airport layout plan for an airport to be located in the Ivanpah Valley; and

(B) with respect to the construction and operation of an airport on the site conveyed to the County pursuant to section 2(a) of the Ivanpah Valley Airport Public Lands Transfer Act (Public Law 106-362; 114 Stat. 1404), issued a record of decision after the preparation of an environmental impact statement or similar analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(3) WITHDRAWAL.—Subject to valid existing rights, the public land to be conveyed under paragraph (1) is withdrawn from—

(A) location, entry, and patent under the mining laws; and

(B) operation of the mineral leasing and geothermal leasing laws.

(4) USE.—The public land conveyed under paragraph (1) shall be used for the development of flood mitigation infrastructure for the Southern Nevada Supplemental Airport.

**SA 3470.** Mr. FEINGOLD (for himself, Mr. COBURN, Mr. BROWN of Ohio, and Mr. MCCAIN) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; as follows:

At the end, insert the following:

**TITLE —RESCISSION OF UNUSED TRANSPORTATION EARMARKS AND GENERAL REPORTING REQUIREMENT**

**SEC. 01. DEFINITION.**

In this title, the term “earmark” means the following:

(1) A congressionally directed spending item, as defined in Rule XLIV of the Standing Rules of the Senate.

(2) A congressional earmark, as defined for purposes of Rule XXI of the Rules of the House of Representatives.

**SEC. 02. RESCISSION.**

Any earmark of funds provided for the Department of Transportation with more than 90 percent of the appropriated amount remaining available for obligation at the end of the 9th fiscal year following the fiscal year in which the earmark was made available is rescinded effective at the end of that 9th fiscal year, except that the Secretary of Transportation may delay any such rescission if the Secretary determines that an additional obligation of the earmark is likely to occur during the following 12-month period.

**SEC. 03. AGENCY WIDE IDENTIFICATION AND REPORTS.**

(a) AGENCY IDENTIFICATION.—Each Federal agency shall identify and report every project that is an earmark with an unobligated balance at the end of each fiscal year to the Director of OMB.

(b) ANNUAL REPORT.—The Director of OMB shall submit to Congress and publically post on the website of OMB an annual report that includes—

(1) a listing and accounting for earmarks with unobligated balances summarized by agency including the amount of the original earmark, amount of the unobligated balance, the year when the funding expires, if applicable, and recommendations and justifications for whether each earmark should be rescinded or retained in the next fiscal year;

(2) the number of rescissions resulting from this title and the annual savings resulting from this title for the previous fiscal year; and

(3) a listing and accounting for earmarks provided for the Department of Transportation scheduled to be rescinded at the end of the current fiscal year.

**SA 3471.** Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. . ALLOCATION OF 4 BEYOND-PERIMETER EXEMPTIONS.**

Section 41718(a) is amended—

(1) by striking “24” and inserting “28”; and

(2) by adding at the end the following:  
“The Secretary shall allocate 4 of the exemptions granted under the preceding sentence to air carriers to operate limited frequencies and aircraft between Ronald Reagan Washington National Airport and a medium hub airport located outside the perimeter established for civil aircraft operations at Ronald Reagan Washington National Airport but within 1,400 miles of that airport without regard to paragraphs (1) and (2) of this subsection.”.

**SA 3472.** Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 29, after line 21, insert the following:

**SEC. 207(b) PROHIBITION ON USE OF PASSENGER FACILITY CHARGES TO CONSTRUCT BICYCLE STORAGE FACILITIES.—**Section 40117(a)(3) is amended—

(1) by redesignating subparagraphs (A) through (G) as clauses (i) through (vii);

(2) by striking “The term” and inserting the following:

“(A) IN GENERAL.—The term”; and

(3) by adding at the end the following:

“(B) BICYCLE STORAGE FACILITIES.—A project to construct a bicycle storage facility may not be considered an eligible airport-related project.”.

**SA 3473.** Mr. LAUTENBERG submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:  
**SEC. 723. REPORT ON NEWARK LIBERTY AIRPORT AIR TRAFFIC CONTROL TOWER.**

Not later than 90 days after the date of the enactment of this Act, the Administrator of the Federal Aviation Administration shall report to the Committee on Commerce, Science, and Transportation of the Senate, the Subcommittee on Transportation and Housing and Urban Development, and Related Agencies of the Senate, the Committee on Transportation and Infrastructure of the House of Representatives, and the Subcommittee on Transportation, Housing and Urban Development, and Related Agencies of the House of Representatives on the Federal Aviation Administration’s plan to staff the Newark Liberty Airport air traffic control tower with a minimum of 35 certified professional controllers within 1 year after such date of enactment.

**SA 3474.** Mr. BARRASSO submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:  
**SEC. 723. PRIORITY OF REVIEW OF CONSTRUCTION PROJECTS.**

(a) FINDINGS.—Congress makes the following findings:

(1) Winter weather in States located in cold regions of the United States shortens

the period during the year in which construction projects may be carried out in such States.

(2) If the review and approval process for a construction project in a cold weather State is delayed—

(A) the project may not be completed in 1 construction season; and

(B) the cost to complete the project will increase.

(b) **PRIORITY REVIEW OF CONSTRUCTION PROJECTS IN COLD WEATHER STATES.**—The Administrator of the Federal Aviation Administration shall, to the maximum extent practicable, prioritize the Administrator's review of construction projects so that projects to be carried out in a States in which the weather during a typical calendar year prevents major construction projects from being carried out before May 1 are reviewed as early as possible.

**SA 3475.** Mr. MCCAIN (for himself and Mr. BAYH) submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end, insert the following:

**SEC. \_\_\_\_ . EARMARKS PROHIBITED IN YEARS IN WHICH THERE IS A DEFICIT.**

(a) **IN GENERAL.**—It shall not be in order in the Senate or the House of Representatives to consider a bill, joint resolution, or conference report containing a congressional earmark or an earmark attributable to the President for any fiscal year in which there is or will be a deficit as determined by CBO.

(b) **CONGRESSIONAL EARMARK.**—In this section, the term “congressional earmark” means the following:

(1) A congressionally directed spending item, as defined in Rule XLIV of the Standing Rules of the Senate.

(2) A congressional earmark for purposes of Rule XXI of the House of Representatives.

(c) **WAIVER AND APPEAL.**—

(1) **WAIVER.**—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(2) **APPEALS.**—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

**SA 3476.** Mr. ENSIGN (for himself, Mr. KYL, Mr. MCCAIN, and Mr. COBURN) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

**SEC. 723. EXTENDING THE LENGTH OF FLIGHTS FROM RONALD REAGAN WASHINGTON NATIONAL AIRPORT.**

Section 41718 is amended by adding at the end the following:

“(g) **USE OF AIRPORT SLOTS FOR BEYOND PERIMETER FLIGHTS.**—Notwithstanding section 49109 or any other provision of law, any air carrier that holds or operates air carrier slots at Ronald Reagan Washington National Airport as of January 1, 2010, pursuant to

subparts K and S of part 93 of title 14, Code of Federal Regulations, which are being used as of that date for scheduled service between that airport and a large hub airport (as defined in section 40102(a)(29)), may use such slots for service between Ronald Reagan Washington National Airport and any airport located outside of the perimeter restriction described in section 49109.”.

**SA 3477.** Ms. CANTWELL (for herself and Mrs. MURRAY) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VIII, add the following:  
**SEC. 8 \_\_\_\_ . TAX-EXEMPT BOND FINANCING FOR FIXED-WING EMERGENCY MEDICAL AIRCRAFT.**

(a) **IN GENERAL.**—Subsection (e) of section 147 (relating to no portion of bonds may be issued for skyboxes, airplanes, gambling establishments, etc.) is amended by adding at the end the following new sentence: “The preceding sentence shall not apply to any fixed-wing aircraft equipped for, and exclusively dedicated to providing, acute care emergency medical services (within the meaning of 4261(g)(2)).”

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to obligations issued after the date of the enactment of this Act.

**SA 3478.** Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 27, line 9, strike “The Secretary” and insert “Effective January 1, 2008, the Secretary”.

**SA 3479.** Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 282, between lines 3 and 4, insert the following:

**SEC. 219. DESIGNATION OF FORMER MILITARY AIRPORTS.**

Section 47118(g) is amended by inserting “or more” after “one”.

**SA 3480.** Mr. SCHUMER (for himself and Mr. NELSON of Florida) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

**SEC. 723. TRANSFER OF UNUSED OFF-PEAK HOUR SLOTS AT RONALD REAGAN WASHINGTON NATIONAL AIRPORT INTO PEAK HOUR SLOTS.**

Section 41718 is amended by adding at the end the following:

“(g) **TRANSFER OF UNUSED OFF-PEAK HOUR SLOTS TO PEAK HOUR SLOTS.**—

“(1) **IN GENERAL.**—Notwithstanding section 41714(d), any other provision of this title, or

subpart K or S of part 93 of title 14, Code of Federal Regulations, and subject to paragraph (3), the Secretary may transfer any slot available for the takeoff or landing of an aircraft by an air carrier during off-peak hours at the Ronald Reagan Washington National Airport that the Secretary determines is unused into a slot available for the takeoff or landing of an aircraft by an air carrier described in paragraph (2) during peak hours at that Airport.

“(2) **AIR CARRIER DESCRIBED.**—An air carrier described in this paragraph is a new entrant air carrier or a limited incumbent air carrier that the Secretary determines will—

“(A) produce maximum competitive benefits, including low fares;

“(B) increase the presence of new entrant air carriers and limited incumbent air carriers in air transportation, especially at large hub airports that are dominated by large incumbent air carriers, or otherwise promote air transportation by new entrant air carriers and limited incumbent air carriers; and

“(C) use aircraft that—

“(i) meet the Stage 3 noise limits under part 36 of title 14, Code of Federal Regulations; and

“(ii) have a maximum seating capacity of more than 76 passengers.

“(3) **LIMITATION ON INCREASE IN HOURLY OPERATIONS.**—The transfer of a slot under paragraph (1) may not increase the number of operations at Ronald Reagan Washington National Airport in any 1-hour period by more than 4 operations.

“(4) **DEFINITIONS.**—In this subsection:

“(A) **LARGE INCUMBENT AIR CARRIER.**—The term ‘large incumbent air carrier’ means, with respect to a large hub airport, an air carrier that holds more than 20 slots at the airport (other than slots for use in foreign air transportation).

“(B) **OFF-PEAK HOURS.**—The term ‘off-peak hours’ means the time between 10:00 post meridiem and 6:59 ante meridiem.

“(C) **PEAK HOURS.**—The term ‘peak hours’ means the time between 7:00 ante meridiem and 9:59 post meridiem.”.

**SA 3481.** Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . ALLOCATION OF 4 BEYOND-PERIMETER EXEMPTIONS.**

Section 41718(a) is amended—

(1) by striking “24” and inserting “28”; and

(2) by adding at the end the following:

“‘The Secretary shall allocate 4 of the exemptions granted under the preceding sentence to air carriers to operate limited frequencies and aircraft between Ronald Reagan Washington National Airport and a medium hub airport located outside the perimeter established for civil aircraft operations at Ronald Reagan Washington National Airport but within 2,000 miles of that airport without regard to paragraphs (1) and (2) of this subsection.’”.

**SA 3482.** Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

**SEC. 720. AIR-RAIL CODESHARE STUDY.**

(a) CODESHARE STUDY.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Transportation, in coordination with the Federal Aviation Administration and the Federal Railroad Administration, shall conduct a study of—

(1) the current airline and intercity passenger rail codeshare arrangements;

(2) the best methods for encouraging better integration of future airline and intercity passenger rail schedules; and

(3) the feasibility of increasing intermodal connectivity of airline and intercity passenger rail facilities and systems to improve passenger travel.

(b) CONSIDERATIONS.—The study shall consider—

(1) the potential benefits to passengers from the development of a more efficient travel network through the implementation of more integrated scheduling between airlines and Amtrak or other intercity passenger rail carriers achieved through codesharing arrangements;

(2) statutory and regulatory challenges or barriers to greater integration of future scheduling through implementation of codeshare arrangements between airlines and Amtrak or other intercity passenger rail carriers;

(3) financial or other challenges to implementing more integrated codeshare arrangements between airlines and Amtrak or other intercity passenger rail carriers; and

(4) airport operations that can improve connectivity to intercity passenger rail facilities and stations.

(c) REPORT.—Not later than 1 year after commencing the study required by subsection (a), the Secretary shall submit a report on the study to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The report shall include any conclusions of the Secretary resulting from the study, the Secretary's recommendations for improving intermodal connections between airlines and intercity passenger rail, and the Secretary's recommendations for regulatory or legislative changes necessary to facilitate codeshare arrangements between airlines and Amtrak and other intercity passenger rail carriers.

**SA 3483.** Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 282, between lines 3 and 4, insert the following:

**SEC. 219. AIRPORT SUSTAINABILITY PLANNING.**

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration may make a grant from amounts made available under section 48103 of title 49, United States Code, to an entity to develop, in accordance with subsection (b)—

(1) best practices and metrics with respect to the sustainable design, construction, planning, maintenance, and operation of airports; and

(2) a rating system and voluntary rating process for airports based on those best practices and metrics.

(b) DEVELOPMENT OF BEST PRACTICES AND METRICS AND VOLUNTARY RATING SYSTEM.—

(1) IN GENERAL.—The entity receiving the grant under subsection (a) shall develop—

(A) consensus-based best practices and metrics for the sustainable design, construction, planning, maintenance, and operation

of an airport that comply with standards prescribed by the Administrator of the Federal Aviation Administration, including standards for site location, airport layout, site preparation, paving, and lighting and safety of approaches;

(B) a consensus-based rating system for airports based on the best practices and metrics developed under subparagraph (A); and

(C) a voluntary rating process for airports based on the best practices and metrics developed under subparagraph (A) and the rating system developed under subparagraph (B).

(2) REVIEW AND DISSEMINATION OF BEST PRACTICES AND METRICS.—The Administrator of the Federal Aviation Administration—

(A) shall review the best practices and metrics developed under paragraph (1)(A) by the entity receiving the grant under subsection (a) to determine whether those best practices and metrics contribute to the protection of natural resources, the reduction of energy consumption, or the mitigation of any other negative environmental, social, or economic impacts of the design, construction, planning, maintenance, and operation of airports; and

(B) if the Administrator makes an affirmative determination under subparagraph (A), may publish those best practices and metrics in the Federal Register and on the website of the Federal Aviation Administration in order to disseminate those best practices and metrics to support the sustainable design, construction, planning, maintenance, and operation of airports.

(c) APPLICATIONS.—An entity seeking a grant under subsection (a) shall submit an application to the Administrator of the Federal Aviation Administration in such form and containing such information as the Administrator may require.

(d) CRITERIA FOR AWARDED GRANT.—The Administrator shall award the grant under subsection (a) to an entity that—

(1) has experience in developing sustainable best practices for transportation or aviation systems or facilities;

(2) has experience in aviation operations, planning, design, and maintenance and evaluating the costs and benefits of incorporating sustainable design features into aviation projects and practices;

(3) has experience with commercial or non-profit sustainable building certification programs; and

(4) does not have any conflicts of interest that would jeopardize the independence of the entity in developing the best practices and metrics and rating system under subsection (b)(1).

(e) DETERMINATION OF AMOUNT OF GRANT AWARD.—The Administrator of the Federal Aviation Administration shall—

(1) determine the amount of the grant award based on the amount the Administrator determines necessary to develop the best practices and metrics and rating system required under subsection (b)(1); and

(2) publish that amount in any document seeking applicants for the grant under subsection (a).

**SA 3484.** Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

After title VII, insert the following:

**TITLE VIII—PREVENTION OF UNREASONABLE FEES****SEC. 801. SHORT TITLE.**

This title may be cited as the “Prevention of Unreasonable Fees Act”.

**SEC. 802. PREVENTION OF UNREASONABLE FEES.**

Section 14501(d) is amended—

(1) in paragraph (1), by striking “on account of the fact that a motor vehicle” and inserting “to be paid with respect to a motor vehicle that”;

(2) by redesignating paragraphs (2) and (3) as paragraph (3) and (4), respectively;

(3) by inserting after paragraph (1) the following:

“(2) TRANSPORTATION TERMINAL FEES PROHIBITED.—An operator of a transportation terminal that, at any time after the date of enactment of the Prevention of Unreasonable Fees Act, uses any Federal funds for the construction, expansion, renovation, or other capital improvement of such transportation terminal, or for the purchase or lease of any equipment installed in such transportation terminal or on its property, may not charge any fee to a provider of prearranged ground transportation service described in paragraph (1), except—

“(A) a fee charged to the general public for access to, or use of, any part of the transportation terminal; or

“(B) a fee for the availability of ancillary facilities at the transportation terminal that is reasonable in relation to the costs of operating the ancillary facilities.”;

(4) by amending paragraph (3), as redesignated, to read as follows:

“(3) DEFINITIONS.—In this section:

“(A) ANCILLARY FACILITIES.—The term ‘ancillary facilities’ includes restrooms, vending machines, monitoring facilities that advise parties accessing the transportation terminal of arrivals or departures of aircraft, buses, trains, ships, or boats, and such other facilities determined by the Secretary to be necessary, appropriate, desirable, or useful to the business of providing prearranged ground transportation service.

“(B) INTERMEDIATE STOP.—The term ‘intermediate stop’, with respect to transportation by a motor carrier, means a pause in the transportation in order for 1 or more passengers to engage in personal or business activity if the driver providing the transportation to such passengers does not, before resuming the transportation of at least 1 of such passengers, provide transportation to any other person not included among the passengers being transported when the pause began.

“(C) TRANSPORTATION TERMINAL.—The term ‘transportation terminal’ means any airport, port facility for ships or boats, train station, or bus terminal, including any principal building and all ancillary buildings, roads, runways, and other facilities.”;

(5) in paragraph (4), as redesignated—

(A) in subparagraph (B)—

(i) by striking “an airport, train, or bus” and inserting “a transportation”; and

(ii) by striking “and” at the end;

(B) by redesignating subparagraph (C) as subparagraph (D);

(C) by inserting after subparagraph (B) the following:

“(C) as prohibiting or restricting a transportation terminal operator from requiring vehicles that cannot safely use parking facilities that are otherwise available to the general public to use segregated facilities, if the fee for such facilities is not more than the amount charged to the public for similar facilities.”;

(D) in subparagraph (D), as redesignated, by striking the period at the end and inserting “; or”;

(E) by inserting after subparagraph (D), as redesignated, the following:

“(E) as restricting the right of any State or political subdivision of a State to require a license or fee (other than a fee by a transportation terminal operator prohibited under paragraph (2)) with respect to a vehicle that is providing transportation not described in paragraph (1).”.

**SEC. 803. REGULATIONS.**

(a) IN GENERAL.—Not later than December 31, 2010, the Secretary of Transportation shall promulgate regulations to carry out the provisions of section 14501(d) of title 49, United States Code, as amended by section 802.

(b) PROVISIONS.—The regulations promulgated pursuant to subsection (a) shall include—

(1) a comprehensive list of the ancillary facilities determined by the Secretary to be necessary, appropriate, desirable, and useful to the business of the provision of prearranged ground transportation service;

(2) a schedule of suggested fees that—

(A) may be charged for such ancillary facilities by any transportation terminal operator to a provider of prearranged ground transportation service for the availability of the ancillary facility; and

(B) are determined by the Secretary to be reasonable in relation to the costs of operating the ancillary facility;

(3) a requirement that any fee proposed by a transportation terminal operator for the availability of an ancillary facility may not be greater than the fee for such ancillary facility provided in the schedule described in paragraph (2), unless the fee is approved in advance by the Secretary after a public hearing and determination that the proposed fee and the amount of the fee for the availability of such ancillary facility at such transportation terminal—

(A) is reasonable in relation to the costs of operating the ancillary facility; and

(B) otherwise complies with section 14501(d) of title 49, United States Code; and

(4) such other provisions as the Secretary determines to be necessary or appropriate to carry out such section 14501(d) in a manner that prevents the imposition by a transportation terminal operator of—

(A) fees to be paid by or with respect to a motor vehicle that is providing prearranged ground transportation service; or

(B) any other discriminatory or punitive action or measure against, or with respect to, a motor vehicle that is providing prearranged ground transportation service.

**SA 3485.** Mr. SPECTER submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:  
**SEC. 723. LOAN GUARANTEES FOR SHIPYARDS AND REPROGRAMMING OF FUNDS FOR SEALIFT CAPACITY.**

Section 115 of the Miscellaneous Appropriations and Offsets Act, 2004 (division H of Public Law 108-199; 118 Stat. 439), as amended by section 1017 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109-13; 119 Stat. 250), is amended to read as follows:

“SEC. 115. (a)(1) Of the amounts provided in the Department of Defense Appropriations Act, 2002 (Public Law 107-117; 115 Stat. 2244), the Department of Defense Appropriations Act, 2003 (Public Law 107-248; 116 Stat. 1533), and the Department of Defense Appropriations Act, 2004 (Public Law 108-87; 117 Stat.

1068) under the heading ‘NATIONAL DEFENSE SEALIFT FUND’ for construction of additional sealift capacity, notwithstanding section 2218(c)(1) of title 10, United States Code—

“(A) \$15,000,000, shall be made available for the Secretary of Transportation to make loan guarantees as described in subsection (b); and

“(B) any remaining amount may be made available for—

“(i) design testing simulation and construction of infrastructure improvements to a marine cargo terminal capable of supporting a mixed use of traditional container operations, high speed loading and off-loading, and military sealift requirements; and

“(ii) engineering, simulation, and feasibility evaluation of advance design vessels for the transport of high-value, time sensitive cargoes to expand a capability to support military sealift, aviation, and commercial operations.

“(2) The amounts made available in this subsection shall remain available until expended.

“(b)(1) A loan guarantee described in this subsection is a loan guarantee issued by the Secretary of Transportation to maintain the capability of a qualified shipyard to construct a large ocean going commercial vessel if the applicant for such a loan guarantee demonstrates that absent such loan guarantee—

“(A) the domestic capacity for the construction of large ocean going commercial vessels will be significantly impaired;

“(B) more than 1,000 shipbuilding-related jobs will be terminated at any one facility; and

“(C) the capability of domestic shipyards to meet the demand for replacement and expansion of the domestic ocean going commercial fleet will be significantly constrained.

“(2) In this subsection, the term ‘qualified shipyard’ means a shipyard that—

“(A) is located in the United States;

“(B) consists of at least one facility with not less than of 1,000 employees;

“(C) has exclusively constructed ocean going commercial vessels larger than 20,000 gross registered tons;

“(D) delivered 8 or more such ocean going commercial vessels during the 5-year period ending on the date of the enactment of the FAA Air Transportation Modernization and Safety Improvement Act; and

“(E) applies for a loan guarantee made available pursuant to subsection (a)(1)(A).

“(3) Notwithstanding the provisions of chapter 537 of subtitle V of title 46, United States Code, or any regulations issued pursuant to such chapter, a loan guarantee pursuant to subsection (a)(1)(A) shall be issued only to a qualified shipyard upon commitment by the qualified shipyard of not less than \$40,000,000 in equity and demonstrated proof that actual construction of the new vessel for which such loan guarantee was issued will commence not later than April 30, 2010.

“(4) A loan guarantee issued pursuant to subsection (a)(1)(A) shall be deemed to have a subsidy rate of no greater than 9 percent.

“(5) The Secretary of Transportation shall select each qualified shipyard to receive a loan guarantee pursuant to subsection (a)(1)(A) not later than 60 days after the date of the enactment of the FAA Air Transportation Modernization and Safety Improvement Act.”.

**SA 3486.** Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses re-

ceived from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 201, strike lines 20 through 24, and insert the following:

(b) MINIMUM EXPERIENCE REQUIREMENT.—

(1) IN GENERAL.—The final rule prescribed under subsection (a) shall, among any other requirements established by the rule, require that a pilot—

(A) have not less than 800 hours of flight time before serving as a flightcrew member for a part 121 air carrier; and

(B) demonstrate the ability to—

(i) function effectively in a multi-pilot environment;

(ii) function effectively in an air carrier operational environment;

(iii) function effectively in adverse weather conditions, including icing conditions;

(iv) function effectively during high altitude operations; and

(v) adhere to the highest professional standards.

(2) HOURS OF FLIGHT EXPERIENCE IN DIFFICULT OPERATIONAL CONDITIONS.—The total number of hours of flight experience required by the Administrator under paragraph (1) for pilots shall include a number of hours of flight experience in difficult operational conditions that may be encountered by an air carrier that the Administrator determines to be sufficient to enable a pilot to operate an aircraft safely in such conditions.

**SA 3487.** Mr. BINGAMAN (for himself, Ms. SNOWE, Mr. HARKIN, Mr. CONRAD, and Mr. BURRIS) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of subtitle B of title IV, add the following:

**SEC. 419. REPEAL OF ESSENTIAL AIR SERVICE LOCAL PARTICIPATION PROGRAM.**

(a) IN GENERAL.—Subchapter II of chapter 417 of title 49, United States Code, is amended by striking section 41747, and such title 49 shall be applied as if such section 41747 had not been enacted.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 417 of title 49, United States Code, is amended by striking the item relating to section 41747.

**SA 3488.** Mr. WARNER submitted an amendment to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . CLARIFICATION OF REQUIREMENTS FOR VOLUNTEER PILOTS OPERATING CHARITABLE MEDICAL FLIGHTS.**

In administering part 61.113(c) of title 14, Code of Federal Regulations, the Administrator of the Federal Aviation Administration shall allow an aircraft owner or aircraft operator who has volunteered to provide transportation for an individual or individuals for medical purposes to accept reimbursement to cover all or part of the fuel costs associated with the operation from a volunteer pilot organization.

**SA 3489.** Mr. WARNER (for himself and Mr. WEBB) submitted an amendment to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . FORFEITURE OF SLOTS UPON INCREASING EXTRAPERIMETER SERVICE FROM REAGAN WASHINGTON NATIONAL AIRPORT.**

Section 41718 is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

“(f) REALLOCATION OF EXEMPTIONS UPON COMMENCEMENT OF CERTAIN SERVICE.—

“(1) IN GENERAL.—If, after the date of enactment of the FAA Air Transportation Modernization and Safety Improvement Act, an air carrier—

“(A) commences air transportation pursuant to an exemption under subsection (a) to a beyond-perimeter airport previously unserved by that air carrier from Ronald Reagan Washington National Airport,

“(B) provides additional service to a beyond-perimeter airport served by that air carrier from that airport, or

“(C) exchanges an exemption granted under subsection (b) for an exemption granted under subsection (a),

the air carrier shall forfeit 4 of its other exemptions granted under subsection (a) or (b).

“(2) REALLOCATION OF FORFEITED EXEMPTIONS.—If an air carrier forfeits exemptions under paragraph (1), the Secretary—

“(A) shall grant one of the forfeited exemptions to a new entrant air carrier or limited incumbent air carrier; and

“(B) may grant the remaining exemption to another air carrier under this section in accordance with the requirements of this section.”.

**SA 3490.** Mr. WARNER (for himself and Mr. WEBB) submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . IMPACT ANALYSIS REQUIRED BEFORE ANY ADDITIONAL SLOTS.**

The Secretary of Transportation may not grant an exemption under subsection (a) or (b) of section 41718 of title 49, United States Code, not authorized by that section (as in effect on the day before the date of enactment of this Act) unless the Secretary has conducted a study and determined that the additional exemption—

(1) will cause no strain on existing gate and parking facilities at Ronald Reagan Washington National Airport;

(2) will have no impact on the environment;

(3) will not increase traffic congestion at or near the airport; and

(4) will not exacerbate community concerns about airport-related noise.

**SA 3491.** Mr. BEGICH submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . ALASKA NATIVE AVIATION TRAINING PROGRAM.**

(a) IN GENERAL.—chapter 445 is amended by adding at the end the following:

“**§ 44518. Alaska Native aviation training program**

“(a) GENERAL AUTHORITY.—The Secretary of Transportation shall carry out, at a minimum, one project to improve opportunities for residents of Alaska Native communities to receive aviation training to enhance safety in air service to and from remote Alaska Native communities.

“(b) IMPLEMENTATION.—

“(1) IN GENERAL.—In carrying out this section, the Secretary shall provide funding through a grant, contract, or another agreement described in section 106(l)(5) to a non-profit organization composed of Federally recognized tribes operating flight and air mechanics schools in an Alaska Native community.

“(2) PROJECT SELECTION.—The Secretary shall select a project under this subsection that provides training for residents of Alaska Native communities—

“(A) to obtain commercial pilot certificates pursuant to part 61 of title 14, Code of Federal Regulations; and

“(B) to obtain mechanic certificates pursuant to subpart D of part 65 of such title.

“(c) MATCHING SHARE.—Notwithstanding section 47109 or any other provision of law, the Federal share of allowable project costs for a project under this section shall be 100 percent.

“(d) TERMS AND CONDITIONS.—The Secretary may establish such terms and conditions as the Secretary determines appropriate, consistent with the provisions of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.) for carrying out a project under this section, including terms and conditions relating to the form and content of a proposal for a project, project assurances, and schedule of payments.

“(e) ADMINISTRATION.—The Secretary may enter into an agreement in accordance with section 106(m) to provide for the administration of any project under the program.

“(f) AUTHORIZATION OF APPROPRIATIONS.—Notwithstanding any other provision of law, the Secretary shall make available not less than \$1,000,000 of the amounts made available to the Secretary under section 48105 of this title for each of fiscal years 2011 and 2012 to carry out this section.”.

(b) CONFORMING AMENDMENT.—The table of contents for chapter 445 is amended by adding at the end the following:

“44518. Alaska Native aviation training program”.

**SA 3492.** Mr. BEGICH (for himself and Ms. MURKOWSKI) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . CYLINDERS OF COMPRESSED OXYGEN, NITROUS OXIDE, OR OTHER OXIDIZING GASES.**

(a) IN GENERAL.—The transportation within Alaska of cylinders of compressed oxygen, nitrous oxide, or other oxidizing gases aboard aircraft shall be exempt from compliance with the requirements, under sections 173.302(f)(3) and (f)(4) and 173.304(f)(3) and

(f)(4) of the Pipeline and Hazardous Material Safety Administration’s regulations (49 C.F.R. 173.302(f)(3) and (f)(4) and 173.304(f)(3) and (f)(4)), that oxidizing gases transported aboard aircraft be enclosed in outer packaging capable of passing the flame penetration and resistance test and the thermal resistance test, without regard to the end use of the cylinders, if—

(1) there is no other practical means of transportation for transporting the cylinders to their destination and transportation by ground or vessel is unavailable; and

(2) the transportation meets the requirements of subsection (b).

(b) EXEMPTION REQUIREMENTS.—Subsection (a) shall not apply to the transportation of cylinders of compressed oxygen, nitrous oxide, or other oxidizing gases aboard aircraft unless the following requirements are met:

(1) PACKAGING.—

(A) SMALLER CYLINDERS.—Each cylinder with a capacity of not more than 116 cubic feet shall be—

(i) fully covered with a fire or flame resistant blanket that is secured in place; and

(ii) placed in a rigid outer packaging or an ATA 300 Category 1 shipping container.

(B) LARGER CYLINDERS.—Each cylinder with a capacity of more than 116 cubic feet but not more than 281 cubic feet shall be—

(i) secured within a frame;

(ii) fully covered with a fire or flame resistant blanket that is secured in place; and

(iii) fitted with a securely attached metal cap of sufficient strength to protect the valve from damage during transportation.

(2) OPERATIONAL CONTROLS.—

(A) STORAGE; ACCESS TO FIRE EXTINGUISHERS.—Unless the cylinders are stored in a Class C cargo compartment or its equivalent on the aircraft, crew members shall have access to the cylinders and at least 2 fire extinguishers shall be readily available for use by the crew members.

(B) SHIPMENT WITH OTHER HAZARDOUS MATERIALS.—The cylinders may not be transported in the same aircraft with other hazardous materials other than Division 2.2 materials with no subsidiary risk, Class 9 materials, and ORM-D materials.

(3) AIRCRAFT REQUIREMENTS.—

(A) AIRCRAFT TYPE.—The transportation shall be provided only aboard a passenger-carrying aircraft or a cargo aircraft.

(B) PASSENGER-CARRYING AIRCRAFT.—

(i) SMALLER CYLINDERS ONLY.—A cylinder with a capacity of more than 116 cubic feet may not be transported aboard a passenger-carrying aircraft.

(ii) MAXIMUM NUMBER.—Unless transported in a Class C cargo compartment or its equivalent, no more than 6 cylinders in each cargo compartment may be transported aboard a passenger-carrying aircraft.

(C) CARGO AIRCRAFT.—A cylinder may not be transported aboard a cargo aircraft unless it is transported in a Class B cargo compartment or a Class C cargo compartment or its equivalent.

(c) DEFINITIONS.—Terms used in this section shall have the meaning given those terms in parts 106, 107, and 171 through 180 of the Pipeline and Hazardous Material Safety Administration’s regulations (49 C.F.R. parts 106, 107, and 171–180).

**SA 3493.** Ms. CANTWELL submitted an amendment to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

**SEC. 723. FLIGHT OPERATIONS AT RONALD REAGAN WASHINGTON NATIONAL AIRPORT.**

(a) **BEYOND PERIMETER EXEMPTIONS.**—Section 41718(a) is amended by striking “24” and inserting “34”.

(b) **LIMITATIONS.**—Section 41718(c)(2) is amended by striking “3 operations” and inserting “5 operations”.

(c) **ALLOCATION OF BEYOND-PERIMETER EXEMPTIONS.**—Section 41718(c) is further amended—

(1) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (2) the following:

“(3) **SLOTS.**—The Administrator of the Federal Aviation Administration shall reduce by 10 the total number of slots available for air carriers at Ronald Reagan Washington National Airport during a 24-hour period by eliminating slots during the 1-hour periods beginning at 6:00 a.m., 10:00 p.m., and 11:00 p.m. that are available for allocation, in order to grant exemptions under subsection (a).”

(d) **SCHEDULING PRIORITY.**—Section 41718 is further amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

“(e) **SCHEDULING PRIORITY.**—In administering this section, the Secretary shall afford a scheduling priority to operations conducted by new entrant air carriers and limited incumbent air carriers over operations conducted by other air carriers granted exemptions pursuant to this section, with the highest scheduling priority to be afforded to beyond-perimeter operations conducted by new entrant air carriers and limited incumbent air carriers.”

**SA 3494.** Mr. WICKER submitted an amendment to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:  
**SEC. 723. TECHNICAL CORRECTION.**

Section 159(b)(2)(C) of title I of division A of the Consolidated Appropriations Act, 2010, is amended by striking clauses (i) and (ii) and inserting the following:

“(i) requiring inspections of any container containing a firearm or ammunition; and

“(ii) the temporary suspension of firearm carriage service if credible intelligence information indicates a threat related to the national rail system or specific routes or trains.”

**SA 3495.** Mr. BENNETT (for himself, Mr. BROWBACK, and Mr. WICKER) submitted an amendment intended to be proposed by him to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end, insert the following:

**SEC. \_\_\_\_ . RIGHT OF THE PEOPLE OF THE DISTRICT OF COLUMBIA TO DEFINE MARRIAGE.**

(a) **FINDINGS.**—Congress finds that—

(1) a broad coalition of residents of the District of Columbia petitioned for an initiative in accordance with the District of Columbia Home Rule Act to establish that “only marriage between a man and a woman is valid or recognized in the District of Columbia”;

(2) this petition anticipated the Council of the District of Columbia’s passage of an Act legalizing same-sex marriage;

(3) the unelected District of Columbia Board of Elections and Ethics and the unelected District of Columbia Superior Court thwarted the residents’ initiative effort to define marriage democratically, holding that the initiative amounted to discrimination prohibited by the District of Columbia Human Rights Act; and

(4) the definition of marriage affects every person and should be debated openly and democratically.

(b) **REFERENDUM OR INITIATIVE REQUIREMENT.**—Notwithstanding any other provision of law, including the District of Columbia Human Rights Act, the government of the District of Columbia shall not issue a marriage license to any couple of the same sex until the people of the District of Columbia have the opportunity to hold a referendum or initiative on the question of whether the District of Columbia should issue same-sex marriage licenses.

**SA 3496.** Mr. CARDIN (for himself and Ms. LANDRIEU) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

Strike section 405 and insert the following:

**SEC. 405. DISCLOSURE OF PASSENGER FEES; PROHIBITION ON FEES FOR CARRY-ON BAGGAGE.**

(a) **IN GENERAL.**—Within 180 days after the date of enactment of this Act, the Secretary of Transportation shall complete a rule-making that—

(1) prohibits each air carrier operating in the United States under part 121 of title 49, Code of Federal Regulations, from charging any fees for carry-on baggage that falls within the restrictions imposed by the air carrier with respect to the weight, size, or number of bags;

(2) requires each such air carrier to make detailed information about restrictions with respect to the weight, size, and number carry-on baggage available to passengers before they arrive at the airport for a scheduled departure on the air carrier; and

(3) requires each such air carrier to make available to the public and to the Secretary a list of all passenger fees and charges (other than airfare) that may be imposed by the air carrier, including fees for—

(A) checked baggage or oversized or heavy baggage, including specialty items such as bicycles, skis, and firearms;

(B) meals, beverages, or other refreshments;

(C) seats in exit rows, seats with additional space, or other preferred seats in any given class of travel;

(D) purchasing tickets from an airline ticket agent or a travel agency; or

(E) any other good, service, or amenity provided by the air carrier, as required by the Secretary.

(b) **PUBLICATION; UPDATES.**—In order to ensure that the fee information required by subsection (a)(3) is both current and widely available to the traveling public, the Secretary—

(1) may require an air carrier to make such information available on any public website maintained by an air carrier, to make such information available to travel agencies, and to notify passengers of the availability of such information when advertising airfares; and

(2) shall require air carriers to update the information as necessary, but no less frequently than every 90 days unless there has been no increase in the amount or type of fees shown in the most recent publication.

**SA 3497.** Mr. CARDIN submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

**SEC. 412. EXTENSION OF FINAL ORDER ESTABLISHING MILEAGE ADJUSTMENT ELIGIBILITY.**

Section 409(d) of the Vision 100—Century of Aviation Reauthorization Act (49 U.S.C. 41731 note) is amended by striking “September 30, 2010.” and inserting “September 30, 2013.”

**SA 3498.** Mr. DURBIN proposed an amendment to the bill H.R. 2847, making appropriations for the Departments of Commerce and Justice, and Science, and Related Agencies for the fiscal year ending September 30, 2010, and for other purposes; as follows:

On page 3, in the first House amendment strike:

“SUBTITLE E—DISADVANTAGED BUSINESS ENTERPRISES

**SEC. 451. DISADVANTAGED BUSINESS ENTERPRISES.**

and insert:

“SUBTITLE E—UNPROFITABLE BUSINESS ENTERPRISES”

**SA 3499.** Mr. DURBIN proposed an amendment to amendment SA 3498 proposed by Mr. DURBIN to the bill H.R. 2847, making appropriations for the Departments of Commerce and Justice, and Science, and Related Agencies for the fiscal year ending September 30, 2010, and for other purposes; as follows:

At the end of the pending amendment insert the following:

**SEC. 451. UNPROFITABLE BUSINESS ENTERPRISES.**

**SA 3500.** Mr. DURBIN proposed an amendment to the bill H.R. 2847, making appropriations for the Departments of Commerce and Justice, and Science, and Related Agencies for the fiscal year ending September 30, 2010, and for other purposes; as follows:

At the end, insert the following:

The Senate Committee on Appropriations is requested to study the impact of any delays in enactment on the creation of any jobs on a regional basis.

**SA 3501.** Mr. DURBIN proposed an amendment to the bill H.R. 2847, making appropriations for the Departments of Commerce and Justice, and Science, and Related Agencies for the fiscal year ending September 30, 2010, and for other purposes; as follows:

At the end, insert the following:  
“and include any local statistics.”

**SA 3502.** Mr. DURBIN proposed an amendment to amendment SA 3501 proposed by Mr. DURBIN to the bill H.R. 2847, making appropriations for the Departments of Commerce and Justice, and Science, and Related Agencies for

the fiscal year ending September 30, 2010, and for other purposes; as follows:

At the end, insert the following:  
“including specific information on the types of jobs created.”

**SA 3503.** Mr. MENENDEZ (for himself, Mr. SCHUMER, Mrs. GILLIBRAND, and Mr. LAUTENBERG) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:  
**SEC. 723. ON-GOING MONITORING OF AND REPORT ON THE NEW YORK/NEW JERSEY/PHILADELPHIA METROPOLITAN AREA AIRSPACE REDESIGN.**

Not later than 270 days after the date of the enactment of this Act and every 180 days thereafter until the completion of the New York/New Jersey/Philadelphia Metropolitan Area Airspace Redesign, the Administrator of the Federal Aviation Administration shall, in conjunction with the Port Authority of New York and New Jersey and the Philadelphia International Airport—

(1) monitor the air noise impacts of the New York/New Jersey/Philadelphia Metropolitan Area Airspace Redesign; and

(2) submit to Congress a report on the findings of the Administrator with respect to the monitoring described in paragraph (1).

**SA 3504.** Mr. MENENDEZ submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 204, between lines 17 and 18, insert the following:

(e) **STUDY.**—

(1) **IN GENERAL.**—The Administrator of the Federal Aviation Administration shall review relevant air carrier data and carry out a study—

(A) to identify common sources of distraction for the cockpit flight crew on commercial aircraft; and

(B) to determine the safety impacts of such distractions.

(2) **REPORT.**—Not later than 6 months after the date of the enactment of this Act, the Administrator shall submit a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives that contains—

(A) the findings of the study conducted under paragraph (1); and

(B) recommendations about ways to reduce distractions for cockpit flight crews.

**SA 3505.** Mr. MENENDEZ submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of subtitle A of title IV, add the following:

**SEC. 407. PROHIBITION ON FUEL SURCHARGES NOT CORRELATED TO COST OF AIR TRANSPORTATION.**

(a) **IN GENERAL.**—Section 41712, as amended by this Act, is further amended by adding at the end the following:

“(d) **PROHIBITION ON FUEL SURCHARGES NOT CORRELATED TO COST.**—

“(1) **IN GENERAL.**—It shall be an unfair or deceptive practice under subsection (a) for an air carrier or foreign air carrier to impose a fuel surcharge with respect to a ticket for air transportation unless the amount of the fuel surcharge correlates to the amount paid by the air carrier for fuel and to the amount of fuel used by the air carrier to provide the purchaser with such air transportation.

“(2) **DETERMINATIONS OF CORRELATION.**—The Secretary of Transportation, in consultation with the Administrator of the Federal Aviation Administration, shall prescribe standards to be used in determining under paragraph (1) whether a fuel surcharge imposed by an air carrier correlates to the amount paid by the air carrier for fuel and to the amount of fuel used by the air carrier to provide air transportation.”

(b) **REGULATIONS.**—The Secretary of Transportation, in consultation with the Administrator of the Federal Aviation Administration, shall prescribe such regulations as may be necessary to carry out subsection (d) of section 41712 of title 49, United States Code, as added by subsection (a) of this section.

**SA 3506.** Mr. MENENDEZ (for himself and Mr. SCHUMER) submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of subtitle A of title IV, add the following:

**SEC. 407. NOTIFICATION REQUIREMENTS WITH RESPECT TO THE SALE OF AIRLINE TICKETS.**

(a) **IN GENERAL.**—The Office of Aviation Consumer Protection and Enforcement of the Department of Transportation shall establish rules to ensure that all consumers are able to easily and fairly compare airfares and other costs applicable to tickets for air transportation, including all taxes and fees.

(b) **NOTICE OF TAXES AND FEES APPLICABLE TO TICKETS FOR AIR TRANSPORTATION.**—Section 41712, as amended by this Act, is further amended by adding at the end the following:

“(d) **NOTICE OF TAXES AND FEES APPLICABLE TO TICKETS FOR AIR TRANSPORTATION.**—

“(1) **IN GENERAL.**—It shall be an unfair or deceptive practice under subsection (a) for an air carrier, foreign air carrier, or ticket agent to sell a ticket for air transportation unless the air carrier, foreign air carrier, or ticket agent, as the case may be—

“(A) displays information with respect to the taxes and fees described in paragraph (2), including the amount and a description of each such tax or fee, simultaneously with and in reasonable proximity to the price listed for the ticket; and

“(B) in the case of a ticket for air transportation sold on the Internet, provides to the purchaser of the ticket information with respect to the taxes and fees described in paragraph (2), including the amount and a description of each such tax or fee, before requiring the purchaser to provide any personal information, including the name, address, phone number, e-mail address, or credit card information of the purchaser.

“(2) **TAXES AND FEES DESCRIBED.**—The taxes and fees described in this paragraph are all taxes, fees, and charges applicable to a ticket for air transportation, including—

“(A) all taxes, fees, charges, and surcharges included in the price paid by a purchaser for the ticket, including fuel surcharges and surcharges relating to peak or holiday travel; and

“(B) any fees for checked baggage, seating assignments, and optional in-flight goods and services, and other fees that may be charged after the ticket is purchased.”

(c) **REGULATIONS.**—The Secretary of Transportation, in consultation with the Administrator of the Federal Aviation Administration, shall prescribe such regulations as may be necessary to carry out subsection (d) of section 41712 of title 49, United States Code, as added by subsection (b) of this section.

**SA 3507.** Mr. JOHANNNS submitted an amendment to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of subtitle B of title V, add the following:

**SEC. 564. STUDY ON COSTS OF IMPROVEMENTS.**

Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall conduct a study and report to Congress on the costs and benefits associated with required airport security improvements, including the costs for airports to install backscatter or other advanced scanning equipment, and the additional capital expenditures airports will need to make to accommodate the required improvements.

**SA 3508.** Mr. JOHANNNS submitted an amendment to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

**SEC. 723. STUDY ON AVIATION FUEL PRICES.**

(a) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall conduct a study and report to Congress on the impact of increases in aviation fuel prices on the Airport and Airway Trust Fund and the aviation industry in general. The study shall include the impact of increases in aviation fuel prices on—

- (1) general aviation;
- (2) commercial passenger aviation;
- (3) piston aircraft purchase and use;
- (4) the aviation services industry, including repair and maintenance services;
- (5) aviation manufacturing;
- (6) aviation exports; and
- (7) the use of small airport installations.

(b) **ASSUMPTIONS ABOUT AVIATION FUEL PRICES.**—In conducting the study required by subsection (a), the Comptroller General shall use the average aviation fuel price for fiscal year 2010 as a baseline and measure the impact of increases in aviation fuel prices that range from 5 percent to 200 percent over the 2010 baseline.

**SA 3509.** Mr. JOHANNNS submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 77, strike lines 13 through 18, and insert the following:

(2) IDENTIFICATION AND MEASUREMENT OF BENEFITS.—In the report required by paragraph (1), the Administrator shall identify actual benefits that will accrue to National Airspace System users, small and medium-sized airports, and general aviation users from deployment of ADS-B and provide an explanation of the metrics used to quantify those benefits.

**SA 3510.** Mr. JOHANNIS submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 80, after line 21, insert the following:

(d) CONDITIONAL EXTENSION OF DEADLINES FOR EQUIPPING AIRCRAFT WITH ADS-B TECHNOLOGY.—

(1) ADS-B OUT.—In the case that the Administrator fails to complete the initial rulemaking described in subparagraph (A) of subsection (b)(1) on or before the date that is 45 days after the date of the enactment of this Act, the deadline described in clause (ii) of such subparagraph shall be extended by an amount of time that is equal to the amount of time of the period beginning on the date that is 45 days after the date of the enactment of this Act and ending on the date on which the Administrator completes such initial rulemaking.

(2) ADS-B IN.—In the case that the Administrator fails to initiate the rulemaking required by paragraph (2) of subsection (b) on or before the date that is 45 days after the date of the enactment of this Act, the deadline described in subparagraph (B) of such paragraph shall be extended by an amount of time that is equal to the amount of time of the period beginning on the date that is 45 days after the date of the enactment of this Act and ending on the date on which the Administrator initiates such rulemaking.

**SA 3511.** Ms. CANTWELL submitted an amendment to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 98, between lines 20 and 21, insert the following:

**SEC. 325. SEMIANNUAL REPORT ON STATUS OF GREENER SKIES PROJECT.**

(a) INITIAL REPORT.—Not later than 180 days after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the strategy of the Administrator for implementing, on an accelerated basis, the NextGen operational capabilities produced by the Greener Skies project, as recommended in the final report of the RTCA NextGen Mid-Term Implementation Task Force that was issued on September 9, 2009.

(b) SUBSEQUENT REPORTS.—

(1) IN GENERAL.—Not later than 180 days after the Administrator submits to Congress the report required by subsection (a) and not less frequently than once every 180 days thereafter until September 30, 2011, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Transportation and Infrastructure of the House of Representatives a report on the progress of the Administrator in carrying out the strategy described in the report submitted under subsection (a).

(2) CONTENTS.—Each report submitted under paragraph (1) shall include the following:

(A) A timeline for full implementation of the strategy described in the report submitted under subsection (a).

(B) A description of the progress made in carrying out such strategy.

(C) A description of the challenges, if any, encountered by the Administrator in carrying out such strategy.

**SA 3512.** Ms. CANTWELL submitted an amendment to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 279, after line 24, add the following:

**SEC. 7. STUDIES OF NATURAL SOUNDSCAPE PRESERVATION.**

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Federal Aviation Administration.

(2) SECRETARY.—The term “Secretary” means the Secretary of the Interior, acting through the Director of the National Park Service.

(b) STUDY OF LEAST DEGRADED NATIONAL PARK SERVICE NATURAL SOUNDSCAPES.—

(1) IN GENERAL.—The Secretary shall conduct a study to identify National Park Service natural soundscape values and resources, as defined by policies 4.9 and 8.2 of the 2006 Management Policies of the National Park Service.

(2) IDENTIFICATION OF LEAST DEGRADED SOUNDSCAPES.—In conducting the study under paragraph (1), the Secretary shall analyze and identify National Park Service natural soundscapes that have been the least degraded by—

(A) unnatural sounds; and

(B) undesirable sounds cause by humans.

(3) TECHNICAL ASSISTANCE.—To the extent that the Secretary has identified aviation or aircraft noise as 1 of the sources of natural soundscapes degradation, the Secretary of Transportation, acting through the Administrator, shall provide technical assistance to the Secretary in carrying out the study under paragraph (1).

(c) STUDY OF PRESERVATION OF NATURAL SOUNDSCAPE RESOURCES.—To the extent that the Secretary has identified aviation or aircraft noise as 1 of the sources of National Park Service natural soundscapes degradation, the Secretary, in coordination with the Secretary of Transportation (acting through the Administrator), shall conduct a study to identify methods to preserve the National Park Service natural soundscapes that have been the least degraded by—

(1) unnatural sounds; and

(2) undesirable sounds caused by humans.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report that—

(1) describes the results of the studies conducted under subsections (b) and (c); and

(2) includes any recommendations that the Secretary determines to be appropriate.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

**SA 3513.** Mr. JOHANNIS submitted an amendment intended to be proposed to amendment SA 3452 proposed by Mr. ROCKEFELLER to the bill H.R. 1586, to

impose an additional tax on bonuses received from certain TARP recipients; which was ordered to lie on the table; as follows:

On page 46, beginning on line 4, strike all through line 25, and insert the following:

“(C) 7 members representing aviation interests, as follows:

“(i) 1 representative that is the chief executive officer of an airport.

“(ii) 1 representative that is the chief executive officer of a passenger or cargo air carrier.

“(iii) 1 representative of a labor organization representing employees at the Federal Aviation Administration that are involved with the operation of the air traffic control system.

“(iv) 1 representative with extensive operational experience in the general aviation community.

“(v) 1 representative from an aircraft manufacturer.

“(vi) 1 representative of a labor organization representing employees at the Federal Aviation Administration who are involved with maintenance of the air traffic control system.

“(vii) 1 representative that is the chief executive officer of a small- or medium-sized airport.”.

## NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on Public Lands and Forests. The hearing will be held on Tuesday, March 23, 2010, at 2:30 p.m., in room SD-366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on the following bills:

S. 1546, to provide for the conveyance of certain parcels of land to the town of Mantua, Utah;

S. 2798, to reduce the risk of catastrophic wildfire through the facilitation of insect and disease infestation treatment of National Forest System and adjacent land, and for other purposes;

S. 2830, to amend the Surface Mining Control and Reclamation Act of 1977 to clarify that uncertified States and Indian tribes have the authority to use certain payments for certain noncoal reclamation projects; and

S. 2963, to designate certain land in the State of Oregon as wilderness, to provide for the exchange of certain Federal land and non-Federal land, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510-6150, or by email to [allison\\_seyferth@energy.senate.gov](mailto:allison_seyferth@energy.senate.gov).

For further information, please contact Scott Miller at (202) 224-5488 or David Brooks at (202) 224-9863.

## AUTHORITY FOR COMMITTEES TO MEET

## COMMITTEE ON ARMED SERVICES

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Committee on Armed services be authorized to meet during the session of the Senate on March 11, 2010, at 9 a.m.

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

## COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on March 11, at 10 a.m., in room SD-366 of the Dirksen Senate Office Building.

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

## COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on March 11, 2010, at 10 a.m., in room 406 of the Dirksen Senate Office Building.

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

## COMMITTEE ON FOREIGN RELATIONS

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on March 11, 2010, at 2:30 p.m.

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

## COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet, during the session of the Senate, to conduct a hearing entitled "A Fair Share for All: Pay Equity in the New American Workplace" on March 11, 2010. The hearing will commence at 10 a.m. in room 430 of the Dirksen Senate Office Building.

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

## COMMITTEE ON THE JUDICIARY

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate, on March 11, 2010, at 10 a.m. in SD-226 of the Dirksen Senate Office Building, to conduct an executive business meeting.

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

## AD HOC SUBCOMMITTEE ON STATE, LOCAL, AND PRIVATE SECTOR PREPAREDNESS AND INTEGRATION

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Ad Hoc Subcommittee on State, Local, and Private Sector Preparedness and Integration of the Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on March 11, 2010, at 11 a.m. to

conduct a hearing entitled, "New Border War: Corruption of U.S. Officials by Drug Cartels."

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

## SELECT COMMITTEE ON INTELLIGENCE

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on March 11, 2010, at 2:30 p.m.

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

## SUBCOMMITTEE ON COMMUNICATIONS, TECHNOLOGY, AND THE INTERNET

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Subcommittee on Communications, Technology, and the Internet of the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on March 11, 2010, at 10 a.m., in room 253 of the Russell Senate Office Building.

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

## PRIVILEGES OF THE FLOOR

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that Chris Goble, a legislative fellow with the Senate Finance Committee, be granted the privilege of the floor during the consideration of H.R. 1586.

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

## COMMERCE, JUSTICE, SCIENCE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2010

Mr. DURBIN. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to H.R. 2847, the Commerce, Justice, Science Appropriations Act.

The PRESIDING OFFICER. The Chair lays before the Senate a message from the House.

The legislative clerk read as follows:

Resolved, that the House agree to the amendment of the Senate to the amendment of the House to the amendment of the Senate to the bill (H.R. 2847) entitled "An Act making appropriations for the Departments of Commerce and Justice and Science, and Related Agencies for fiscal year ending September 30, 2010, and for other purposes," with a House amendment to the Senate amendment to the House amendment to the Senate amendment.

## CLOTURE MOTION

Mr. DURBIN. I move to concur in the House amendments to the Senate amendment to the House amendment to the Senate amendment to the bill, and I have a cloture motion at the desk on the motion to concur.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

## CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the

Standing Rules of the Senate, hereby move to bring to a close debate on the motion to concur in the House amendments to the Senate amendment to the House amendment to the Senate amendment to H.R. 2847, the Commerce, Justice, Science Appropriations Act.

Byron L. Dorgan, Carl Levin, Dianne Feinstein, Jack Reed, Mark R. Warner, Patrick J. Leahy, Benjamin L. Cardin, Debbie Stabenow, Daniel K. Akaka, Robert P. Casey, Jr., Michael F. Bennett, Maria Cantwell, John D. Rockefeller, IV, Barbara Boxer, Charles E. Schumer, Patty Murray, Christopher J. Dodd.

## AMENDMENT NO. 3498

Mr. DURBIN. I move to concur in the House amendments to the Senate amendment to the House amendment to the Senate amendment to the bill with an amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] moves to concur in the House amendments to the Senate amendment to the House amendment to the Senate amendment with an amendment numbered 3498.

The amendment is as follows:

On page 3, in the first House amendment strike

"SUBTITLE E—DISADVANTAGED BUSINESS ENTERPRISES

SEC 451. DISADVANTAGED BUSINESS ENTERPRISES."

and insert

"SUBTITLE E—UNPROFITABLE BUSINESS ENTERPRISES"

Mr. DURBIN. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

## AMENDMENT NO. 3499 TO AMENDMENT NO. 3498

Mr. DURBIN. I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 3499 to amendment No. 3498.

The amendment is as follows:

At the end of the pending amendment insert the following:

SEC. 451. UNPROFITABLE BUSINESS ENTERPRISES.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

## AMENDMENT NO. 3500

Mr. DURBIN. I have a motion to refer with instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] moves to refer the House message to the Senate Committee on Appropriations with

instructions to report back forthwith with the following amendment numbered 3500.

The amendment is as follows:

At the end, insert the following:

The Senate Committee on Appropriations is requested to study the impact of any delays in enactment on the creation of any jobs on a regional basis.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

AMENDMENT NO. 3501 TO AMENDMENT NO. 3500

Mr. DURBIN. I have an amendment to my instructions at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 3501 to the instructions to refer H.R. 2847.

The amendment is as follows:

At the end, insert the following:

“and include any local statistics.”

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

AMENDMENT NO. 3502 TO AMENDMENT NO. 3501

Mr. DURBIN. I have a second-degree amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN] proposes an amendment numbered 3502 to Amendment No. 3501.

The amendment is as follows:

At the end, insert the following:

“including specific information on the types of jobs created.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

Mr. DURBIN. I ask unanimous consent that the mandatory quorum be waived with respect to the cloture motion and that the cloture vote occur at 5:30 p.m. on Monday, March 15.

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

#### PREVENT ALL CIGARETTE TRAFFICKING ACT OF 2009

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 216, S. 1147.

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

The assistant legislative clerk read as follows:

A bill (S. 1147) to prevent tobacco smuggling, to ensure the collection of all tobacco taxes, and for other purposes.

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

had been reported from the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert in lieu thereof the following:  
**SECTION 1. SHORT TITLE; FINDINGS; PURPOSES.**

(a) *SHORT TITLE.*—This Act may be cited as the “Prevent All Cigarette Trafficking Act of 2009” or “PACT Act”.

(b) *FINDINGS.*—Congress finds that—

(1) the sale of illegal cigarettes and smokeless tobacco products significantly reduces Federal, State, and local government revenues, with Internet sales alone accounting for billions of dollars of lost Federal, State, and local tobacco tax revenue each year;

(2) Hezbollah, Hamas, al Qaeda, and other terrorist organizations have profited from trafficking in illegal cigarettes or counterfeit cigarette tax stamps;

(3) terrorist involvement in illicit cigarette trafficking will continue to grow because of the large profits such organizations can earn;

(4) the sale of illegal cigarettes and smokeless tobacco over the Internet, and through mail, fax, or phone orders, makes it cheaper and easier for children to obtain tobacco products;

(5) the majority of Internet and other remote sales of cigarettes and smokeless tobacco are being made without adequate precautions to protect against sales to children, without the payment of applicable taxes, and without complying with the nominal registration and reporting requirements in existing Federal law;

(6) unfair competition from illegal sales of cigarettes and smokeless tobacco is taking billions of dollars of sales away from law-abiding retailers throughout the United States;

(7) with rising State and local tobacco tax rates, the incentives for the illegal sale of cigarettes and smokeless tobacco have increased;

(8) the number of active tobacco investigations being conducted by the Bureau of Alcohol, Tobacco, Firearms, and Explosives rose to 452 in 2005;

(9) the number of Internet vendors in the United States and in foreign countries that sell cigarettes and smokeless tobacco to buyers in the United States increased from only about 40 in 2000 to more than 500 in 2005; and

(10) the intrastate sale of illegal cigarettes and smokeless tobacco over the Internet has a substantial effect on interstate commerce.

(c) *PURPOSES.*—It is the purpose of this Act to—

(1) require Internet and other remote sellers of cigarettes and smokeless tobacco to comply with the same laws that apply to law-abiding tobacco retailers;

(2) create strong disincentives to illegal smuggling of tobacco products;

(3) provide government enforcement officials with more effective enforcement tools to combat tobacco smuggling;

(4) make it more difficult for cigarette and smokeless tobacco traffickers to engage in and profit from their illegal activities;

(5) increase collections of Federal, State, and local excise taxes on cigarettes and smokeless tobacco; and

(6) prevent and reduce youth access to inexpensive cigarettes and smokeless tobacco through illegal Internet or contraband sales.

#### SEC. 2. COLLECTION OF STATE CIGARETTE AND SMOKELESS TOBACCO TAXES.

(a) *DEFINITIONS.*—The Act of October 19, 1949 (15 U.S.C. 375 et seq.; commonly referred to as the “Jenkins Act”) (referred to in this Act as the “Jenkins Act”), is amended by striking the first section and inserting the following:

##### “SECTION 1. DEFINITIONS.

“As used in this Act, the following definitions apply:

“(1) *ATTORNEY GENERAL.*—The term ‘attorney general’, with respect to a State, means the attorney general or other chief law enforcement officer of the State.

“(2) *CIGARETTE.*—

“(A) *IN GENERAL.*—The term ‘cigarette’—

“(i) has the meaning given that term in section 2341 of title 18, United States Code; and

“(ii) includes roll-your-own tobacco (as defined in section 5702 of the Internal Revenue Code of 1986).

“(B) *EXCEPTION.*—The term ‘cigarette’ does not include a cigar (as defined in section 5702 of the Internal Revenue Code of 1986).

“(3) *COMMON CARRIER.*—The term ‘common carrier’ means any person (other than a local messenger service or the United States Postal Service) that holds itself out to the general public as a provider for hire of the transportation by water, land, or air of merchandise (regardless of whether the person actually operates the vessel, vehicle, or aircraft by which the transportation is provided) between a port or place and a port or place in the United States.

“(4) *CONSUMER.*—The term ‘consumer’—

“(A) means any person that purchases cigarettes or smokeless tobacco; and

“(B) does not include any person lawfully operating as a manufacturer, distributor, wholesaler, or retailer of cigarettes or smokeless tobacco.

“(5) *DELIVERY SALE.*—The term ‘delivery sale’ means any sale of cigarettes or smokeless tobacco to a consumer if—

“(A) the consumer submits the order for the sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or the seller is otherwise not in the physical presence of the buyer when the request for purchase or order is made; or

“(B) the cigarettes or smokeless tobacco are delivered to the buyer by common carrier, private delivery service, or other method of remote delivery, or the seller is not in the physical presence of the buyer when the buyer obtains possession of the cigarettes or smokeless tobacco.

“(6) *DELIVERY SELLER.*—The term ‘delivery seller’ means a person who makes a delivery sale.

“(7) *INDIAN COUNTRY.*—The term ‘Indian country’—

“(A) has the meaning given that term in section 1151 of title 18, United States Code, except that within the State of Alaska that term applies only to the Metlakatla Indian Community, Annette Island Reserve; and

“(B) includes any other land held by the United States in trust or restricted status for one or more Indian tribes.

“(8) *INDIAN TRIBE.*—The term ‘Indian tribe’, ‘tribe’, or ‘tribal’ refers to an Indian tribe as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) or as listed pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a-1).

“(9) *INTERSTATE COMMERCE.*—

“(A) *IN GENERAL.*—The term ‘interstate commerce’ means commerce between a State and any place outside the State, commerce between a State and any Indian country in the State, or commerce between points in the same State but through any place outside the State or through any Indian country.

“(B) *INTO A STATE, PLACE, OR LOCALITY.*—A sale, shipment, or transfer of cigarettes or smokeless tobacco that is made in interstate commerce, as defined in this paragraph, shall be deemed to have been made into the State, place, or locality in which such cigarettes or smokeless tobacco are delivered.

“(10) *PERSON.*—The term ‘person’ means an individual, corporation, company, association, firm, partnership, society, State government, local government, Indian tribal government, governmental organization of such a government, or joint stock company.

“(11) *STATE.*—The term ‘State’ means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

“(12) *SMOKELESS TOBACCO.*—The term ‘smokeless tobacco’ means any finely cut, ground,

powdered, or leaf tobacco, or other product containing tobacco, that is intended to be placed in the oral or nasal cavity or otherwise consumed without being combusted.

“(13) TOBACCO TAX ADMINISTRATOR.—The term ‘tobacco tax administrator’ means the State, local, or tribal official duly authorized to collect the tobacco tax or administer the tax law of a State, locality, or tribe, respectively.

“(14) USE.—The term ‘use’ includes the consumption, storage, handling, or disposal of cigarettes or smokeless tobacco.”

(b) REPORTS TO STATE TOBACCO TAX ADMINISTRATORS.—Section 2 of the Jenkins Act (15 U.S.C. 376) is amended—

(1) by striking “cigarettes” each place it appears and inserting “cigarettes or smokeless tobacco”;

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by inserting “CONTENTS.—” after “(a)”;

(ii) by striking “or transfers” and inserting “, transfers, or ships”;

(iii) by inserting “, locality, or Indian country of an Indian tribe” after “a State”;

(iv) by striking “to other than a distributor licensed by or located in such State,”; and

(v) by striking “or transfer and shipment” and inserting “, transfer, or shipment”;

(B) in paragraph (1)—

(i) by striking “with the tobacco tax administrator of the State” and inserting “with the Attorney General of the United States and with the tobacco tax administrators of the State and place”;

(ii) by striking “, and” and inserting the following: “, as well as telephone numbers for each place of business, a principal electronic mail address, any website addresses, and the name, address, and telephone number of an agent in the State authorized to accept service on behalf of the person;”;

(C) in paragraph (2), by striking “and the quantity thereof.” and inserting “the quantity thereof, and the name, address, and phone number of the person delivering the shipment to the recipient on behalf of the delivery seller, with all invoice or memoranda information relating to specific customers to be organized by city or town and by zip code; and”;

(D) by adding at the end the following:

“(3) with respect to each memorandum or invoice filed with a State under paragraph (2), also file copies of the memorandum or invoice with the tobacco tax administrators and chief law enforcement officers of the local governments and Indian tribes operating within the borders of the State that apply their own local or tribal taxes on cigarettes or smokeless tobacco.”;

(3) in subsection (b)—

(A) by inserting “PRESUMPTIVE EVIDENCE.—” after “(b)”;

(B) by striking “(1) that” and inserting “that”; and

(C) by striking “, and (2)” and all that follows and inserting a period; and

(4) by adding at the end the following:

“(c) USE OF INFORMATION.—A tobacco tax administrator or chief law enforcement officer who receives a memorandum or invoice under paragraph (2) or (3) of subsection (a) shall use the memorandum or invoice solely for the purposes of the enforcement of this Act and the collection of any taxes owed on related sales of cigarettes and smokeless tobacco, and shall keep confidential any personal information in the memorandum or invoice except as required for such purposes.”

(c) REQUIREMENTS FOR DELIVERY SALES.—The Jenkins Act is amended by inserting after section 2 the following:

**“SEC. 2A. DELIVERY SALES.**

“(a) IN GENERAL.—With respect to delivery sales into a specific State and place, each delivery seller shall comply with—

“(1) the shipping requirements set forth in subsection (b);

“(2) the recordkeeping requirements set forth in subsection (c);

“(3) all State, local, tribal, and other laws generally applicable to sales of cigarettes or smokeless tobacco as if the delivery sales occurred entirely within the specific State and place, including laws imposing—

“(A) excise taxes;

“(B) licensing and tax-stamping requirements;

“(C) restrictions on sales to minors; and

“(D) other payment obligations or legal requirements relating to the sale, distribution, or delivery of cigarettes or smokeless tobacco; and

“(4) the tax collection requirements set forth in subsection (d).

“(b) SHIPPING AND PACKAGING.—

“(1) REQUIRED STATEMENT.—For any shipping package containing cigarettes or smokeless tobacco, the delivery seller shall include on the bill of lading, if any, and on the outside of the shipping package, on the same surface as the delivery address, a clear and conspicuous statement providing as follows: ‘CIGARETTES/SMOKELESS TOBACCO: FEDERAL LAW REQUIRES THE PAYMENT OF ALL APPLICABLE EXCISE TAXES, AND COMPLIANCE WITH APPLICABLE LICENSING AND TAX-STAMPING OBLIGATIONS.’

“(2) FAILURE TO LABEL.—Any shipping package described in paragraph (1) that is not labeled in accordance with that paragraph shall be treated as nondeliverable matter by a common carrier or other delivery service knows or should know the package contains cigarettes or smokeless tobacco. If a common carrier or other delivery service believes a package is being submitted for delivery in violation of paragraph (1), it may require the person submitting the package for delivery to establish that it is not being sent in violation of paragraph (1) before accepting the package for delivery. Nothing in this paragraph shall require the common carrier or other delivery service to open any package to determine its contents.

“(3) WEIGHT RESTRICTION.—A delivery seller shall not sell, offer for sale, deliver, or cause to be delivered in any single sale or single delivery any cigarettes or smokeless tobacco weighing more than 10 pounds.

“(4) AGE VERIFICATION.—

“(A) IN GENERAL.—A delivery seller who mails or ships tobacco products—

“(i) shall not sell, deliver, or cause to be delivered any tobacco products to a person under the minimum age required for the legal sale or purchase of tobacco products, as determined by the applicable law at the place of delivery;

“(ii) shall use a method of mailing or shipping that requires—

“(I) the purchaser placing the delivery sale order, or an adult who is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by the applicable law at the place of delivery, to sign to accept delivery of the shipping container at the delivery address; and

“(II) the person who signs to accept delivery of the shipping container to provide proof, in the form of a valid, government-issued identification bearing a photograph of the individual, that the person is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by the applicable law at the place of delivery; and

“(iii) shall not accept a delivery sale order from a person without—

“(I) obtaining the full name, birth date, and residential address of that person; and

“(II) verifying the information provided in subclause (I), through the use of a commercially available database or aggregate of databases, consisting primarily of data from government sources, that are regularly used by government and businesses for the purpose of age and identity verification and authentication, to ensure that the purchaser is at least the minimum age required for the legal sale or purchase of to-

bacco products, as determined by the applicable law at the place of delivery.

“(B) LIMITATION.—No database being used for age and identity verification under subparagraph (A)(iii) shall be in the possession or under the control of the delivery seller, or be subject to any changes or supplementation by the delivery seller.

“(c) RECORDS.—

“(1) IN GENERAL.—Each delivery seller shall keep a record of any delivery sale, including all of the information described in section 2(a)(2), organized by the State, and within the State, by the city or town and by zip code, into which the delivery sale is so made.

“(2) RECORD RETENTION.—Records of a delivery sale shall be kept as described in paragraph (1) until the end of the 4th full calendar year that begins after the date of the delivery sale.

“(3) ACCESS FOR OFFICIALS.—Records kept under paragraph (1) shall be made available to tobacco tax administrators of the States, to local governments and Indian tribes that apply local or tribal taxes on cigarettes or smokeless tobacco, to the attorneys general of the States, to the chief law enforcement officers of the local governments and Indian tribes, and to the Attorney General of the United States in order to ensure the compliance of persons making delivery sales with the requirements of this Act.

“(d) DELIVERY.—

“(1) IN GENERAL.—Except as provided in paragraph (2), no delivery seller may sell or deliver to any consumer, or tender to any common carrier or other delivery service, any cigarettes or smokeless tobacco pursuant to a delivery sale unless, in advance of the sale, delivery, or tender—

“(A) any cigarette or smokeless tobacco excise tax that is imposed by the State in which the cigarettes or smokeless tobacco are to be delivered has been paid to the State;

“(B) any cigarette or smokeless tobacco excise tax that is imposed by the local government of the place in which the cigarettes or smokeless tobacco are to be delivered has been paid to the local government; and

“(C) any required stamps or other indicia that the excise tax has been paid are properly affixed or applied to the cigarettes or smokeless tobacco.

“(2) EXCEPTION.—Paragraph (1) does not apply to a delivery sale of smokeless tobacco if the law of the State or local government of the place where the smokeless tobacco is to be delivered requires or otherwise provides that delivery sellers collect the excise tax from the consumer and remit the excise tax to the State or local government, and the delivery seller complies with the requirement.

“(e) LIST OF UNREGISTERED OR NONCOMPLIANT DELIVERY SELLERS.—

“(1) IN GENERAL.—

“(A) INITIAL LIST.—Not later than 90 days after this subsection goes into effect under the Prevent All Cigarette Trafficking Act of 2009, the Attorney General of the United States shall compile a list of delivery sellers of cigarettes or smokeless tobacco that have not registered with the Attorney General of the United States pursuant to section 2(a), or that are otherwise not in compliance with this Act, and—

“(i) distribute the list to—

“(I) the attorney general and tax administrator of every State;

“(II) common carriers and other persons that deliver small packages to consumers in interstate commerce, including the United States Postal Service; and

“(III) any other person that the Attorney General of the United States determines can promote the effective enforcement of this Act; and

“(ii) publicize and make the list available to any other person engaged in the business of interstate deliveries or who delivers cigarettes or smokeless tobacco in or into any State.

“(B) LIST CONTENTS.—To the extent known, the Attorney General of the United States shall

include, for each delivery seller on the list described in subparagraph (A)—

“(i) all names the delivery seller uses or has used in the transaction of its business or on packages delivered to customers;

“(ii) all addresses from which the delivery seller does or has done business, or ships or has shipped cigarettes or smokeless tobacco;

“(iii) the website addresses, primary e-mail address, and phone number of the delivery seller; and

“(iv) any other information that the Attorney General of the United States determines would facilitate compliance with this subsection by recipients of the list.

“(C) UPDATING.—The Attorney General of the United States shall update and distribute the list described in subparagraph (A) at least once every 4 months, and may distribute the list and any updates by regular mail, electronic mail, or any other reasonable means, or by providing recipients with access to the list through a non-public website that the Attorney General of the United States regularly updates.

“(D) STATE, LOCAL, OR TRIBAL ADDITIONS.—The Attorney General of the United States shall include in the list described in subparagraph (A) any noncomplying delivery sellers identified by any State, local, or tribal government under paragraph (6), and shall distribute the list to the attorney general or chief law enforcement official and the tax administrator of any government submitting any such information, and to any common carriers or other persons who deliver small packages to consumers identified by any government pursuant to paragraph (6).

“(E) ACCURACY AND COMPLETENESS OF LIST OF NONCOMPLYING DELIVERY SELLERS.—In preparing and revising the list described in subparagraph (A), the Attorney General of the United States shall—

“(i) use reasonable procedures to ensure maximum possible accuracy and completeness of the records and information relied on for the purpose of determining that a delivery seller is not in compliance with this Act;

“(ii) not later than 14 days before including a delivery seller on the list, make a reasonable attempt to send notice to the delivery seller by letter, electronic mail, or other means that the delivery seller is being placed on the list, which shall cite the relevant provisions of this Act and the specific reasons for which the delivery seller is being placed on the list;

“(iii) provide an opportunity to the delivery seller to challenge placement on the list;

“(iv) investigate each challenge described in clause (iii) by contacting the relevant Federal, State, tribal, and local law enforcement officials, and provide the specific findings and results of the investigation to the delivery seller not later than 30 days after the date on which the challenge is made; and

“(v) if the Attorney General of the United States determines that the basis for including a delivery seller on the list is inaccurate, based on incomplete information, or cannot be verified, promptly remove the delivery seller from the list as appropriate and notify each appropriate Federal, State, tribal, and local authority of the determination.

“(F) CONFIDENTIALITY.—The list described in subparagraph (A) shall be confidential, and any person receiving the list shall maintain the confidentiality of the list and may deliver the list, for enforcement purposes, to any government official or to any common carrier or other person that delivers tobacco products or small packages to consumers. Nothing in this section shall prohibit a common carrier, the United States Postal Service, or any other person receiving the list from discussing with a listed delivery seller the inclusion of the delivery seller on the list and the resulting effects on any services requested by the listed delivery seller.

“(2) PROHIBITION ON DELIVERY.—

“(A) IN GENERAL.—Commencing on the date that is 60 days after the date of the initial dis-

tribution or availability of the list described in paragraph (1)(A), no person who receives the list under paragraph (1), and no person who delivers cigarettes or smokeless tobacco to consumers, shall knowingly complete, cause to be completed, or complete its portion of a delivery of any package for any person whose name and address are on the list, unless—

“(i) the person making the delivery knows or believes in good faith that the item does not include cigarettes or smokeless tobacco;

“(ii) the delivery is made to a person lawfully engaged in the business of manufacturing, distributing, or selling cigarettes or smokeless tobacco; or

“(iii) the package being delivered weighs more than 100 pounds and the person making the delivery does not know or have reasonable cause to believe that the package contains cigarettes or smokeless tobacco.

“(B) IMPLEMENTATION OF UPDATES.—Commencing on the date that is 30 days after the date of the distribution or availability of any updates or corrections to the list described in paragraph (1)(A), all recipients and all common carriers or other persons that deliver cigarettes or smokeless tobacco to consumers shall be subject to subparagraph (A) in regard to the corrections or updates.

“(3) EXEMPTIONS.—

“(A) IN GENERAL.—Subsection (b)(2) and any requirements or restrictions placed directly on common carriers under this subsection, including subparagraphs (A) and (B) of paragraph (2), shall not apply to a common carrier that—

“(i) is subject to a settlement agreement described in subparagraph (B); or

“(ii) if a settlement agreement described in subparagraph (B) to which the common carrier is a party is terminated or otherwise becomes inactive, is administering and enforcing policies and practices throughout the United States that are at least as stringent as the agreement.

“(B) SETTLEMENT AGREEMENT.—A settlement agreement described in this subparagraph—

“(i) is a settlement agreement relating to tobacco product deliveries to consumers; and

“(ii) includes—

“(I) the Assurance of Discontinuance entered into by the Attorney General of New York and DHL Holdings USA, Inc. and DHL Express (USA), Inc. on or about July 1, 2005, the Assurance of Discontinuance entered into by the Attorney General of New York and United Parcel Service, Inc. on or about October 21, 2005, and the Assurance of Compliance entered into by the Attorney General of New York and Federal Express Corporation and FedEx Ground Package Systems, Inc. on or about February 3, 2006, if each of those agreements is honored throughout the United States to block illegal deliveries of cigarettes or smokeless tobacco to consumers; and

“(II) any other active agreement between a common carrier and a State that operates throughout the United States to ensure that no deliveries of cigarettes or smokeless tobacco shall be made to consumers or illegally operating Internet or mail-order sellers and that any such deliveries to consumers shall not be made to minors or without payment to the States and localities where the consumers are located of all taxes on the tobacco products.

“(4) SHIPMENTS FROM PERSONS ON LIST.—

“(A) IN GENERAL.—If a common carrier or other delivery service delays or interrupts the delivery of a package in the possession of the common carrier or delivery service because the common carrier or delivery service determines or has reason to believe that the person ordering the delivery is on a list described in paragraph (1)(A) and that clauses (i), (ii), and (iii) of paragraph (2)(A) do not apply—

“(i) the person ordering the delivery shall be obligated to pay—

“(I) the common carrier or other delivery service as if the delivery of the package had been timely completed; and

“(II) if the package is not deliverable, any reasonable additional fee or charge levied by the common carrier or other delivery service to cover any extra costs and inconvenience and to serve as a disincentive against such noncomplying delivery orders; and

“(ii) if the package is determined not to be deliverable, the common carrier or other delivery service shall offer to provide the package and its contents to a Federal, State, or local law enforcement agency.

“(B) RECORDS.—A common carrier or other delivery service shall maintain, for a period of 5 years, any records kept in the ordinary course of business relating to any delivery interrupted under this paragraph and provide that information, upon request, to the Attorney General of the United States or to the attorney general or chief law enforcement official or tax administrator of any State, local, or tribal government.

“(C) CONFIDENTIALITY.—Any person receiving records under subparagraph (B) shall—

“(i) use the records solely for the purposes of the enforcement of this Act and the collection of any taxes owed on related sales of cigarettes and smokeless tobacco; and

“(ii) keep confidential any personal information in the records not otherwise required for such purposes.

“(5) PREEMPTION.—

“(A) IN GENERAL.—No State, local, or tribal government, nor any political authority of 2 or more State, local, or tribal governments, may enact or enforce any law or regulation relating to delivery sales that restricts deliveries of cigarettes or smokeless tobacco to consumers by common carriers or other delivery services on behalf of delivery sellers by—

“(i) requiring that the common carrier or other delivery service verify the age or identity of the consumer accepting the delivery by requiring the person who signs to accept delivery of the shipping container to provide proof, in the form of a valid, government-issued identification bearing a photograph of the individual, that the person is at least the minimum age required for the legal sale or purchase of tobacco products, as determined by either State or local law at the place of delivery;

“(ii) requiring that the common carrier or other delivery service obtain a signature from the consumer accepting the delivery;

“(iii) requiring that the common carrier or other delivery service verify that all applicable taxes have been paid;

“(iv) requiring that packages delivered by the common carrier or other delivery service contain any particular labels, notice, or markings; or

“(v) prohibiting common carriers or other delivery services from making deliveries on the basis of whether the delivery seller is or is not identified on any list of delivery sellers maintained and distributed by any entity other than the Federal Government.

“(B) RELATIONSHIP TO OTHER LAWS.—Except as provided in subparagraph (C), nothing in this paragraph shall be construed to nullify, expand, restrict, or otherwise amend or modify—

“(i) section 14501(c)(1) or 41713(b)(4) of title 49, United States Code;

“(ii) any other restrictions in Federal law on the ability of State, local, or tribal governments to regulate common carriers; or

“(iii) any provision of State, local, or tribal law regulating common carriers that is described in section 14501(c)(2) or 41713(b)(4)(B) of title 49 of the United States Code.

“(C) STATE LAWS PROHIBITING DELIVERY SALES.—

“(i) IN GENERAL.—Except as provided in clause (ii), nothing in the Prevent All Cigarette Trafficking Act of 2009, the amendments made by that Act, or in any other Federal statute shall be construed to preempt, supersede, or otherwise limit or restrict State laws prohibiting the delivery sale, or the shipment or delivery pursuant to a delivery sale, of cigarettes or other tobacco products to individual consumers or personal residences.

“(ii) EXEMPTIONS.—No State may enforce against a common carrier a law prohibiting the delivery of cigarettes or other tobacco products to individual consumers or personal residences without proof that the common carrier is not exempt under paragraph (3) of this subsection.

“(6) STATE, LOCAL, AND TRIBAL ADDITIONS.—

“(A) IN GENERAL.—Any State, local, or tribal government shall provide the Attorney General of the United States with—

“(i) all known names, addresses, website addresses, and other primary contact information of any delivery seller that—

“(I) offers for sale or makes sales of cigarettes or smokeless tobacco in or into the State, locality, or tribal land; and

“(II) has failed to register with or make reports to the respective tax administrator as required by this Act, or that has been found in a legal proceeding to have otherwise failed to comply with this Act; and

“(ii) a list of common carriers and other persons who make deliveries of cigarettes or smokeless tobacco in or into the State, locality, or tribal land.

“(B) UPDATES.—Any government providing a list to the Attorney General of the United States under subparagraph (A) shall also provide updates and corrections every 4 months until such time as the government notifies the Attorney General of the United States in writing that the government no longer desires to submit information to supplement the list described in paragraph (1)(A).

“(C) REMOVAL AFTER WITHDRAWAL.—Upon receiving written notice that a government no longer desires to submit information under subparagraph (A), the Attorney General of the United States shall remove from the list described in paragraph (1)(A) any persons that are on the list solely because of the prior submissions of the government of the list of the government of noncomplying delivery sellers of cigarettes or smokeless tobacco or a subsequent update or correction by the government.

“(7) DEADLINE TO INCORPORATE ADDITIONS.—The Attorney General of the United States shall—

“(A) include any delivery seller identified and submitted by a State, local, or tribal government under paragraph (6) in any list or update that is distributed or made available under paragraph (1) on or after the date that is 30 days after the date on which the information is received by the Attorney General of the United States; and

“(B) distribute any list or update described in subparagraph (A) to any common carrier or other person who makes deliveries of cigarettes or smokeless tobacco that has been identified and submitted by a government pursuant to paragraph (6).

“(8) NOTICE TO DELIVERY SELLERS.—Not later than 14 days before including any delivery seller on the initial list described in paragraph (1)(A), or on an update to the list for the first time, the Attorney General of the United States shall make a reasonable attempt to send notice to the delivery seller by letter, electronic mail, or other means that the delivery seller is being placed on the list or update, with that notice citing the relevant provisions of this Act.

“(9) LIMITATIONS.—

“(A) IN GENERAL.—Any common carrier or other person making a delivery subject to this subsection shall not be required or otherwise obligated to—

“(i) determine whether any list distributed or made available under paragraph (1) is complete, accurate, or up-to-date;

“(ii) determine whether a person ordering a delivery is in compliance with this Act; or

“(iii) open or inspect, pursuant to this Act, any package being delivered to determine its contents.

“(B) ALTERNATE NAMES.—Any common carrier or other person making a delivery subject to this subsection—

“(i) shall not be required to make any inquiries or otherwise determine whether a person ordering a delivery is a delivery seller on the list described in paragraph (1)(A) who is using a different name or address in order to evade the related delivery restrictions; and

“(ii) shall not knowingly deliver any packages to consumers for any delivery seller on the list described in paragraph (1)(A) who the common carrier or other delivery service knows is a delivery seller who is on the list and is using a different name or address to evade the delivery restrictions of paragraph (2).

“(C) PENALTIES.—Any common carrier or person in the business of delivering packages on behalf of other persons shall not be subject to any penalty under section 14101(a) of title 49, United States Code, or any other provision of law—

“(i) not making any specific delivery, or any deliveries at all, on behalf of any person on the list described in paragraph (1)(A);

“(ii) refusing, as a matter of regular practice and procedure, to make any deliveries, or any deliveries in certain States, of any cigarettes or smokeless tobacco for any person or for any person not in the business of manufacturing, distributing, or selling cigarettes or smokeless tobacco; or

“(iii) delaying or not making a delivery for any person because of reasonable efforts to comply with this Act.

“(D) OTHER LIMITS.—Section 2 and subsections (a), (b), (c), and (d) of this section shall not be interpreted to impose any responsibilities, requirements, or liability on common carriers.

“(f) PRESUMPTION.—For purposes of this Act, a delivery sale shall be deemed to have occurred in the State and place where the buyer obtains personal possession of the cigarettes or smokeless tobacco, and a delivery pursuant to a delivery sale is deemed to have been initiated or ordered by the delivery seller.”

(d) PENALTIES.—The Jenkins Act is amended by striking section 3 and inserting the following:

“SEC. 3. PENALTIES.

“(a) CRIMINAL PENALTIES.—

“(1) IN GENERAL.—Except as provided in paragraph (2), whoever knowingly violates this Act shall be imprisoned for not more than 3 years, fined under title 18, United States Code, or both.

“(2) EXCEPTIONS.—

“(A) GOVERNMENTS.—Paragraph (1) shall not apply to a State, local, or tribal government.

“(B) DELIVERY VIOLATIONS.—A common carrier or independent delivery service, or employee of a common carrier or independent delivery service, shall be subject to criminal penalties under paragraph (1) for a violation of section 2A(e) only if the violation is committed knowingly—

“(i) as consideration for the receipt of, or as consideration for a promise or agreement to pay, anything of pecuniary value; or

“(ii) for the purpose of assisting a delivery seller to violate, or otherwise evading compliance with, section 2A.

“(b) CIVIL PENALTIES.—

“(1) IN GENERAL.—Except as provided in paragraph (3), whoever violates this Act shall be subject to a civil penalty in an amount not to exceed—

“(A) in the case of a delivery seller, the greater of—

“(i) \$5,000 in the case of the first violation, or \$10,000 for any other violation; or

“(ii) for any violation, 2 percent of the gross sales of cigarettes or smokeless tobacco of the delivery seller during the 1-year period ending on the date of the violation.

“(B) in the case of a common carrier or other delivery service, \$2,500 in the case of a first violation, or \$5,000 for any violation within 1 year of a prior violation.

“(2) RELATION TO OTHER PENALTIES.—A civil penalty imposed under paragraph (1) for a violation of this Act shall be imposed in addition to any criminal penalty under subsection (a) and

any other damages, equitable relief, or injunctive relief awarded by the court, including the payment of any unpaid taxes to the appropriate Federal, State, local, or tribal governments.

“(3) EXCEPTIONS.—

“(A) DELIVERY VIOLATIONS.—An employee of a common carrier or independent delivery service shall be subject to civil penalties under paragraph (1) for a violation of section 2A(e) only if the violation is committed intentionally—

“(i) as consideration for the receipt of, or as consideration for a promise or agreement to pay, anything of pecuniary value; or

“(ii) for the purpose of assisting a delivery seller to violate, or otherwise evading compliance with, section 2A.

“(B) OTHER LIMITATIONS.—No common carrier or independent delivery service shall be subject to civil penalties under paragraph (1) for a violation of section 2A(e) if—

“(i) the common carrier or independent delivery service has implemented and enforces effective policies and practices for complying with that section; or

“(ii) the violation consists of an employee of the common carrier or independent delivery service who physically receives and processes orders, picks up packages, processes packages, or makes deliveries, taking actions that are outside the scope of employment of the employee, or that violate the implemented and enforced policies of the common carrier or independent delivery service described in clause (i).”

(e) ENFORCEMENT.—The Jenkins Act is amended by striking section 4 and inserting the following:

“SEC. 4. ENFORCEMENT.

“(a) IN GENERAL.—The United States district courts shall have jurisdiction to prevent and restrain violations of this Act and to provide other appropriate injunctive or equitable relief, including money damages, for the violations.

“(b) AUTHORITY OF THE ATTORNEY GENERAL.—The Attorney General of the United States shall administer and enforce this Act.

“(c) STATE, LOCAL, AND TRIBAL ENFORCEMENT.—

“(1) IN GENERAL.—

“(A) STANDING.—A State, through its attorney general, or a local government or Indian tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer, may bring an action in a United States district court to prevent and restrain violations of this Act by any person or to obtain any other appropriate relief from any person for violations of this Act, including civil penalties, money damages, and injunctive or other equitable relief.

“(B) SOVEREIGN IMMUNITY.—Nothing in this Act shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian tribe against any unconsented lawsuit under this Act, or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government or Indian tribe.

“(2) PROVISION OF INFORMATION.—A State, through its attorney general, or a local government or Indian tribe that levies a tax subject to section 2A(a)(3), through its chief law enforcement officer, may provide evidence of a violation of this Act by any person not subject to State, local, or tribal government enforcement actions for violations of this Act to the Attorney General of the United States or a United States attorney, who shall take appropriate actions to enforce this Act.

“(3) USE OF PENALTIES COLLECTED.—

“(A) IN GENERAL.—There is established a separate account in the Treasury known as the ‘PACT Anti-Trafficking Fund’. Notwithstanding any other provision of law and subject to subparagraph (B), an amount equal to 50 percent of any criminal and civil penalties collected by the Federal Government in enforcing this Act shall be transferred into the PACT Anti-Trafficking Fund and shall be available to the Attorney General of the United States for purposes

of enforcing this Act and other laws relating to contraband tobacco products.

“(B) ALLOCATION OF FUNDS.—Of the amount available to the Attorney General of the United States under subparagraph (A), not less than 50 percent shall be made available only to the agencies and offices within the Department of Justice that were responsible for the enforcement actions in which the penalties concerned were imposed or for any underlying investigations.

“(4) NONEXCLUSIVITY OF REMEDY.—

“(A) IN GENERAL.—The remedies available under this section and section 3 are in addition to any other remedies available under Federal, State, local, tribal, or other law.

“(B) STATE COURT PROCEEDINGS.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized State official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of State or other law.

“(C) TRIBAL COURT PROCEEDINGS.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized Indian tribal government official to proceed in tribal court, or take other enforcement actions, on the basis of an alleged violation of tribal law.

“(D) LOCAL GOVERNMENT ENFORCEMENT.—Nothing in this Act shall be construed to expand, restrict, or otherwise modify any right of an authorized local government official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of local or other law.

“(d) PERSONS DEALING IN TOBACCO PRODUCTS.—Any person who holds a permit under section 5712 of the Internal Revenue Code of 1986 (regarding permitting of manufacturers and importers of tobacco products and export warehouse proprietors) may bring an action in an appropriate United States district court to prevent and restrain violations of this Act by any person other than a State, local, or tribal government.

“(e) NOTICE.—

“(1) PERSONS DEALING IN TOBACCO PRODUCTS.—Any person who commences a civil action under subsection (d) shall inform the Attorney General of the United States of the action.

“(2) STATE, LOCAL, AND TRIBAL ACTIONS.—It is the sense of Congress that the attorney general of any State, or chief law enforcement officer of any locality or tribe, that commences a civil action under this section should inform the Attorney General of the United States of the action.

“(f) PUBLIC NOTICE.—

“(1) IN GENERAL.—The Attorney General of the United States shall make available to the public, by posting information on the Internet and by other appropriate means, information regarding all enforcement actions brought by the United States, or reported to the Attorney General of the United States, under this section, including information regarding the resolution of the enforcement actions and how the Attorney General of the United States has responded to referrals of evidence of violations pursuant to subsection (c)(2).

“(2) REPORTS TO CONGRESS.—Not later than 1 year after the date of enactment of the Prevent All Cigarette Trafficking Act of 2009, and every year thereafter until the date that is 5 years after such date of enactment, the Attorney General of the United States shall submit to Congress a report containing the information described in paragraph (1).”

### SEC. 3. TREATMENT OF CIGARETTES AND SMOKELESS TOBACCO AS NONMAILABLE MATTER.

(a) IN GENERAL.—Chapter 83 of title 18, United States Code, is amended by inserting after section 1716D the following:

#### “§ 1716E. Tobacco products as nonmailable

“(a) PROHIBITION.—

“(1) IN GENERAL.—All cigarettes and smokeless tobacco (as those terms are defined in section 1

of the Act of October 19, 1949, commonly referred to as the Jenkins Act) are nonmailable and shall not be deposited in or carried through the mails. The United States Postal Service shall not accept for delivery or transmit through the mails any package that it knows or has reasonable cause to believe contains any cigarettes or smokeless tobacco made nonmailable by this paragraph.

“(2) REASONABLE CAUSE.—For the purposes of this subsection reasonable cause includes—

“(A) a statement on a publicly available website, or an advertisement, by any person that the person will mail matter which is nonmailable under this section in return for payment; or

“(B) the fact that the person is on the list created under section 2A(e) of the Jenkins Act.

“(b) EXCEPTIONS.—

“(1) CIGARS.—Subsection (a) shall not apply to cigars (as defined in section 5702(a) of the Internal Revenue Code of 1986).

“(2) GEOGRAPHIC EXCEPTION.—Subsection (a) shall not apply to mailings within the State of Alaska or within the State of Hawaii.

“(3) BUSINESS PURPOSES.—

“(A) IN GENERAL.—Subsection (a) shall not apply to tobacco products mailed only—

“(i) for business purposes between legally operating businesses that have all applicable State and Federal Government licenses or permits and are engaged in tobacco product manufacturing, distribution, wholesale, export, import, testing, investigation, or research; or

“(ii) for regulatory purposes between any business described in clause (i) and an agency of the Federal Government or a State government.

“(B) RULES.—

“(i) IN GENERAL.—Not later than 180 days after the date of enactment of the Prevent All Cigarette Trafficking Act of 2009, the Postmaster General shall issue a final rule which shall establish the standards and requirements that apply to all mailings described in subparagraph (A).

“(ii) CONTENTS.—The final rule issued under clause (i) shall require—

“(I) the United States Postal Service to verify that any person submitting an otherwise nonmailable tobacco product into the mails as authorized under this paragraph is a business or government agency permitted to make a mailing under this paragraph;

“(II) the United States Postal Service to ensure that any recipient of an otherwise nonmailable tobacco product sent through the mails under this paragraph is a business or government agency that may lawfully receive the product;

“(III) that any mailing described in subparagraph (A) shall be sent through the systems of the United States Postal Service that provide for the tracking and confirmation of the delivery;

“(IV) that the identity of the business or government entity submitting the mailing containing otherwise nonmailable tobacco products for delivery and the identity of the business or government entity receiving the mailing are clearly set forth on the package;

“(V) the United States Postal Service to maintain identifying information described in subclause (IV) during the 3-year period beginning on the date of the mailing and make the information available to the Postal Service, the Attorney General of the United States, and to persons eligible to bring enforcement actions under section 3(d) of the Prevent All Cigarette Trafficking Act of 2009;

“(VI) that any mailing described in subparagraph (A) be marked with a United States Postal Service label or marking that makes it clear to employees of the United States Postal Service that it is a permitted mailing of otherwise nonmailable tobacco products that may be delivered only to a permitted government agency or business and may not be delivered to any residence or individual person; and

“(VII) that any mailing described in subparagraph (A) be delivered only to a verified em-

ployee of the recipient business or government agency, who is not a minor and who shall be required to sign for the mailing.

“(C) DEFINITION.—In this paragraph, the term ‘minor’ means an individual who is less than the minimum age required for the legal sale or purchase of tobacco products as determined by applicable law at the place the individual is located.

“(4) CERTAIN INDIVIDUALS.—

“(A) IN GENERAL.—Subsection (a) shall not apply to tobacco products mailed by individuals who are not minors for noncommercial purposes, including the return of a damaged or unacceptable tobacco product to the manufacturer.

“(B) RULES.—

“(i) IN GENERAL.—Not later than 180 days after the date of enactment of the Prevent All Cigarette Trafficking Act of 2009, the Postmaster General shall issue a final rule which shall establish the standards and requirements that apply to all mailings described in subparagraph (A).

“(ii) CONTENTS.—The final rule issued under clause (i) shall require—

“(I) the United States Postal Service to verify that any person submitting an otherwise nonmailable tobacco product into the mails as authorized under this paragraph is the individual identified on the return address label of the package and is not a minor;

“(II) for a mailing to an individual, the United States Postal Service to require the person submitting the otherwise nonmailable tobacco product into the mails as authorized by this paragraph to affirm that the recipient is not a minor;

“(III) that any package mailed under this paragraph shall weigh not more than 10 ounces;

“(IV) that any mailing described in subparagraph (A) shall be sent through the systems of the United States Postal Service that provide for the tracking and confirmation of the delivery;

“(V) that a mailing described in subparagraph (A) shall not be delivered or placed in the possession of any individual who has not been verified as not being a minor;

“(VI) for a mailing described in subparagraph (A) to an individual, that the United States Postal Service shall deliver the package only to a recipient who is verified not to be a minor at the recipient address or transfer it for delivery to an Air/Army Postal Office or Fleet Postal Office number designated in the recipient address; and

“(VII) that no person may initiate more than 10 mailings described in subparagraph (A) during any 30-day period.

“(C) DEFINITION.—In this paragraph, the term ‘minor’ means an individual who is less than the minimum age required for the legal sale or purchase of tobacco products as determined by applicable law at the place the individual is located.

“(5) EXCEPTION FOR MAILINGS FOR CONSUMER TESTING BY MANUFACTURERS.—

“(A) IN GENERAL.—Subject to subparagraph (B), subsection (a) shall not preclude a legally operating cigarette manufacturer or a legally authorized agent of a legally operating cigarette manufacturer from using the United States Postal Service to mail cigarettes to verified adult smoker solely for consumer testing purposes, if—

“(i) the cigarette manufacturer has a permit, in good standing, issued under section 5713 of the Internal Revenue Code of 1986;

“(ii) the package of cigarettes mailed under this paragraph contains not more than 12 packs of cigarettes (240 cigarettes);

“(iii) the recipient does not receive more than 1 package of cigarettes from any 1 cigarette manufacturer under this paragraph during any 30-day period;

“(iv) all taxes on the cigarettes mailed under this paragraph levied by the State and locality of delivery are paid to the State and locality before delivery, and tax stamps or other tax-payment indicia are affixed to the cigarettes as required by law; and

“(v)(I) the recipient has not made any payments of any kind in exchange for receiving the cigarettes;

“(II) the recipient is paid a fee by the manufacturer or agent of the manufacturer for participation in consumer product tests; and

“(III) the recipient, in connection with the tests, evaluates the cigarettes and provides feedback to the manufacturer or agent.

“(B) LIMITATIONS.—Subparagraph (A) shall not—

“(i) permit a mailing of cigarettes to an individual located in any State that prohibits the delivery or shipment of cigarettes to individuals in the State, or preempt, limit, or otherwise affect any related State laws; or

“(ii) permit a manufacturer, directly or through a legally authorized agent, to mail cigarettes in any calendar year in a total amount greater than 1 percent of the total cigarette sales of the manufacturer in the United States during the calendar year before the date of the mailing.

“(C) RULES.—

“(i) IN GENERAL.—Not later than 180 days after the date of enactment of the Prevent All Cigarette Trafficking Act of 2009, the Postmaster General shall issue a final rule which shall establish the standards and requirements that apply to all mailings described in subparagraph (A).

“(ii) CONTENTS.—The final rule issued under clause (i) shall require—

“(I) the United States Postal Service to verify that any person submitting a tobacco product into the mails under this paragraph is a legally operating cigarette manufacturer permitted to make a mailing under this paragraph, or an agent legally authorized by the legally operating cigarette manufacturer to submit the tobacco product into the mails on behalf of the manufacturer;

“(II) the legally operating cigarette manufacturer submitting the cigarettes into the mails under this paragraph to affirm that—

“(aa) the manufacturer or the legally authorized agent of the manufacturer has verified that the recipient is an adult established smoker;

“(bb) the recipient has not made any payment for the cigarettes;

“(cc) the recipient has signed a written statement that is in effect indicating that the recipient wishes to receive the mailings; and

“(dd) the manufacturer or the legally authorized agent of the manufacturer has offered the opportunity for the recipient to withdraw the written statement described in item (cc) not less frequently than once in every 3-month period;

“(III) the legally operating cigarette manufacturer or the legally authorized agent of the manufacturer submitting the cigarettes into the mails under this paragraph to affirm that any package mailed under this paragraph contains not more than 12 packs of cigarettes (240 cigarettes) on which all taxes levied on the cigarettes by the State and locality of delivery have been paid and all related State tax stamps or other tax-payment indicia have been applied;

“(IV) that any mailing described in subparagraph (A) shall be sent through the systems of the United States Postal Service that provide for the tracking and confirmation of the delivery;

“(V) the United States Postal Service to maintain records relating to a mailing described in subparagraph (A) during the 3-year period beginning on the date of the mailing and make the information available to persons enforcing this section;

“(VI) that any mailing described in subparagraph (A) be marked with a United States Postal Service label or marking that makes it clear to employees of the United States Postal Service that it is a permitted mailing of otherwise non-mailable tobacco products that may be delivered only to the named recipient after verifying that the recipient is an adult; and

“(VII) the United States Postal Service shall deliver a mailing described in subparagraph (A)

only to the named recipient and only after verifying that the recipient is an adult.

“(D) DEFINITIONS.—In this paragraph—

“(i) the term ‘adult’ means an individual who is not less than 21 years of age; and

“(ii) the term ‘consumer testing’ means testing limited to formal data collection and analysis for the specific purpose of evaluating the product for quality assurance and benchmarking purposes of cigarette brands or sub-brands among existing adult smokers.

“(6) FEDERAL GOVERNMENT AGENCIES.—An agency of the Federal Government involved in the consumer testing of tobacco products solely for public health purposes may mail cigarettes under the same requirements, restrictions, and rules and procedures that apply to consumer testing mailings of cigarettes by manufacturers under paragraph (5), except that the agency shall not be required to pay the recipients for participating in the consumer testing.

“(c) SEIZURE AND FORFEITURE.—Any cigarettes or smokeless tobacco made nonmailable by this subsection that are deposited in the mails shall be subject to seizure and forfeiture, pursuant to the procedures set forth in chapter 46 of this title. Any tobacco products seized and forfeited under this subsection shall be destroyed or retained by the Federal Government for the detection or prosecution of crimes or related investigations and then destroyed.

“(d) ADDITIONAL PENALTIES.—In addition to any other fines and penalties under this title for violations of this section, any person violating this section shall be subject to an additional civil penalty in the amount equal to 10 times the retail value of the nonmailable cigarettes or smokeless tobacco, including all Federal, State, and local taxes.

“(e) CRIMINAL PENALTY.—Whoever knowingly deposits for mailing or delivery, or knowingly causes to be delivered by mail, according to the direction thereon, or at any place at which it is directed to be delivered by the person to whom it is addressed, anything that is nonmailable matter under this section shall be fined under this title, imprisoned not more than 1 year, or both.

“(f) USE OF PENALTIES.—There is established a separate account in the Treasury, to be known as the ‘PACT Postal Service Fund’. Notwithstanding any other provision of law, an amount equal to 50 percent of any criminal fines, civil penalties, or other monetary penalties collected by the Federal Government in enforcing this section shall be transferred into the PACT Postal Service Fund and shall be available to the Postmaster General for the purpose of enforcing this subsection.

“(g) COORDINATION OF EFFORTS.—The Postmaster General shall cooperate and coordinate efforts to enforce this section with related enforcement activities of any other Federal agency or agency of any State, local, or tribal government, whenever appropriate.

“(h) ACTIONS BY STATE, LOCAL, OR TRIBAL GOVERNMENTS RELATING TO CERTAIN TOBACCO PRODUCTS.—

“(1) IN GENERAL.—A State, through its attorney general, or a local government or Indian tribe that levies an excise tax on tobacco products, through its chief law enforcement officer, may in a civil action in a United States district court obtain appropriate relief with respect to a violation of this section. Appropriate relief includes injunctive and equitable relief and damages equal to the amount of unpaid taxes on tobacco products mailed in violation of this section to addressees in that State, locality, or tribal land.

“(2) SOVEREIGN IMMUNITY.—Nothing in this subsection shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government or Indian tribe against any unconsented lawsuit under paragraph (1), or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government or Indian tribe.

“(3) ATTORNEY GENERAL REFERRAL.—A State, through its attorney general, or a local government or Indian tribe that levies an excise tax on tobacco products, through its chief law enforcement officer, may provide evidence of a violation of this section for commercial purposes by any person not subject to State, local, or tribal government enforcement actions for violations of this section to the Attorney General of the United States, who shall take appropriate actions to enforce this section.

“(4) NONEXCLUSIVITY OF REMEDIES.—The remedies available under this subsection are in addition to any other remedies available under Federal, State, local, tribal, or other law. Nothing in this subsection shall be construed to expand, restrict, or otherwise modify any right of an authorized State, local, or tribal government official to proceed in a State, tribal, or other appropriate court, or take other enforcement actions, on the basis of an alleged violation of State, local, tribal, or other law.

“(5) OTHER ENFORCEMENT ACTIONS.—Nothing in this subsection shall be construed to prohibit an authorized State official from proceeding in State court on the basis of an alleged violation of any general civil or criminal statute of the State.

“(i) DEFINITION.—In this section, the term ‘State’ has the meaning given that term in section 1716(k).”

(b) CLERICAL AMENDMENT.—The table of sections for chapter 83 of title 18 is amended by inserting after the item relating to section 1716D the following:

“1716E. Tobacco products as nonmailable.”

**SEC. 4. INSPECTION BY BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND EXPLOSIVES OF RECORDS OF CERTAIN CIGARETTE AND SMOKELESS TOBACCO SELLERS; CIVIL PENALTY.**

Section 2343(c) of title 18, United States Code, is amended to read as follows:

“(c)(1) Any officer of the Bureau of Alcohol, Tobacco, Firearms, and Explosives may, during normal business hours, enter the premises of any person described in subsection (a) or (b) for the purposes of inspecting—

“(A) any records or information required to be maintained by the person under this chapter; or

“(B) any cigarettes or smokeless tobacco kept or stored by the person at the premises.

“(2) The district courts of the United States shall have the authority in a civil action under this subsection to compel inspections authorized by paragraph (1).

“(3) Whoever denies access to an officer under paragraph (1), or who fails to comply with an order issued under paragraph (2), shall be subject to a civil penalty in an amount not to exceed \$10,000.”

**SEC. 5. EXCLUSIONS REGARDING INDIAN TRIBES AND TRIBAL MATTERS.**

(a) IN GENERAL.—Nothing in this Act or the amendments made by this Act shall be construed to amend, modify, or otherwise affect—

(1) any agreements, compacts, or other intergovernmental arrangements between any State or local government and any government of an Indian tribe (as that term is defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) relating to the collection of taxes on cigarettes or smokeless tobacco sold in Indian country;

(2) any State laws that authorize or otherwise pertain to any such intergovernmental arrangements or create special rules or procedures for the collection of State, local, or tribal taxes on cigarettes or smokeless tobacco sold in Indian country;

(3) any limitations under Federal or State law, including Federal common law and treaties, on State, local, and tribal tax and regulatory authority with respect to the sale, use, or distribution of cigarettes and smokeless tobacco by or to Indian tribes, tribal members, tribal enterprises, or in Indian country;

(4) any Federal law, including Federal common law and treaties, regarding State jurisdiction, or lack thereof, over any tribe, tribal members, tribal enterprises, tribal reservations, or other lands held by the United States in trust for one or more Indian tribes; or

(5) any State or local government authority to bring enforcement actions against persons located in Indian country.

(b) **COORDINATION OF LAW ENFORCEMENT.**—Nothing in this Act or the amendments made by this Act shall be construed to inhibit or otherwise affect any coordinated law enforcement effort by 1 or more States or other jurisdictions, including Indian tribes, through interstate compact or otherwise, that—

(1) provides for the administration of tobacco product laws or laws pertaining to interstate sales or other sales of tobacco products;

(2) provides for the seizure of tobacco products or other property related to a violation of such laws; or

(3) establishes cooperative programs for the administration of such laws.

(c) **TREATMENT OF STATE AND LOCAL GOVERNMENTS.**—Nothing in this Act or the amendments made by this Act shall be construed to authorize, deputize, or commission States or local governments as instrumentalities of the United States.

(d) **ENFORCEMENT WITHIN INDIAN COUNTRY.**—Nothing in this Act or the amendments made by this Act shall prohibit, limit, or restrict enforcement by the Attorney General of the United States of this Act or an amendment made by this Act within Indian country.

(e) **AMBIGUITY.**—Any ambiguity between the language of this section or its application and any other provision of this Act shall be resolved in favor of this section.

(f) **DEFINITIONS.**—In this section—

(1) the term “Indian country” has the meaning given that term in section 1 of the Jenkins Act, as amended by this Act; and

(2) the term “tribal enterprise” means any business enterprise, regardless of whether incorporated or unincorporated under Federal or tribal law, of an Indian tribe or group of Indian tribes.

#### **SEC. 6. EFFECTIVE DATE.**

(a) **IN GENERAL.**—Except as provided in subsection (b), this Act shall take effect on the date that is 90 days after the date of enactment of this Act.

(b) **BATFE AUTHORITY.**—The amendments made by section 4 shall take effect on the date of enactment of this Act.

#### **SEC. 7. SEVERABILITY.**

If any provision of this Act, or any amendment made by this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act and the application of the Act to any other person or circumstance shall not be affected thereby.

#### **SEC. 8. SENSE OF CONGRESS CONCERNING THE PRECEDENTIAL EFFECT OF THIS ACT.**

It is the sense of Congress that unique harms are associated with online cigarette sales, including problems with verifying the ages of consumers in the digital market and the long-term health problems associated with the use of certain tobacco products. This Act was enacted recognizing the longstanding interest of Congress in urging compliance with States’ laws regulating remote sales of certain tobacco products to citizens of those States, including the passage of the Jenkins Act over 50 years ago, which established reporting requirements for out-of-State companies that sell certain tobacco products to citizens of the taxing States, and which gave authority to the Department of Justice and the Bureau of Alcohol, Tobacco, Firearms, and Explosives to enforce the Jenkins Act. In light of the unique harms and circumstances surrounding the online sale of certain tobacco products, this Act is intended to help collect cig-

arette excise taxes, to stop tobacco sales to underage youth, and to help the States enforce their laws that target the online sales of certain tobacco products only. This Act is in no way meant to create a precedent regarding the collection of State sales or use taxes by, or the validity of efforts to impose other types of taxes on, out-of-State entities that do not have a physical presence within the taxing State.

Mr. KOHL. Mr. President, I thank my colleagues for supporting S.1147, the Prevent All Cigarette Trafficking, PACT, Act. The PACT Act closes loopholes in current tobacco trafficking laws, enhances penalties for violations, and provides law enforcement with new tools to combat the innovative methods being used by cigarette traffickers to distribute their products. With its passage, we cut off a source of funding for terrorists and criminals raise more money, enhance states’ ability to collect significant amounts of tax revenue, and further limit kids from easy access to tobacco products sold over the internet.

By passing this bill, we are solving a serious problem that is growing every day. In 1998, the Bureau of Alcohol, Tobacco, Firearms and Explosives, BATFE, had six active tobacco smuggling investigations. Today there are more than 400 active tobacco smuggling investigations.

Last November, BATFE announced that they were charging 14 people with paying over \$8 million, nearly 40 firearms, and drugs to purchase more than 77 million contraband cigarettes to sell in New York. Moreover, two of the conspirators were also charged with hiring a hitman to kill two people they believed to be stealing contraband cigarettes. The problem is significant, and today we are giving law enforcement the additional tools they need to root out and end cigarette trafficking and related crimes.

The number of cases alone does not sufficiently put this problem into perspective. The amount of money involved is truly astonishing. Cigarette trafficking, including the illegal sale of tobacco products over the internet, costs States billions of dollars in lost tax revenue each year. It is estimated that we lose \$5 billion of tax revenue, at the Federal and State level, each year. As lost tobacco tax revenue lines the pockets of criminals and terrorist groups, states are being forced to squeeze their budgets even tighter by cutting programs and increasing college tuition. Tobacco smuggling may provide some with cheap access to cigarettes, but those cheap cigarettes are coming at a significant cost to the rest of us.

The cost to Americans is not merely financial. Tobacco smuggling has developed into a popular, and highly profitable, means of generating revenue for criminal and terrorist organizations. Hezbollah, al-Qaida and Hamas have all generated significant revenue from the sale of counterfeit cigarettes. That money is often raised right here in the United States, and it is then funneled back to these international terrorist groups.

In July 2004, the 9/11 Commission recommended that “[v]igorous efforts to track terrorist financing must remain front and center in U.S. counterterrorism efforts.” And the 9/11 commission stressed that it is important to rely, in part, on traditional criminal tools to disrupt terrorist fundraising efforts, since they often raise money by trafficking in counterfeit goods. Specifically, it said, “[c]ounterterrorism investigations often overlap or are cued by other criminal investigations, such as money laundering or the smuggling of contraband.” All too often, that contraband is cigarettes.

By passing this bill today, we are sending a strong message that terrorist organizations can no longer exploit the weaknesses in our tobacco laws to generate significant amounts of money. Cutting off financial support to terrorist groups is an indispensable part of protecting the country against future attacks.

According to the Government Accountability Office, GAO, cigarette trafficking investigations are growing more and more complex, and take longer to resolve. More people are selling cigarettes illegally, and they are getting better at it. As these cases become more difficult to crack, we owe it to law enforcement officials to do our part to lend a helping hand. The PACT Act does that by enhancing BATFE’s authority to enter premises to investigate and enforce cigarette trafficking laws. It also increases penalties for cigarette trafficking under the Jenkins Act from a misdemeanor to a felony. Instead of a slap on the wrist, we need to show these people we mean business and make sure the investigative efforts of our law enforcement officers pays off. Unless these existing laws are strengthened, traffickers will continue to operate with near impunity.

Just as important, though, we must enable our country’s law enforcement officials to combat the cigarette smugglers of the 21st century. The internet represents a new obstacle to enforcement. Illegal tobacco vendors around the world evade detection by conducting transactions over the internet, and then shipping their illegal products around the country to consumers. Just a few years ago, there were less than 100 vendors selling cigarettes online. Today, approximately 500 vendors sell illegal tobacco products over the Internet.

Without innovative enforcement methods, law enforcement will not be able to effectively address the growing challenges facing them today. The PACT Act sets out to do just that by empowering states to go after out-of-state sellers who are violating their tax laws in Federal court. It also cuts off their method of delivery. A significant part of this problem involves the shipment of contraband cigarettes through the United States Postal Service, USPS. This bill would cut off online vendors’ access to the USPS. We would treat cigarettes just like we

treat alcohol, making it illegal to ship them through the U.S. mails and cutting off a large portion of the delivery system.

In addition to cracking down on tobacco smuggling, the bill will keep tobacco out of the hands of kids. One of the primary ways children get access to cigarettes today is on the Internet and through the mails. The PACT Act contains a strong age verification section that will prevent online sales of cigarettes by requiring sellers to use a method of shipment that includes a signature and photo ID check upon delivery. Most States already have similar laws on the books, and this would simply make sure that we have a national standard to ensure that the Internet is not being used to evade ID checks required at our grocery and convenience stores.

It is important to point out that this bill has been carefully drafted, following negotiations with numerous interested parties, including the Campaign for Tobacco Free Kids, the National Association of Attorneys General, the Department of Justice, and various tribal groups, to ensure that it would be strictly neutral in regards to tribal sovereignty and tribal immunity rights. The PACT Act would neither expand nor contract the current scope of tribal sovereignty and immunity, as determined by Federal statute and judicial interpretations. Also, the bill makes clear that it cannot be used to expand, contract, or otherwise change

the scope of tribal sovereignty and immunity.

The commonsense approach of the PACT Act has brought together a strong coalition of supporters. Tobacco companies and public health advocates; State law enforcement and Federal law enforcement; and Republicans and Democrats alike all agree that this is an issue that must be addressed. Today, we begin to provide law enforcement authorities with the tools they need to combat a very serious threat to our States' coffers, national security, and public health.

Again, I thank leadership, the co-sponsors of the bill, and all of my colleagues for their support of the PACT Act.

Mr. DURBIN. I ask unanimous consent that the committee substitute be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, with no intervening action or debate, and any statements relating to the bill be printed in the RECORD.

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

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 1147), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed.

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ORDERS FOR MONDAY, MARCH 15,  
2010

Mr. DURBIN. Mr. President, I ask unanimous consent that when the Sen-

ate completes its business today, it adjourn until 2 p.m. on Monday, March 15; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate proceed to a period of morning business until 3 p.m., with Senators permitted to speak therein for up to 10 minutes each. Finally, I ask that following morning business, the Senate resume consideration of the House message on H.R. 2847.

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

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PROGRAM

Mr. DURBIN. Mr. President, tonight cloture was filed on the motion to concur with respect to the legislative vehicle for the HIRE Act. The cloture vote will occur at 5:30 p.m. on Monday.

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ADJOURNMENT UNTIL MONDAY,  
MARCH 15, 2010, at 2 p.m.

Mr. DURBIN. If there is no further business to come before the Senate, I ask unanimous consent that it adjourn under the previous order.

There being no objection, the Senate, at 7:18 p.m., adjourned until Monday, March 15, 2010, at 2 p.m.