basic responsibility to protect the public interest leading to disastrous consequences,'' precisely what I am trying to demonstrate here. My legislation would assure a review of these regulations to assure fewer burdensome and economically irresponsible regulatory actions on struggling businesses in the United States.

President Obama's Executive order ''requires the Federal agencies ensure that regulations protect our safety, our health and environment while promoting economic growth.'' So does my legislation. ''And it orders a government-wide review of the rules already on the books to remove outdated regulations that stifle job creation and make our economy less competitive.''

That is what the President's Executive order does, and so does my legislation.

The President said, ''It's a review that will help bring order to regulations that have become a patchwork of overlapping rules, the result of tinkering by administrations and legislators of both parties and the influence of special interests in Washington over decades.''

The President was right. My legislation would do this but would add some teeth to the commitment—sharp teeth—by cutting out the loopholes, the very loophole I read. I am not going to read it again. I defy anybody to tell me what it means or how anybody could use that kind of language in determining the cost-benefit of any regulation.

The President has made it his ''mission to root out regulations that conflict,''—and I am quoting here—''that are not worth the cost or are just plain dumb.'' That is pretty clear, if the President says these regulations are just plain dumb. I said ''counterproductive.'' That is the Senate word. He said ''dumb.'' That is the Dodge City word and I think Dodge City would agree. I think my legislation is something the administration can support. So while the President believes his Executive order ''makes clear, we are seeking more affordable, less intrusive means to achieve the same ends—giving careful consideration to benefits and costs,'' and that it ''means writing rules with more input from experts, businesses and ordinary citizens,'' there were a number of loopholes in the Executive order I am happy to address with the administration in my legislation.

My bill would keep the President accountable for another promise to Americans, and I urge my colleagues to support this legislation, the details of which I am happy to share with my colleagues. I hope we get a great number of colleagues to help us codify the Executive order, put some teeth in it, make it work, and get at regulatory reform as opposed to being disingenuous. I think that is exactly what has happened in regard to this, what turned out to be a very noble effort, but the end result had so many loopholes in it as to be completely ineffective.

I yield any time I may have.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

FAA AIR TRANSPORTATION MODERNIZATION AND SAFETY IMPROVEMENT ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 223, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 223) to modernize the air traffic control system, improve the safety, reliability, and availability of transportation by air in the United States, provide modernization of the air traffic control system, reauthorize the Federal Aviation Administration, and for other purposes.

Pending:

Rockefeller (for Wyden) amendment No. 27, to increase the number of test sites in the National Airspace System used for unmanned aerial vehicles and to require one of those test sites to include a significant portion of public lands.

Inhofe modified amendment No. 7, to provide for an increase in the number of slots available at Ronald Reagan Washington National Airport.

Rockefeller (for Ensign) amendment No. 32, to improve provisions relating to certification and flight standards for military remotely piloted aerial systems in the National Airspace System.

McCain amendment No. 4, to repeal the essential air service program.

Rockefeller (for Leahy) amendment No. 50, to amend title 1 of the Omnibus Crime Control and Safe Streets Act of 1968 to include nonprofit and volunteer ground and air ambulance crew members and first responders for certain benefits, and to clarify the liability protection for volunteer pilots that fly for public benefit.

Reid amendment No. 54, to allow airports that receive airport improvement grants for the purchase of land to lease the land and develop the land in a manner compatible with noise buffering purposes.

Udall (NM) modified amendment No. 49, to authorize Dona Ana County, New Mexico, to exchange certain land conveyed to the County for airport purposes.

Udall (NM) modified amendment No. 51, to require that all advanced imaging technology used as a primary screening method for passengers be equipped with automatic target recognition software.

Paul amendment No. 18, to strike the provisions relating to clarifying a memorandum of understanding between the Federal Aviation Administration and the Occupational Safety and Health Administration.

Rockefeller (for Baucus) further modified amendment No. 75, of a perfecting nature.

Hutchison modified amendment No. 93 (to modified amendment No. 7), to provide for an increase in the number of slots available at Ronald Reagan Washington National Airport.

Mr. ROCKEFELLER. Madam President, I 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. ROCKEFELLER. 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. ROCKEFELLER. Madam President, I wish to catch up the membership on the floor and off the floor a little bit about where we are. We are at midweek for a third week of consideration of the FAA reauthorization bill. Last night, Senator REID filed cloture on this bill. In a perfect world we would have finished this bill already without filing cloture, but we need to finish and that is what cloture motions are for. I will support cloture, needless to say.

Senator HUTCHISON also filed cloture on an amendment that will bring conclusion to a debate on slots at National Airport. I will talk about that issue in more detail later. But I am saying right now slots are very important but they do not need to consume all of the arguments and all of the discussion on the floor about this bill. They are a very small part of the bill—an important part of the bill, recognizing the West has to be served much better than it is being—but it is not the entire bill. It is a very small part of the bill.

Last night we disposed of two pending amendments by voice vote. I believe we have made progress to resolve some of the pending amendments, but votes will be required on several of them and I expect we will have those votes today. Senator HUTCHISON and I are trying to clear a number of other filed amendments. There were at one point 100 of them. I hope we can accept a number of them. I have heard from any number of my colleagues on their amendments and I am trying to be helpful in getting them adopted where they contribute to the bill.

I know Senator HUTCHISON is committed to supporting the bill. We need to resolve the issue of slots. She has been working—we have all been working diligently and almost exclusively on that matter, and we will do this with a vote. We will resolve that issue.

After that vote we will vote on cloture, which I believe will pass and I am extremely hopeful we will reach agreement to get this bill done this week. The farthest possible day and most unhappy thought would be if we had to go through the recess and do it on the day we came back. I think it is far better that we get it done this week. There is no excuse for not doing it.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. Madam President, we now have, I think, a glidepath to passing this important legislation. We worked late into the night, Senator ROCKEFELLER and I did, to try to accommodate needs, concerns, amendments of Members. Now we have the cloture motion in play and hope we can come to a real agreement on the Reagan Airport perimeter issue so we could even do it before cloture is invoked—but hopefully, if we are not

able to come to a complete agreement, we would at least be able to get cloture and move on.

I hope our Members know we are going to continue to work to address everyone's concerns. We have concerns of western Senators and concerns of Senators within the Washington, DC metropolitan area. We have small community concerns and we have eastern seaboard community concerns. We have been working for years, actually—but months and then weeks to address concerns. We are open to do that. But it is time to wind this bill up so we can go to conference with the House with a strong Senate position and do the big picture policy issues that need to be addressed.

We must have the next generation of air traffic control started. We must have a satellite-based system that is for the whole world—for the people coming into our country and the people using our airspace. We need to have the safety and the consumer protections that are in this bill. We need to have a responsible way for people from all over our country to come into Reagan Washington National Airport while also protecting the people around the area from congestion.

We have a lot of concerns. I think this is a good bill and it is getting better every day. I do think we can come up with the right mix that will put our aviation system in the forefront of the world because half of the air traffic of the world comes into and out of the United States. We certainly need to be the best and that is what this bill will put us on the glidepath to do.

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. ROCKEFELLER. 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.

SUPPLEMENTAL CARRIERS

Mr. INHOFE. Madam President, the supplemental carriers provide a valuable and unique service to our economy as well as our military's ability to move troops and materiel around the world in a safe and timely manner. Current flight and duty rules for carriers recognize differences in operations and provide the necessary flexibility for supplemental carriers, given the challenging worldwide environments they operate in such as Afghanistan, Kyrgyzstan, Iraq, and other Middle East destinations.

Supplemental carriers have a long track record of safe operations. In more than 15 years, the National Transportation Safety Board, NTSB, has not cited fatigue as a primary cause in any nonscheduled/supplemental airline accident while flying under supplemental rules, 14 CFR Part 121, subpart S. There have been no fatalities attributed to any accident where fatigue was even remotely considered a contributing factor.

In the months preceding FAA's notice of proposed rulemaking, the agency's lack of interest in the operations of nonscheduled carriers led many to believe their unique operating procedures and status as small business entities would be addressed in a separate rulemaking. FAA issued its notice of proposed rulemaking, NPRM, to the public on September 14, 2010, and it was clear supplemental carriers were, indeed, covered by the NPRM, but the impacts of this proposal on supplemental carriers were not taken into consideration. This oversight is unprecedented. The FAA collected data from scheduled carriers to analyze their operations but acknowledged in the Regulatory Impact Analysis that it collected no data from NACA's nonscheduled airlines. FAA has a legal obligation to examine the impacts of this proposed rule on all segments of industry, which they failed to do. In the coming weeks and months I hope you will join me in encouraging the FAA to consider supplemental carriers flying under subpart S separately in the rulemaking proceeding.

Mr. ROCKEFELLER. I appreciate my colleague's concerns about how supplemental carriers have been treated in the FAA's rulemaking process dealing with pilot flight and duty time. As you are aware, modernizing the pilot flight and duty regulations has been one of the highest priorities of the FAA as well as many in Congress. In fact, when H.R. 5900 was signed into law last year by the President, Congress mandated the FAA complete the final rule overhauling these regulations by August 1 of this year.

I agree that all the regulated parties affected by this and other rulemakings should be treated fairly. I am willing to work with Senator INHOFE, Senator MURKOWSKI, and other interested parties to ensure supplemental carriers receive fair and thorough consideration, and that their industry data be considered, before any new rules for those carriers are promulgated.

Mr. INHOFE. I thank the Senator for his gracious commitment to insure that these carriers are treated fairly and in accordance with well established precedent.

Mr. ROCKEFELLER. Let me catch up a bit on where we are. The Senate has been working on this national slots issue for close to 1 year or it may be 10 years. I don't know. It has been an awfully long time. But we have been unable to achieve a resolution so far on the matter. That is a problem.

When we began consideration of the FAA reauthorization bill, Senator HUTCHISON and I decided we should focus on helping consumers. Everybody was talking about helping airliners. We were talking about people. Airliners fly around. People have to be able to do it. So we decided to focus on them.

So we both believed the growth of Western States must be recognized. I come from an Eastern State, sort of. The Presiding Officer comes from an Eastern State, totally. But the growth is in the West. They are underserved. That cannot be debated. It is embarrassing how few flights there are back and forth between National and them. The National Capital is a fairly important place. People need to go there, either for tourism or for business or whatever, and we need more access to the National Capital to be provided to the citizens from there on a ''bothway'' basis.

So time is running short for the consideration of the FAA package. This bill is too important to the country to let it languish over this issue. It is virtually all we have talked about, and I regret that because it does not reflect the nature and the priorities of the bill.

Unlike the national slot issue, the FAA bill has direct impacts on the whole Nation all the time. It will help our economy now. It will help our economy in the future with immediate job support and long-term impact on our role in the global marketplace.

To move forward on the bill, Senator HUTCHISON offered a slots amendment, a national slots amendment, that I feel offers a fair and reasonable solution on this issue. Over the past 2½ weeks, she and I have worked closely with other Members and their staffs in an effort to achieve a compromise on this issue.

Many of their needs and ideas have been incorporated into her amendment. It still may not be perfect, but it represents an attempt to fairly balance the competing needs of Members and their constituents inside and outside the perimeter. It is fascinating when people have it in their minds that something has to happen. They have to have so many flights or flights have to go to this city or that city or whatever. Then people sort of get attached to airlines. They feel they have to represent an airline.

I sort of thought we were here to represent the people of the States from which we come but, more importantly, in some sense, the entire country, particularly on an issue such as this.

Her amendment will permit some additional beyond-perimeter flights shortly after enactment of the bill. Then this very interesting part about the Department of Transportation, we have introduced that into the bill. It is a very good part of the bill. The Department of Transportation, which is neutral, which is professional, which is fully engaged in all of this, is required to study the effect of those flights over the next year.

Some people will say that is kind of a dodge. It is not kind of a dodge. Because slots are so controversial, it takes the Department of Transportation and their analysis to guide us about whether there is an overload at National, whether there is an underload. My own view is there is an underload at National, lots of slots available. But that is not the prevailing view on the part of some. They

feel we cannot have a single additional flight.

So DOT can study that. If they find there is no negative impact, a limited number can be added at the appropriate time or not, depending on what we want to do.

Specifically, the amendment provides network carriers an opportunity to swap existing flights they conduct within the perimeter and use them for flights to Western States beyond the perimeter. Seven round-trip flights could be converted under this provision.

Under this construct a carrier could use flights to large hub airports within the perimeter where significant service already is provided. This protects States and small communities within the perimeter and limits the number of new flights at the airport as requested by local officials.

The amendment also provides five new flight exemptions that would only be distributed to new entrant or limited incumbent carriers. To provide maximum flexibility for the carriers, these could be used for new flights within or beyond the perimeter. All of this is kind of opaque, like a puzzle, but it does happen to work.

We have had approximately 100 amendments filed to the FAA reauthorization bill. Much of the talk is focused on slots at National Airport. There are lots of airports, but National Airport has received the bulk of the amendments. I don't resent that or regret it. I just wish we could get to the rest of the bill, which I think is probably going to be entirely acceptable to people because it is a very reasonable approach.

Only three other amendments have been filed that directly address the issue of west coast access to National. The Ensign amendment would allow carriers to have unlimited conversions or swaps beyond the perimeter. I believe this proposal goes too far and could have a significant negative impact locally and for small communities serviced within the perimeter. I do think Senators ENSIGN and KYL, with whom I have worked on this issue over the past year, can appreciate this position and will receive opportunities for their constituents through passage of our amendment.

The Merkley and Wyden and Cantwell-Murray-Merkley-Begich amendments are the only other two amendments that have been filed with a focus on the issue of beyond-perimeter flights at National. They would both allow for new flight exemptions at the airport that would favor distribution to limited incumbents or new entrants. The Merkley amendment would provide eight new round-trips for beyond-perimeter service. The Wyden amendment would add 12 new round-trips beyond the perimeter and 4 new round-trips within the perimeter for a total of 16 new flights. While the Hutchison amendment may not provide the same level of opportunity for services to their States that they desire, her amendment does provide ample room for their constituencies to obtain new service with 5 exemptions rather than 12 beyond perimeter.

I believe we must strike an appropriate balance. We have no choice. We can't make everybody happy. Senator HUTCHISON's and my approach has been to go down the middle. People who don't want anything more and people who want a lot more, kind of edge them together and go right down the middle. That is all we can do in a bill of this sort where emotions run very high.

I do believe we must strike an appropriate balance between new service from incumbent carriers and service from limited or new-entrant carriers if we are going to give consumers the greatest options on choice and competition. Consumers are really what this is about. Airlines are obviously important. They are going to fly where the business is. That makes all of us—the Presiding Officer, for part of her State which is not in the New York area—very sensitive to rural situations. West Virginia is entirely rural. It has no city larger than slightly over 50,000 people, that being the State capital. Flights in and out of that State are very important to me. Most of them are done by propeller. Most of them are not particularly comfortable. But they do get one to where one wants to go. Now we have switched to Dulles so we can feed out from Dulles to anywhere in the world. Taking care of rural areas is incredibly important to us.

Again, the DOT study included in the amendment will also provide valuable insight into the impact of additional flights at National Airport on this or any other aspect of it. Under the amendment, if DOT finds that more access is appropriate, it can permit up to four additional flights at National. These would be provided to incumbent carriers to swap service from large hubs within the perimeter, resulting in no new air traffic at the airport. Senator HUTCHISON and I would like to emphasize those words, ''no new flights.'' They have room for flights. A GAO study showed that, really quite a lot of flights. But the prevailing wish is not to have noise and disruption.

The fact is, the planes are getting quieter, and they will get much more quieter as they are entered into all markets.

In total, as few as 12 or as many as 16 additional beyond-perimeter flights could result from the amendment over a 2-year period. If the DOT determines the initial 12 flights have had a direct negative impact on the DC market—I emphasize, we are putting DOT right on the case so they can watch it closely; whatever people might think, they are neutral and professional and they do this for a living—it will limit the likelihood of adding additional flights in future FAA reauthorizations. That makes sense. Let them be the arbiters of that rather than us battling it out here.

This type of review is long overdue and will provide far greater understanding of local needs by any carrier seeking access at National. If DOT finds there is enough room for up to 16 flights, the amendment would seek to balance them among various stakeholders. Eleven of these flights would be swaps or conversions of service to incumbent carriers already providing this, resulting, again, in no new traffic at that particular airport—there are other airports in the country; I have to keep telling myself that, but it is hard to recognize that looking at the debate so far—and minimizing the impacts of flights on a local basis generally.

Five of the flights would be dedicated to new entrants or limited incumbents to receive new exemptions. These could be used for service within or beyond the perimeter so all communities in the country would have an opportunity to obtain a flight.

In closing, I recognize every amendment addressing slots at National will be considered flawed in some corners. That is in the nature of our world. However, I do think it is important that we have votes on these amendments to determine a Senate position on this issue.

I believe the Hutchison amendment is a very reasonable offer. I hope it will obtain the support of the majority of the Senate.

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

The PRESIDING OFFICER (Mr. FRANKEN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROCKEFELLER. Mr. 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. 75, AS FURTHER MODIFIED

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the Senate resume consideration of the Baucus amendment No. 75, as further modified—this is the amendment for the finance title of the bill we are on which was reported out by the Finance Committee last week—further, that the amendment, as further modified, be agreed to; and the motion to reconsider be laid upon the table with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 75), as further modified, was agreed to, as follows:

Strike title VIII and insert the following:

TITLE VIII—AIRPORT AND AIRWAY TRUST FUND PROVISIONS AND RELATED TAXES

SEC. 800. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 801. EXTENSION OF TAXES FUNDING AIRPORT AND AIRWAY TRUST FUND.

(a) FUEL TAXES.—Subparagraph (B) of section 4081(d)(2) is amended by striking ''March 31, 2011'' and inserting ''September 30, 2013''.

(b) TICKET TAXES.—

(1) PERSONS.—Clause (ii) of section 4261(j)(1)(A) is amended by striking ''March 31, 2011'' and inserting ''September 30, 2013''.

(2) PROPERTY.—Clause (ii) of section 4271(d)(1)(A) is amended by striking ''March 31, 2011'' and inserting ''September 30, 2013''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 2011.

SEC. 802. EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) is amended—

(1) by striking ''April 1, 2011'' in the matter preceding subparagraph (A) and inserting ''October 1, 2013'', and

(2) by striking the semicolon at the end of subparagraph (A) and inserting ''or the FAA Air Transportation Modernization and Safety Improvement Act;''.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 9502(e) is amended by striking ''April 1, 2011'' and inserting ''October 1, 2013''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 2011.

SEC. 803. MODIFICATION OF EXCISE TAX ON KEROSENE USED IN AVIATION.

(a) RATE OF TAX ON AVIATION-GRADE KEROSENE.—

(1) IN GENERAL.—Subparagraph (A) of section 4081(a)(2) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) in the case of aviation-grade kerosene, 35.9 cents per gallon.''.

(2) FUEL REMOVED DIRECTLY INTO FUEL TANK OF AIRPLANE USED IN NONCOMMERCIAL AVIATION.—Subparagraph (C) of section 4081(a)(2) is amended to read as follows:

''(C) TAXES IMPOSED ON FUEL USED IN COMMERCIAL AVIATION.—In the case of aviation-grade kerosene which is removed from any refinery or terminal directly into the fuel tank of an aircraft for use in commercial aviation by a person registered for such use under section 4101, the rate of tax under subparagraph (A)(iv) shall be 4.3 cents per gallon.''.

(3) EXEMPTION FOR AVIATION-GRADE KEROSENE REMOVED INTO AN AIRCRAFT.—Subsection (e) of section 4082 is amended—

(A) by striking ''kerosene'' and inserting ''aviation-grade kerosene'',

(B) by striking ''section 4081(a)(2)(A)(iii)'' and inserting ''section 4081(a)(2)(A)(iv)'', and

(C) by striking ''KEROSENE'' in the heading and inserting ''AVIATION-GRADE KEROSENE''.

(4) CONFORMING AMENDMENTS.—

(A) Clause (iii) of section 4081(a)(2)(A) is amended by inserting ''other than aviation-grade kerosene'' after ''kerosene''.

(B) The following provisions are each amended by striking ''kerosene'' and inserting ''aviation-grade kerosene'':

(i) Section 4081(a)(3)(A)(ii).

(ii) Section 4081(a)(3)(A)(iv).

(iii) Section 4081(a)(3)(D).

(C) Subparagraph (D) of section 4081(a)(3) is amended—

(i) by striking ''paragraph (2)(C)(i)'' in clause (i) and inserting ''paragraph (2)(C)'', and

(ii) by striking ''paragraph (2)(C)(ii)'' in clause (ii) and inserting ''paragraph (2)(A)(iv)''.

(D) Paragraph (4) of section 4081(a) is amended—

(i) by striking ''KEROSENE'' in the heading and inserting ''AVIATION-GRADE KEROSENE'', and

(ii) by striking ''paragraph (2)(C)(i)'' and inserting ''paragraph (2)(C)''.

(E) Paragraph (2) of section 4081(d) is amended by striking ''(a)(2)(C)(ii)'' and inserting ''(a)(2)(A)(iv)''.

(b) RETAIL TAX ON AVIATION FUEL.—

(1) EXEMPTION FOR PREVIOUSLY TAXED FUEL.—Paragraph (2) of section 4041(c) is amended by inserting ''at the rate specified in subsection (a)(2)(A)(iv) thereof'' after ''section 4081''.

(2) RATE OF TAX.—Paragraph (3) of section 4041(c) is amended to read as follows:

''(3) RATE OF TAX.—The rate of tax imposed by this subsection shall be the rate of tax in effect under section 4081(a)(2)(A)(iv) (4.3 cents per gallon with respect to any sale or use for commercial aviation).''.

(c) REFUNDS RELATING TO AVIATION-GRADE KEROSENE.—

(1) AVIATION-GRADE KEROSENE USED IN COMMERCIAL AVIATION.—Clause (ii) of section 6427(l)(4)(A) is amended by striking ''specified in section 4041(c) or 4081(a)(2)(A)(iii), as the case may be,'' and inserting ''so imposed''.

(2) KEROSENE USED IN AVIATION.—Paragraph (4) of section 6427(l) is amended by striking subparagraphs (B) and (C) and inserting the following new subparagraph:

''(B) PAYMENTS TO ULTIMATE, REGISTERED VENDOR.—With respect to any kerosene used in aviation (other than kerosene to which paragraph (6) applies), if the ultimate purchaser of such kerosene waives (at such time and in such form and manner as the Secretary shall prescribe) the right to payment under paragraph (1) and assigns such right to the ultimate vendor, then the Secretary shall pay (without interest) the amount which would be paid under paragraph (1) to such ultimate vendor, but only if such ultimate vendor—

''(i) is registered under section 4101, and

''(ii) meets the requirements of subparagraph (A), (B), or (D) of section 6416(a)(1).''.

(3) AVIATION-GRADE KEROSENE NOT USED IN AVIATION.—Subsection (l) of section 6427 is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

''(5) REFUNDS FOR AVIATION-GRADE KEROSENE NOT USED IN AVIATION.—If tax has been imposed under section 4081 at the rate specified in section 4081(a)(2)(A)(iv) and the fuel is used other than in an aircraft, the Secretary shall pay (without interest) to the ultimate purchaser of such fuel an amount equal to the amount of tax imposed on such fuel reduced by the amount of tax that would be imposed under section 4041 if no tax under section 4081 had been imposed.''.

(4) CONFORMING AMENDMENTS.—

(A) Subparagraph (B) of section 4082(d)(2) is amended by striking ''6427(l)(5)(B)'' and inserting ''6427(l)(6)(B)''.

(B) Paragraph (4) of section 6427(i) is amended—

(i) by striking ''(4)(C) or (5)'' and inserting ''(4)(B) or (6)'', and

(ii) by striking '', (l)(4)(C)(ii), and (l)(5)'' and inserting ''and (l)(6)''.

(C) Subsection (l) of section 6427 is amended by striking ''DIESEL FUEL AND KEROSENE'' in the heading and inserting ''DIESEL FUEL, KEROSENE, AND AVIATION FUEL''.

(D) Paragraph (1) of section 6427(l) is amended by striking ''paragraph (4)(C)(i)'' and inserting ''paragraph (4)(B)''.

(E) Paragraph (4) of section 6427(l) is amended—

(i) by striking ''KEROSENE USED IN AVIATION'' in the heading and inserting ''AVIATION-GRADE KEROSENE USED IN COMMERCIAL AVIATION'', and

(ii) in subparagraph (A)—

(I) by striking ''kerosene'' and inserting ''aviation-grade kerosene'',

(II) by striking ''KEROSENE USED IN COMMERCIAL AVIATION'' in the heading and inserting ''IN GENERAL''.

(d) TRANSFERS TO THE AIRPORT AND AIRWAY TRUST FUND.—

(1) IN GENERAL.—Subparagraph (C) of section 9502(b)(1) is amended to read as follows:

''(C) section 4081 with respect to aviation gasoline and aviation-grade kerosene, and''.

(2) TRANSFERS ON ACCOUNT OF CERTAIN REFUNDS.—

(A) IN GENERAL.—Subsection (d) of section 9502 is amended—

(i) by striking ''(other than subsection (l)(4) thereof)'' in paragraph (2), and

(ii) by striking ''(other than payments made by reason of paragraph (4) of section 6427(l))'' in paragraph (3).

(B) CONFORMING AMENDMENTS.—

(i) Paragraph (4) of section 9503(b) is amended by striking ''or'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting a comma, and by inserting after subparagraph (D) the following new subparagraphs:

''(E) section 4081 to the extent attributable to the rate specified in clause (ii) or (iv) of section 4081(a)(2)(A), or

''(F) section 4041(c).''.

(ii) Subsection (c) of section 9503 is amended by striking paragraph (5).

(iii) Subsection (a) of section 9502 is amended—

(I) by striking ''appropriated, credited, or paid into'' and inserting ''appropriated or credited to'', and

(II) by striking '', section 9503(c)(5),''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to fuels removed, entered, or sold after March 31, 2011.

(f) FLOOR STOCKS TAX.—

(1) IMPOSITION OF TAX.—In the case of aviation-grade kerosene fuel which is held on April 1, 2011, by any person, there is hereby imposed a floor stocks tax on aviation-grade kerosene equal to—

(A) the tax which would have been imposed before such date on such kerosene had the amendments made by this section been in effect at all times before such date, reduced by

(B) the tax imposed before such date on such kerosene under section 4081 of the Internal Revenue Code of 1986, as in effect on such date.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—A person holding aviation-grade kerosene on April 1, 2011, shall be liable for such tax.

(B) TIME AND METHOD OF PAYMENT.—The tax imposed by paragraph (1) shall be paid at such time and in such manner as the Secretary of the Treasury shall prescribe.

(3) TRANSFER OF FLOOR STOCK TAX REVENUES TO TRUST FUNDS.—For purposes of determining the amount transferred to the Airport and Airway Trust Fund, the tax imposed by this subsection shall be treated as imposed by section 4081(a)(2)(A)(iv) of the Internal Revenue Code of 1986.

(4) DEFINITIONS.—For purposes of this subsection—

(A) AVIATION-GRADE KEROSENE.—The term ''aviation-grade kerosene'' means aviation-grade kerosene as such term is used within the meaning of section 4081 of the Internal Revenue Code of 1986.

(B) HELD BY A PERSON.—Aviation-grade kerosene shall be considered as held by a person if title thereto has passed to such person (whether or not delivery to the person has been made).

(C) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury or the Secretary's delegate.

(5) EXCEPTION FOR EXEMPT USES.—The tax imposed by paragraph (1) shall not apply to any aviation-grade kerosene held by any person exclusively for any use to the extent a credit or refund of the tax is allowable under the Internal Revenue Code of 1986 for such use.

(6) EXCEPTION FOR CERTAIN AMOUNTS OF AVIATION-GRADE KEROSENE.—

(A) IN GENERAL.—No tax shall be imposed by paragraph (1) on any aviation-grade kerosene held on April 1, 2011, by any person if the aggregate amount of such aviation-grade kerosene held by such person on such date does not exceed 2,000 gallons. The preceding sentence shall apply only if such person submits to the Secretary (at the time and in the manner required by the Secretary) such information as the Secretary shall require for purposes of this subparagraph.

(B) EXEMPT AVIATION-GRADE KEROSENE.—For purposes of subparagraph (A), there shall not be taken into account any aviation-grade kerosene held by any person which is exempt from the tax imposed by paragraph (1) by reason of paragraph (5).

(C) CONTROLLED GROUPS.—For purposes of this subsection—

(i) CORPORATIONS.—

(I) IN GENERAL.—All persons treated as a controlled group shall be treated as 1 person.

(II) CONTROLLED GROUP.—The term ''controlled group'' has the meaning given to such term by subsection (a) of section 1563 of the Internal Revenue Code of 1986; except that for such purposes the phrase ''more than 50 percent'' shall be substituted for the phrase ''at least 80 percent'' each place it appears in such subsection.

(ii) NONINCORPORATED PERSONS UNDER COMMON CONTROL.—Under regulations prescribed by the Secretary, principles similar to the principles of subparagraph (A) shall apply to a group of persons under common control if 1 or more of such persons is not a corporation.

(7) OTHER LAWS APPLICABLE.—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 4081 of the Internal Revenue Code of 1986 on the aviation-grade kerosene involved shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply with respect to the floor stock taxes imposed by paragraph (1) to the same extent as if such taxes were imposed by such section.

SEC. 804. AIR TRAFFIC CONTROL SYSTEM MODERNIZATION ACCOUNT.

(a) IN GENERAL.—Section 9502 is amended by adding at the end the following new subsection:

''(f) ESTABLISHMENT OF AIR TRAFFIC CONTROL SYSTEM MODERNIZATION ACCOUNT.—

''(1) CREATION OF ACCOUNT.—There is established in the Airport and Airway Trust Fund a separate account to be known as the 'Air Traffic Control System Modernization Account' consisting of such amounts as may be transferred or credited to the Air Traffic Control System Modernization Account as provided in this subsection or section 9602(b).

''(2) TRANSFERS TO AIR TRAFFIC CONTROL SYSTEM MODERNIZATION ACCOUNT.—On October 1, 2011, and annually thereafter the Secretary shall transfer $400,000,000 to the Air Traffic Control System Modernization Account from amounts appropriated to the Airport and Airway Trust Fund under subsection (b) which are attributable to taxes on aviation-grade kerosene.

''(3) EXPENDITURES FROM ACCOUNT.—Amounts in the Air Traffic Control System Modernization Account shall be available subject to appropriation for expenditures relating to the modernization of the air traffic control system (including facility and equipment account expenditures).''.

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 9502(d) is amended by striking ''Amounts'' and inserting ''Except as provided in subsection (f), amounts''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 805. TREATMENT OF FRACTIONAL AIRCRAFT OWNERSHIP PROGRAMS.

(a) FUEL SURTAX.—

(1) IN GENERAL.—Subchapter B of chapter 31 is amended by adding at the end the following new section:

''SEC. 4043. SURTAX ON FUEL USED IN AIRCRAFT PART OF A FRACTIONAL OWNERSHIP PROGRAM.

''(a) IN GENERAL.—There is hereby imposed a tax on any liquid used during any calendar quarter by any person as a fuel in an aircraft which is—

''(1) registered in the United States, and

''(2) part of a fractional ownership aircraft program.

''(b) AMOUNT OF TAX.—The rate of tax imposed by subsection (a) is 14.1 cents per gallon.

''(c) FRACTIONAL OWNERSHIP AIRCRAFT PROGRAM.—For purposes of this section—

''(1) IN GENERAL.—The term 'fractional ownership aircraft program' means a program under which—

''(A) a single fractional ownership program manager provides fractional ownership program management services on behalf of the fractional owners,

''(B) 2 or more airworthy aircraft are part of the program,

''(C) there are 1 or more fractional owners per program aircraft, with at least 1 program aircraft having more than 1 owner,

''(D) each fractional owner possesses at least a minimum fractional ownership interest in 1 or more program aircraft,

''(E) there exists a dry-lease aircraft exchange arrangement among all of the fractional owners, and

''(F) there are multi-year program agreements covering the fractional ownership, fractional ownership program management services, and dry-lease aircraft exchange aspects of the program.

''(2) MINIMUM FRACTIONAL OWNERSHIP INTEREST.—

''(A) IN GENERAL.—The term 'minimum fractional ownership interest' means, with respect to each type of aircraft—

''(i) a fractional ownership interest equal to or greater than 1/16 of at least 1 subsonic, fixed wing or powered lift program aircraft, or

''(ii) a fractional ownership interest equal to or greater than 1/32 of a least 1 rotorcraft program aircraft.

''(B) FRACTIONAL OWNERSHIP INTEREST.—The term 'fractional ownership interest' means—

''(i) the ownership of an interest in a program aircraft,

''(ii) the holding of a multi-year leasehold interest in a program aircraft, or

''(iii) the holding of a multi-year leasehold interest which is convertible into an ownership interest in a program aircraft.

''(3) DRY-LEASE AIRCRAFT EXCHANGE.—The term 'dry-lease aircraft exchange' means an agreement, documented by the written program agreements, under which the program aircraft are available, on an as needed basis without crew, to each fractional owner.

''(d) TERMINATION.—This section shall not apply to liquids used as a fuel in an aircraft after September 30, 2013.''.

(2) CONFORMING AMENDMENT.—Subsection (e) of section 4082 is amended by inserting ''(other than an aircraft described in section 4043(a))'' after ''an aircraft''.

(3) TRANSFER OF REVENUES TO AIRPORT AND AIRWAY TRUST FUND.—Subsection (1) of section 9502(b) is amended by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting after subparagraph (A) the following new subparagraph:

''(B) section 4043 (relating to surtax on fuel used in aircraft part of a fractional ownership program),''.

(4) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 31 is amended by adding at the end the following new item:

''Sec. 4043. Surtax on fuel used in aircraft part of a fractional ownership program.''.

(b) FRACTIONAL OWNERSHIP PROGRAMS TREATED AS NON-COMMERCIAL AVIATION.—Subsection (b) of section 4083 is amended by adding at the end the following new sentence: ''For uses of aircraft before October 1, 2013, such term shall not include the use of any aircraft which is part of a fractional ownership aircraft program (as defined by section 4043(c)).''.

(c) EXEMPTION FROM TAX ON TRANSPORTATION OF PERSONS.—Section 4261, as amended by this Act, is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) EXEMPTION FOR AIRCRAFT IN FRACTIONAL OWNERSHIP AIRCRAFT PROGRAMS.—No tax shall be imposed by this section or section 4271 on any air transportation provided before October 1, 2013, by an aircraft which is part of a fractional ownership aircraft program (as defined by section 4043(c)).''.

(d) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendments made by subsection (a) shall apply to fuel used after March 31, 2011.

(2) SUBSECTION (b).—The amendment made by subsection (b) shall apply to uses of aircraft after March 31, 2011.

(3) SUBSECTION (c).—The amendments made by subsection (c) shall apply to taxable transportation provided after March 31, 2011.

SEC. 806. TERMINATION OF EXEMPTION FOR SMALL JET AIRCRAFT ON NON-ESTABLISHED LINES.

(a) IN GENERAL.—the first sentence of section 4281 is amended by inserting ''or when such aircraft is a turbine engine powered aircraft'' after ''an established line''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable transportation provided after March 31, 2011.

SEC. 807. TRANSPARENCY IN PASSENGER TAX DISCLOSURES.

(a) IN GENERAL.—Section 7275 (relating to penalty for offenses relating to certain airline tickets and advertising) is amended—

(1) by redesignating subsection (c) as subsection (d),

(2) by striking ''subsection (a) or (b)'' in subsection (d), as so redesignated, and inserting ''subsection (a), (b), or (c)'', and

(3) by inserting after subsection (b) the following new subsection:

''(c) NON-TAX CHARGES.—

''(1) IN GENERAL.—In the case of transportation by air for which disclosure on the ticket or advertising for such transportation of the amounts paid for passenger taxes is required by subsection (a)(2) or (b)(1)(B), if such amounts are separately disclosed, it shall be unlawful for the disclosure of such amounts to include any amounts not attributable to such taxes.

''(2) INCLUSION IN TRANSPORTATION COST.—Nothing in this subsection shall prohibit the inclusion of amounts not attributable to the taxes imposed by subsection (a), (b), or (c) of section 4261 in the disclosure of the amount paid for transportation as required by subsection (a)(1) or (b)(1)(A), or in a separate disclosure of amounts not attributable to such taxes.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable transportation provided after March 31, 2011.

SEC. 808. TAX-EXEMPT BOND FINANCING FOR FIXED-WING EMERGENCY MEDICAL AIRCRAFT.

(a) IN GENERAL.—Subsection (e) of section 147 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.

SEC. 809. PROTECTION OF AIRPORT AND AIRWAY TRUST FUND SOLVENCY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) is amended by adding at the end the following new sentence: ''Unless otherwise provided by this section, for purposes of this paragraph for fiscal year 2012 or 2013, the amount available for making expenditures for such fiscal year shall not exceed 90 percent of the receipts of the Airport and Airway Trust Fund plus interest credited to such Trust Fund for such fiscal year as estimated by the Secretary of the Treasury.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fiscal years beginning after September 30, 2011.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Mr. President, I come to the floor today to speak about comments I have heard from both the chairman and the ranking member this morning about the FAA bill.

First of all, I wish to thank them for their hard work and diligence on this legislation. This hasn't just come now, this year; this is something the chairman and ranking member have been working on for several years.

I had a chance yesterday to talk about the NextGen system and how many jobs are going to be created from high-wage technology that is going to be used to modernize our transportation system. It is going to deliver flights that are probably 20 percent more on time, it will save us probably 5 or 6 percent on fuel, it is going to lower CO_2, and it is going to improve the experience for passengers. So I am all for the FAA underlying bill and I applaud my colleagues for their hard work in trying to make this legislation a reality and doing so this week.

I have concerns about the proposed Hutchison amendment. I know the Senator from Texas indicated she is still talking with people and working with people in an effort to make everyone happy. In this place I don't think we make everyone happy, but I thank the Senator for her willingness to at least on the floor say she is trying to make everyone happy, and I think she is probably sincere in her efforts.

I have been involved with this issue now for probably 3 or 4 years—not just the FAA bill but the slots issue and air transportation—and my former colleague, Senator Gordon Smith from Oregon, and I were involved with this issue and several years before that with numerous other members of the Commerce Committee. It is probably one of the thornier issues the Congress has to deal with, primarily because the issue is one that is fused both by issues of economic development around airports, as well as transportation interests of the flying public, and probably a little bit of a dose of what Members' own personal experiences and interests are.

For me, getting access to the West, to the Nation's capital, is an important issue. It is not the primary way I come to work every week. I actually fly in and out of the other airport in the region and do so—I don't know if I would say happily because, frankly, I think Dulles Airport—although I don't know what they have done lately, but they got rid of their mobile lounges and now have invested in some transport system where you probably walk as far on that system as you do on the previous system. There are people smiling on the floor. I think they have already been through it. I think they are saying, Yes, I have done that drill, and what is up at Dulles?

Putting that aside, that is the way I fly 80 percent of the time back and forth to the Nation's capital. I am pleased to have that flight schedule that accommodates me and actually accommodates many Washingtonians, because I think there are plenty of my Washingtonians who are coming back to the region to do business on a variety of issues in that corridor and see that as an access point as well.

The issue, though, is about whether the West has enough access to National Airport. In the past two debates we have had on this issue in 2000 and 2003, the Congress decided the West did not have enough access to National Airport. In both of those instances this body passed legislation opening more slots to the West through a process whereby the Department of Transportation basically decided what were the best areas of the West to service, which were the best networks to possibly service those areas, and how to get that traffic from one destination to the Nation's capital. In both instances, in 2000 and in 2003, when that very broad directive was given to the Department of Transportation, each time six new flight paths were opened to the Nation's capital, and I think that process worked very well. It worked very well because the debate was not here on the Senate floor about whose service was going to be delivered, but it was given to the Department of Transportation, the broad outline. In each instance, increasing access from the West to the Nation's capital is about having the flying public gain access to the Nation's capital and it is also about economic interests. That is why I still have concerns about this proposal on the table and about the fair access it may not provide to many people in the West.

In this particular proposal, unlike the two previous access issues in 2000 and 2003, in each point six new slots were given and the Department of Transportation had a fair and open process about it.

This particular proposal focuses on the airlines that already service the Nation's Capital, and in this case over 60 percent of the Nation's Capital slots are controlled by two specific airlines. This proposal would open those carriers's ability to trade out slots they already have with other cities, thereby giving them access to the West. In fact, the proposal of my colleague from Texas, even on those new slots, new incumbent carriers they are saying can give access to the West are carriers that are currently operating even inside the perimeter today. If you think this proposal is about helping access the West, it is primarily about accessing the West by people who already control the real estate at National Airport, which are two carriers.

I noticed the Department of Justice looked at this larger issue. That is because many of my colleagues who do not want to spend a lot of time on this—I guess I am glad I am educated on it, but I wish I had time to work on other things. The issue is, the national interest or policy question comes into play when you have access to what are limited footprint destinations, such as National Airport, such as La Guardia. Those are times when the U.S. Government has said we want to make sure there is a fair process about this because there is a small footprint and, obviously, if somebody controls too much of that footprint, it is an issue.

In the most recent debate, Delta and US Airways have been trying to do a swap exchange between La Guardia and DCA, and the Department of Justice says: Not such a good idea. You already own too much of the market share. If you want to do this, why don't you divest some of the slots you have now. Instead of doing that, the airlines are going to go down a path of continuing to accumulate and dominate in the East.

I hope my colleagues will take into consideration that I know the chairman and ranking member are trying to work in good faith, both on this issue and to move the bill forward. For this Member who wants to see a healthy transportation network, I am very concerned about the existing incumbents at National Airport continuing to dominate, with 60 percent of the market, and perhaps cancelling a lot of flights that they currently have now within this region only to benefit from the more lucrative long-haul flights across the country.

I am for a fair process. I think everybody should be able to bid on any new flights that are going to be put on the table. The two processes Congress followed in 2000 and 2003 were closer to what I believe, personally, is a more fair and open process.

I hope we can continue working and dialoging on these issues. I do think they are important. They are probably more important for the long run of what a transportation network system

looks like in this country, to be sure the consumer interests are taken care of and that there is a fair and competitive price.

I know some of the people who have been involved in this debate—probably not on the floor but out in the public—are talking about the amount of money airlines have invested in these airports, as if somehow that means they own the airports. The facts will show, in both these cases, the majority of money poured into the infrastructure at both these facilities is basically taxpayer dollars through bonding authority. It is not as if some airline owns the rights, owns the ability to control 50 or 60 percent of one of these airports just because they have paid for airport improvements. We all have been paying for airport improvements. As I said, I, personally, think the airport improvements made at Dulles are not so much of an improvement. I am going to continue with that and continue to fly through that particular airport.

I hope my colleagues will keep discussing this issue, and I hope we can get somewhere on it. My concern is that a proposal with conversion in it will mean many of my colleagues on the Senate floor will have their flights canceled to their favorite locations, and basically they will start servicing long-haul across the country with a very big share of the existing national market.

I hope we can do something that will instigate more competition, more diversity, and something that will help get this legislation passed.

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

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

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

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

A SECOND OPINION

Mr. BARRASSO. Mr. President, I come to the Senate floor today because, on Monday, President Obama introduced his new budget. What we saw in that budget is, for the most part, more of the same—more spending, more taxes, more borrowing. We see this budget from a President who doesn't seem to understand the gravity of the Nation's fiscal crisis.

When we start digging down into the budget the President proposed and look into the Internal Revenue Service component of that budget, what we see is the Internal Revenue Service is starting to focus in and audit ObamaCare. There is a glaring difference in the budget this year from previous years because of the President's new health spending law. The IRS now has unprecedented power over health care in America.

In fact, when we take a look at this budget, and specifically the Internal Revenue Service's fiscal year 2012 budget request, over 250 times the Affordable Care Act—known in the budget as the ACA but known by people all across the country as ObamaCare—is mentioned. Over 250 times.

To me, the goal of the health care law has been to let people all across this country get the care they need from the doctors they want at a price they can afford.

As a member of my party, looking at our economy, looking at the deficit, looking at the incredible debt, what I think we need to do is make it cheaper and easier to create private sector jobs in this country. That is the way we get the economy going again. But when I read this budget, and specifically IRS requests, it seems to me it is making it harder and more expensive to create private sector jobs in our country.

The people of this country are not taxed too little. The problem is that the government spends too much. When I take a look at this budget, that is exactly what I see being rejected by this administration because it seems this administration is more interested in taxing, in raising taxes, rather than cutting spending.

When you take a look at what the IRS says in the budget, it says:

> The implementation of the Affordable Care Act of 2010 presents a major challenge to the Internal Revenue Service.

This is the IRS talking about the law that was crammed down the throats of the American people in the middle of the night, written behind closed doors. We are all familiar with it. Now it is presenting a major challenge to the Internal Revenue Service.

The Internal Revenue Service goes on to say:

> This law represents the largest set of tax law changes in more than 20 years, with more than 40 provisions that amend the tax laws.

The Wall Street Journal reported earlier this week that the budget gives the IRS the ability to hire 5,000 new workers. After taking a close look at the IRS's plans, we know they will have to hire over 1,000 new IRS bureaucrats, Washington bureaucrats, to implement ObamaCare measures. What are some of those that we are now going to have IRS agents coming and looking into? One is the tanning tax, the component that promotes compliance with the new excise tax on tanning facilities. The IRS is requesting another $1.5 million and requesting 81 more full-time equivalents to go ahead and implement this tanning tax. For oversight—they call it ''strengthen oversight of exempt hospitals.'' These are tax-exempt hospitals, hospitals that do not pay taxes, but to do an oversight of these hospitals, they want another $9.9 million and another 84 full-time employees. For the new health coverage information reporting, they want $34 million and 100 full-time employees. For something I call ObamaCare 101—assisting taxpayers in understanding the new provisions—the IRS is requesting $22.2 million and hiring another 150 full-time equivalents. And then, of course, for the call centers, IRS call centers—so if someone has a question, they can call and ask a question—they want another $15 million because of the complexity of this new health care law that is going to be difficult for people to understand.

The American people and small business owners—and those are the job creators of this country—want the IRS to make their lives easier, not tougher, not audit their health care choices and health care decisions. But adding hundreds of new jobs and millions of new dollars to the IRS is not going to make health care better. It is not going to make care more available for anyone.

I am going to continue to come to the floor with a doctor's second opinion to fight to repeal and replace this health care law and to do it with patient-centered reforms that help the private sector, not the IRS, create more jobs.

This morning, we had a little event called Wyoming Wednesdays where people from Wyoming who are here come together in Senator ENZI's office, and we have coffee and doughnuts and visit.

One of the people here from Wyoming said: I saw a sign that was worrisome.

I said: What is the sign?

He said that this location where they are putting in offices used to be a parking lot. When you are replacing a parking lot with more offices for more Washington bureaucrats, that is not a good sign for the rest of America.

Here we have the IRS saying they are dealing with a major challenge because of the health care law. It represents the largest tax law change in more than 20 years. More than 40 provisions are being amended in the tax law to go after things. They want this kind of money to implement the tax changes with regard to the indoor tanning services—81 new full-time equivalents—and they say what is involved in this. The IRS says there are as many as 25,000 businesses that provide indoor tanning services they are now going to tax, including about 10,000 businesses that offer tanning services along with other services such as spas, health clubs, and beauty salons.

We are here in the Senate, in Congress, with 9 percent unemployment in this country, with people looking for work, and more government jobs are being created, and these people are creating government jobs to make it harder on small businesses. It gets right to the crux of it right here because the IRS even says these entities, all these tanning entities, typically do not have experience filing Federal excise tax returns. So what is the government going to do? Come in, make them file claims and forms they do not have experience with. It is going to be costly; it is

going to take time; it is going to increase taxes. That is not a way to create new jobs.

They want 10 million more dollars to strengthen oversight on tax-exempt hospitals. These are tax-exempt hospitals. Why are the American taxpayers being asked to pay another $10 million to hire 84 full-time equivalents to deal with tax-exempt hospitals? Because, according to the law that was crammed down the throats of the American people, the IRS is now required to review at least every 3 years the benefit activities of tax-exempt hospital organizations, which number about 5,100 in this country. They actually say in the budget request by the IRS, as part of the President's budget that was submitted on Monday:

> These are new requirements for tax-exempt hospitals which include a majority of hospitals in the United States.

We are going to increase taxpayer dollars going for more IRS auditors and make it harder and more burdensome on the tax-exempt hospitals in terms of paperwork and what they need to do.

It goes on and on. That is why the American people are fed up with what is happening in Washington.

Let's talk a little bit about the CLASS Act because there is a whole component of the budget wanting 30 staff members added to the health department office overseeing implementation of what is called the CLASS Act. That stands for community living assistance services and supports.

The President's own debt commission—remember, the President appointed this commission about a year ago to say: Let's look into the debt. People thought that was a bold move, a bipartisan move, a lot of people coming together to take a look at this debt. For a year, the President said: We have a debt commission looking into this, so he did not deal with the debt. Now that the debt commission came out with its report in December, the President has mostly ignored it. Yet the debt commission—it was bipartisan, chaired by Erskine Bowles, a former Chief of Staff of the White House for Bill Clinton, and Al Simpson, a former Senator from my State of Wyoming—came out, took a look at the health care law, and specifically honed in on this CLASS Act.

One of the Members of this Senate, a colleague on the opposite side of the aisle, someone who voted for the health care law, called it a Ponzi scheme that Bernie Madoff would be proud of.

The President's budget commission, the bipartisan budget commission, looked at it, and they have significant concerns about the sustainability of the program and called for the program to either be repealed or reformed because it is not sustainable. They have raised concerns. People on both sides of the aisle have raised concerns. Yet the Secretary of Health and Human Services has, in her budget, money for 30 additional staff members added to the health department offices. Why? To go over the details of this act that people say ought to be repealed because, as it says, the details of the CLASS Act—they want to spend $93.5 million informing and educating people about the CLASS Act. I can tell them right now it is unsustainable, it is irresponsible, and it is something that should be repealed. Yet the Department of Health and Human Services wants to spend over $93 million of taxpayer money to inform and educate the public about this component of the health care law that people on both sides of the aisle think needs to go away.

Finally, as someone who believes this health care law is bad for patients, bad for providers—the nurses and doctors who take care of those patients—and bad for the taxpayers—what we saw in the President's budget that came out Monday, coming out for next year, is it is asking for over 1,000 new IRS agents to go ahead and implement the various components and responsibilities that have been put on their heads by this health care law. This is only the beginning. The entire health care law does not really come fully into play until 2014. That is when Americans are going to have more IRS agents, more money being spent looking into their own personal lives, looking into what kind of insurance they have.

Is it acceptable to the government? Is it government approved? That is why Senator GRAHAM and I have introduced legislation called the State Health Care Choice Act, to let States decide. Let States decide if Washington ought to be telling the people in their States that they must buy, that every individual must buy government-approved insurance. Let the States make that decision. Let the States opt out if they would like. Let the States decide if all the businesses in their States must provide government-approved insurance to their workers. Let the States decide as to Medicaid, a program for low-income Americans which is being expanded significantly by cramming 16 million more Americans into Medicaid. Governors all across the country in a bipartisan way are saying: Our States cannot afford this.

A New York Times story shows Jerry Brown from California and Andrew Cuomo from New York complaining about the mandates Medicaid is putting on their States, the additional burdens in terms of taxes and the mandates and what it is going to do to the people of the State who are trying to educate their kids and the cost and the pressure on education dollars because they are getting shifted to Medicaid, the cost of dollars shifted away from public safety, from firefighters, police officers, other public safety officers. As to this health care law, I think people at the State level ought to decide that, no, we don't want this to apply to us.

That is why I come today, again as a physician who practiced medicine in Wyoming for a quarter of a century, took care of thousands and thousands of patients and families, trying to help people get better, all in a way that now I think is being taken in the wrong direction by this health care law, and why I think we want to continue to look for ways to make sure people get the care they want from the doctors they need at a price they can afford. The health care law that was passed by this body fails in all of those respects, and now we see, with the President's budget, a request for money for another thousand IRS agents, not to help people get better, not to help people get the care they need from a doctor they want at a cost they can afford—no, not at all—but to audit the health care of the American people.

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

The PRESIDING OFFICER (Mr. UDALL of New Mexico). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

EFFECTS OF THE RECESSION

Mr. SANDERS. Mr. President, I rise to briefly do three things. No. 1, there are a lot of politicians and pundits and economists who are proclaiming all over the country that the recession is over. They have some economic models by which they determine that the recession is over. I suggest those pundits and economists and politicians take a look at the booklet we recently produced in my office. It is called ''Struggling Through the Recession—Letters from Vermont.''

We have also received letters from other States, people in other States as well. We sent out a request for people to tell us, as we enter the third year of this recession, what is happening in their lives. We got, from my small State, over 400 responses. That is a lot from a small State. We probably received an equal number from around the rest of the country.

The problem I had with these letters, some of them are so painful to read that it is hard to read more than a few at a time because you get sick to your stomach hearing what good and decent and hard-working people are going through.

I wish to take a few moments to read a handful of the letters I am receiving from Vermont, in answer to the question: Is the recession over?

This comes from a young lady from central Vermont. She says:

> I have been fortunate to hold onto my job throughout the past 3 years, especially since I have about $42,000 remaining on my school loans.

One of the recurring themes we hear from all over Vermont—and I suspect it is true in New Mexico and all over the country—is a lot of young people are graduating with a heck of a lot of debt. The jobs they are getting are not sufficient, in terms of pay, to help them pay off that debt.

She writes:

Anyway, what I want to write isn't about me—it's about my boyfriend, a talented mechanical engineer that graduated with about $80,000 in school loans.

We are telling the young people of this country: Go out and get an education. They are coming out with huge loans, having a hard time getting a job.

He was laid off in November 2009 and it has not only caused financial hardship, but it has put all of our future plans on hold. He fortunately has temporary employment now after nearly a year of searching, but my qualm is with the high cost of education and how people in their twenties are supposed to move forward with their lives with school debt lingering over them.

That is a very significant point.

Here is another one. This is a young man from Barre, VT, in the central part of the State.

In 2002, I received a scholarship to Saint Bonaventure University, the first in my family to attend college. Upon graduation in 2006, I was admitted to the Dickinson School of Law at Penn State University and graduated in 2009 with $150,000 of student debt.

That is not uncommon.

In Western New York I could find nothing better than a $10/hour position stuffing envelopes.

Another example of a young person graduating from college, doing all the right things, and yet ending up with very substantial debt.

That is from some of the younger people. Then we got letters from middle-aged people. This is from a woman from the central part of the State.

My husband lost his job in 2002 and has been self-employed as a carpenter ever since due to the lack of jobs in central Vermont.

I should tell you the recession has been less disastrous in Vermont than in other parts of the country. These are stories from a State that has not been hit as hard as other States.

He's had no insurance and we have not saved a cent since 2002. We've depleted our savings account paying for property taxes. We've been burning wood to save money heating the house. The cost of fuel for the house and vehicles puts a huge burden on making ends meet. Being self-employed is extremely challenging due to the economic situation.

Again, she is touching on an issue that millions of people are aware of. The price of gas to get to work is going up. The price of home heating fuel in States such as Vermont is going up. Wages are low for millions of people. How do they survive in that crisis?

We also have stories from older people. This is from a woman named Beth, who lives in the northeastern part of our State, a very rural part of Vermont. She is 69 years of age. She writes:

I don't know what kind of a future my grand kids will have. How will they be educated if we can't help them? It is great there are loans out there for education but they are being charged more for the schools than I paid for my house. They will be in debt their whole lives.

Here is a woman who is worried about her grandchildren. Here is another woman, Ellen, who lives in Rutland County.

All I can say is I still have a job for all it is worth. I feel making $8.81 an hour at 17 hours per week is ridiculous!

This woman is 63 years of age.

I don't bring home enough to help out with the major household expenses I used to pay half on. I'm lucky if my paycheck reaches $130 a week. By the time I pay a few bills gas up and pick up a few needed items I'm lucky if I have any left for spending. I earned less than $8,000 this year. It [is] just about what I made back in the 1970's and lived better.

So the point here is, A, if folks tell you the recession is over, read some of these stories. These stories are available on my Web site: ''Sanders.Senate.gov.'' These are mostly from Vermont, but I think they touch the same themes that exist all over our country. For millions and millions of people, not only those who are unemployed—those who are underemployed, those who are working full time and not making a living wage—trust me, the recession is not over.

The reason I ask people to send me these letters is I think it is important as a Senate to understand we have to address these economic issues. When 16 percent of our people are either unemployed or underemployed or have given up looking for work, when millions more are working with inadequate wages, we cannot say we should not be vigorously going forward in creating millions and millions of jobs that our people desperately need.

SOCIAL SECURITY

I also want to say a word on Social Security. What I want to say is, I get very tired watching the TV or hearing some of my colleagues tell me that Social Security is going bankrupt, that Social Security will not be there for our kids or that Social Security is part of the serious deficit and national debt problem we face. Let me say a few words on that.

No. 1, Social Security has existed in this country for 75 years, and it has been an enormous success. We take it for granted. But for 75 years, Social Security has paid out every nickel owed to every eligible American in good times and bad. When Wall Street collapsed a few years ago, millions of Americans lost all or part of their retirement savings when the stock market crashed. All over America, during the last 10, 20 years, corporations that had promised defined benefit pension plans to their employees rescinded on that promise. People had worked for years, expecting a pension from a company. That pension never came. Yet during all of that period, Social Security has paid out every nickel owed to every eligible American at minimal administrative cost. That is a pretty good record. Our job now is to make sure Social Security is strong and vibrant 75 years from now and continues to do the excellent job it has done in the past 75 years.

People say: Social Security is going broke. Social Security is in crisis. A lot of people believe that because they hear it over and over, and it is repeated in the media again, again, and again.

What are the facts? The facts are that not only is Social Security not going broke, Social Security has a $2.6 trillion surplus—a $2.6 trillion surplus—which, by the way, is going to go up before it goes down.

Social Security, according to the Social Security Administration and the Congressional Budget Office, can pay out every nickel owed to every eligible American for the next 25, 26, 27 years, at which point it will pay out between 75 and 80 percent of all of the benefits. The challenge we face, therefore, is how, in 25 or 30 years, do we make up that 20 percent gap? That is the challenge.

So Social Security is strong and will pay out every benefit owed to every eligible American for the next 25 or 30 years. People say: Oh, yeah, well, that is just worthless IOUs, that Social Security trust fund.

Absolutely not true. The U.S. Government, from the day of its inception, has paid its debt. Social Security is backed by the faith and credit of the United States of America. We have never yet—and I certainly hope we never will—default on our debt.

So the first point I want to make is, Social Security is strong. Social Security will pay out benefits for the next 26 years. For people to come forward and say we have to privatize Social Security, we have to raise the retirement age, we have to lower benefits, is absolutely wrong, to my mind. We made a promise to the American people regarding Social Security, and that is a promise we have to keep.

In the dialog around Washington, people lump the very serious problem of a $1.5 trillion deficit and a $14 trillion national debt with Social Security. So let's ask a very simple question. How much has Social Security contributed to our national debt? How much? The answer is, not one penny—not one penny—because Social Security is not paid out from the U.S. Treasury. Social Security comes from the payroll taxes that workers and employers contribute into the Social Security trust fund. That trust fund today has a $2.6 trillion surplus. So when people say we have a very significant national debt and, therefore, we have to cut Social Security, that is absolutely a wrong thing to say.

Let me say, I will do everything I can to protect a program that has worked extremely well for the American people.

Why are we hearing all of this opposition against Social Security? Where does it come from? It does not come from ordinary people. They know Social Security has been successful, it is worth preserving, worth protecting. By the way, as we all know, Social Security is not just there for the elderly, the retirees; it is there for people with disabilities; it is there for widows and orphans through the survivors fund.

Where is all of this opposition coming from?

It is coming from two places.

No. 1, it is coming from folks on Wall Street—from Wall Street—who are saying: Gee, we could make many billions of dollars if we ended the Social Security system right now and Americans had to invest in retirement accounts on Wall Street. And we can make all kinds of commissions doing that work.

That is one of the areas, one of the sources of the opposition to Social Security.

Second is from many of my very conservative Republican friends. Very honestly, they do not believe government should be playing a role in making sure elderly people have a secure and dignified retirement. They do not believe much in government. They do not think government should be playing a role in those areas, and they want to get government out of those areas.

I understand where they are coming from. It is an honest position. I strongly disagree with them. I think in a civilized, democratic society we have to make sure when you get old it has to be guaranteed—guaranteed—as it has been for 75 years, that you are going to get the help you need. I believe government should be playing that role.

I would remind you, Mr. President, before Social Security was developed in the mid 1930s, 50 percent of the elderly people of our country at that point lived in poverty. Today, that number is too high, but it is 10 percent—50 percent before Social Security; 10 percent today. That is a pretty good record.

So I would respectfully disagree with my Republican friends who say: Well, if people want a retirement account, let them invest in Wall Street, let them do it through the private sector. I do not agree with that. I think Social Security has worked well for 75 years. We have to make sure it works well for another 75 years. I will do everything I can as chairman of the new Defending Social Security Caucus to make that happen.

THE DEFICIT AND NATIONAL DEBT

The last point I want to make: I want to talk a little bit about the deficit and our national debt.

I think it is appropriate for the American people to be reminded about how we got into the very difficult situation we are in right now. I have to tell you, I find it a bit amusing that some of the ''loudest'' deficit hawks in the Congress are precisely the same people who helped drive up the deficit and the national debt—the same people.

Let's try to determine how we got into the recession.

No. 1, in the midst of a recession, by definition, less money is coming in. That is obviously an important part of why we have the deficit and the national debt we have today. But there are other factors.

Mr. President, you will recall that this country, during the Bush administration, began two wars—a war in Afghanistan, a war in Iraq. The war in Iraq is estimated, by the time we take care of the last veteran, to run up a tag of about $3 trillion. Does anybody quite remember how we paid for those wars? Well, the answer is we did not pay for those wars. Those wars were put on the credit card. President Bush said: We are going to go to war, but we do not have to worry about how we pay for them.

The second area: As a result of President Bush's tax policies, which have recently been extended, against my vote, in the Obama administration, we provided many hundreds of billions of dollars in tax breaks to millionaires and billionaires. The wealthiest people in this country are doing phenomenally well. The effective tax rate for the wealthiest people in this country is lower than at any time on record, in many cases lower than what working people are paying. Yet we decided, against my vote, to give them hundreds of billions of dollars in tax breaks, driving up the deficit.

Congress voted, against my vote, to bail out Wall Street—unpaid for, driving up the deficit. Some years ago, Congress, against my vote, decided to pass an insurance company-written Medicare Part D prescription drug program—very expensive program, unpaid for.

So all of these things are unpaired for. The national debt goes up, the deficit goes up. Then our Republican friends say: Oh, my goodness, we have a very large deficit. What are we going to do? We are going to have to cut back on programs that are important to working people and lower income people.

I think that is absolutely unacceptable.

So the first point I would make is, I regard it as incomprehensible that there are folks who supported hundreds of billions of dollars in tax breaks for millionaires and billionaires and then they tell us they are concerned about the deficit and the national debt. That is absolute hypocrisy.

In my view, the Congress should not be about cutting back on programs for low- and moderate-income people after we have given huge tax breaks to the wealthiest people in this country.

Second of all, I think the time is long overdue that we start ending a lot of the corporate tax loopholes which now are preventing this country and this government from getting the revenue we need. Before we talk about major cutbacks for our kids or for the elderly, maybe we should end the absurdity of the tax havens that exist in the Cayman Islands and Bermuda, where the wealthiest people in this country and large corporations are stashing their money away, to the tune of about $100 billion a year—$100 billion a year—in taxes that are not being paid because of the tax havens that exist.

I would also argue it is somewhat absurd we have a situation where last year ExxonMobil paid no Federal income taxes at all and got a $156 million rebate from the IRS, after earning $19 billion in profits.

What I would say is, yes, deficit and national debt are very important issues. But it is important for us to understand how we got to where we are. It is important for us to understand that the top 1 percent today earn more income than the bottom 50 percent and have enjoyed huge tax breaks. So before we start slashing programs the middle class and working families of this country need, let's take a look at some of those issues as well.

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

Mr. UDALL of New Mexico. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARDIN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. 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. 93, AS FURTHER MODIFIED, TO AMENDMENT NO. 7, AS MODIFIED

Mrs. HUTCHISON. Mr. President, I have a modification of my amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be so modified.

The amendment, as further modified, is as follows:

Strike out all after the word ''**SEC**'' and add the following:

____. RONALD REAGAN WASHINGTON NATIONAL AIRPORT SLOTS.

(a) INCREASE IN NUMBER OF SLOT EXEMPTIONS.—Section 41718 is amended by adding at the end thereof the following:

''(g) ADDITIONAL SLOTS.—

''(1) INITIAL INCREASE IN EXEMPTIONS.—Within 95 days after the date of enactment of the FAA Air Transportation Modernization and Safety Improvement Act, the Secretary shall grant, by order, 24 slot exemptions from the application of sections 49104(a)(5), 49109, 49111(e), and 41714 of this title to air carriers to operate limited frequencies and aircraft on routes between Ronald Reagan Washington National Airport and airports located beyond the perimeter described in section 49109 or, as provided in paragraph (2)(C), airports located within that perimeter, and exemptions from the requirements of subparts K and S of part 93, Code of Federal Regulations, if the Secretary finds that the exemptions will—

''(A) provide air transportation with domestic network benefits in areas beyond the perimeter described in section 49109;

''(B) increase competition in multiple markets;

''(C) not reduce travel options for communities served by small hub airports and medium hub airports within the perimeter described in section 49109;

''(D) not result in meaningfully increased travel delays;

''(E) enhance options for nonstop travel to and from the beyond-perimeter airports that will be served as a result of those exemptions;

''(F) have a positive impact on the overall level of competition in the markets that will be served as a result of those exemptions; and

''(G) produce public benefits, including the likelihood that the service to airports located beyond the perimeter described in section 49109 will result in lower fares, higher capacity, and a variety of service options.

''(2) NEW ENTRANTS AND LIMITED INCUMBENTS.—

''(A) DISTRIBUTION.—Of the exemptions made available under paragraph (1), the Secretary shall make 10 available to limited incumbent air carriers or new entrant air carriers and 14 available to other incumbent air carriers.

''(C) USE.—Only a limited incumbent air carrier or new entrant air carrier may use an additional exemption granted under this subsection to provide service between Ronald Reagan Washington National Airport and an airport located within the perimeter described in section 49109.

''(3) IMPROVED NETWORK SLOTS.—If an incumbent air carrier (other than a limited incumbent air carrier) that uses a slot for service between Ronald Reagan Washington National Airport and a large hub airport located within the perimeter described in section 49109 is granted an additional exemption under this subsection, it shall, upon receiving the additional exemption, discontinue the use of that slot for such within-perimeter service and operate, in place of such service, service between Ronald Reagan Washington National Airport and an airport located beyond the perimeter described in section 49109.

''(4) CONDITIONS.—Beyond-perimeter flight operations carried out by an air carrier using an exemption granted under this subsection shall be subject to the following conditions:

''(A) An air carrier may not operate a multi-aisle or widebody aircraft in conducting such operations.

''(B) An air carrier granted an exemption under this subsection is prohibited from selling, trading, leasing, or otherwise transferring the rights to its beyond-perimeter exemptions, except through an air carrier merger or acquisition.

''(5) OPERATIONS DEADLINE.—An air carrier granted a slot exemption under this subsection shall commence operations using that slot within 60 days after the date on which the exemption was granted.

''(6) IMPACT STUDY.—Within 17 months after granting the additional exemptions authorized by paragraph (1) the Secretary shall complete a study of the direct effects of the additional exemptions, including the extent to which the additional exemptions have—

''(A) caused congestion problems at the airport;

''(B) had a negative effect on the financial condition of the Metropolitan Washington Airports Authority;

''(C) affected the environment in the area surrounding the airport; and

''(D) resulted in meaningful loss of service to small and medium markets within the perimeter described in section 49109.

''(7) ADDITIONAL EXEMPTIONS.—

''(A) DETERMINATION.—The Secretary shall determine, on the basis of the study required by paragraph (6), whether—

''(i) the additional exemptions authorized by paragraph (1) have had a substantial negative effect on Ronald Reagan Washington National Airport, Washington Dulles International Airport, or Baltimore/Washington Thurgood Marshall International Airport; and

''(ii) the granting of additional exemptions under this paragraph may, or may not, reasonably be expected to have a substantial negative effect on any of those airports.

''(B) AUTHORITY TO GRANT ADDITIONAL EXEMPTIONS.—Beginning 6 months after the date on which the impact study is concluded, the Secretary may grant up to 8 slot exemptions to incumbent air carriers, in addition to those granted under paragraph (1) of this subsection, if the Secretary determines that—

''(i) the additional exemptions authorized by paragraph (1) have not had a substantial negative effect on any of those airports; and

''(ii) the granting of additional exemptions under this subparagraph may not reasonably be expected to have a negative effect on any of those airports.

''(D) IMPROVED NETWORK SLOTS.—If an incumbent air carrier (other than a limited incumbent air carrier) that uses a slot for service between Ronald Reagan Washington National Airport and a large hub airport located within the perimeter described in section 49109 is granted an additional exemption under subparagraph (B), it shall, upon receiving the additional exemption, discontinue the use of that slot for such within-perimeter service and operate, in place of such service, service between Ronald Reagan Washington National Airport and an airport located beyond the perimeter described in section 49109.

''(E) CONDITIONS.—Beyond-perimeter flight operations carried out by an air carrier using an exemption granted under subparagraph (B) shall be subject to the following conditions:

''(i) An air carrier may not operate a multi-aisle or widebody aircraft in conducting such operations.

''(ii) An air carrier granted an exemption under this subsection is prohibited from selling, trading, leasing, or otherwise transferring the rights to its beyond-perimeter exemptions, except through an air carrier merger or acquisition.

''(F) ADDITIONAL EXEMPTIONS NOT PERMITTED.—The Secretary may not grant exemptions in addition to those authorized by paragraph (1) if the Secretary determines that—

''(i) the additional exemptions authorized by paragraph (1) have had a substantial negative effect on any of those airports; or

''(ii) the granting of additional exemptions under subparagraph (B) of this paragraph may reasonably be expected to have a substantial negative effect on 1 or more of those airports.

''(h) 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 additional slot exemptions under subsection (g) for service to airports located beyond the perimeter described in section 49109.''.

(b) HOURLY LIMITATION.—Section 41718(c)(2) is amended—

(1) by striking ''3 operations'' and inserting ''4 operations''; and

(2) by striking ''subsections (a) and (b)'' and inserting ''under this section''.

(c) LIMITED INCUMBENT DEFINITION.—Section 41714(h)(5) is amended—

(1) by inserting ''not'' after ''shall'' in subparagraph (B);

(2) by striking ''and'' after the semicolon in subparagraph (B);

(3) by striking ''Administration.'' in subparagraph (C) and inserting ''Administration; and''; and

(4) by adding at the end the following:

''(D) for purposes of section 41718, an air carrier that holds only slot exemptions''.

(d) REVENUES AND FEES AT THE METROPOLITAN WASHINGTON AIRPORTS.—Section 49104(a) is amended by striking paragraph (9) and inserting the following:

''(9) Notwithstanding any other provision of law, revenues derived at either of the Metropolitan Washington Airports, regardless of source, may be used for operating and capital expenses (including debt service, depreciation and amortization) at the other airport.''.

Mrs. HUTCHISON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest proceeded to call the roll.

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

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

Mr. SESSIONS. I ask to speak as in morning business.

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

THE BUDGET

Mr. SESSIONS. Mr. President, we have had sort of a dustup, I guess you could say, in the Budget Committee yesterday with Mr. Lew from the Office of Management and Budget and a very likable individual, but we had a serious disagreement, a fundamental matter that I do not think can be brushed over and needs to be confronted and settled. There is only one way to settle it, I believe; that is, for Mr. Lew and the President to cease saying their budget does not add to the debt and somehow changes the trajectory on which we are going.

Mr. Lew, on a Sunday morning program, said: ''Our budget will get us, over the next several years, to the point where we can look the American people in the eye and say we're not adding to the debt anymore. . . . ''

''Our budget will get us to the point where we can look the American people in the eye and say we're not adding to the debt anymore; we are spending money that we have each year, and then we can work on bringing down our national debt.''

That is my goal. I believe that is achievable. But it is clear this budget does not do that.

Troubling, additionally, was the President, in his radio address Saturday, said the same thing. Then, again yesterday, while we were having this discussion, presumably at a similar time, the President said this: ''What my budget does is to put forward some tough choices, some significant spending cuts so that by the middle of this decade [2015] our annual spending will match our annual revenues. . . . ''

Our annual spending will match our annual revenues. We will not be adding more to the national debt.

That is an unequivocal statement. No matter what, it can have only one meaning to American citizens who hear it, that his budget calls for a situation in which our annual spending will match our annual revenues and we will not be adding to the national debt.

Those of us who have been wrestling with the budget know how hard it is. I believe we can achieve that in 10 years, but it is very hard. I have to admit it. I wish it were not. The Presiding Officer is on the Budget Committee and he

knows how hard that would be. It would be a heroic effort. I think we can do it. I think the American people are ready to do it. But it is not easy.

The President says that is what we are going to do and that is his plan. But, sadly, it is not correct. I asked Mr. Lew, was he not concerned and was not this misleading to the American people who heard it. He refused to say his statement was misleading.

What does the budget do? These are the numbers in his budget, the document they presented to us, written by the White House, the President's budget he is required by law to submit to Congress. This is what happens to the debt. The quote up there again is: ''We will not be adding more to the national debt.''

We add more under his plan, to the national debt, every single year. The numbers are stunning in size. They are consistent and, unfortunately, in the outer years of his 10-year budget, his numbers show the annual debt—annual deficit increasing, not going down. So this is what it amounts to in terms of total debt.

His plan, by his own budget that they submitted to us, would add, without dispute, $13 trillion in new debt, doubling it to $26 trillion. It started out at $13 trillion; in 10 years, it doubles to $26 trillion. How can this possibly be a position in which you will not be adding more to the debt? What world are we living in? What kind of fantastical accounting situation can occur that we can make such a statement as that?

I am going to ask my colleagues in the Senate, any single one of them who can defend this statement, I would like them to come down here and do so. Otherwise we need to call on the President to be honest with the American people. We have a serious debt crisis. To waltz out there in a press conference yesterday, to send out to speak on his radio program Saturday or to have his Budget Director on Sunday, and even at our committee hearing yesterday, insist that somehow they are not adding to the debt is not a way to begin a dialog about how to confront the serious problems this country has. I have to say that.

I do not think it is a little bitty matter. I don't think it is subject to gentlemen's disagreement. I don't think it is subject to anything other than black and white, yes and no. Is that an accurate statement or not? It is not true. The debt is added to every year. In fact, President Bush was criticized for his deficits—and I think rightly so. The highest deficit he ever had was $450, $460 billion. The lowest deficit in the 10 years, by the President's own budget document he sent to us, is over $600 billion—the lowest. It averages $720 billion a year in added debt. This is why we are on a dangerous course.

The essence of what we are talking about is can we get off this wrong road? Can we get on the road to prosperity? Can we get on the road to progress that gets us out of the debt disaster area we are headed toward?

Let me read a couple things because this is the real test of the budget. We can argue over the finer details. But the question is, Can we continue at the rate we are going? What I would say about the budget is that these numbers, this $13 trillion added debt, is what was being predicted before. According to the President, it would have been $14 trillion. He has reduced it to $13 trillion, which is not enough change, if it were to happen. But when the Congressional Budget Office independently scores the President's budget, it is going to show he doesn't have a $1.1 trillion reduction in spending—probably none. There is probably no reduction in the debt.

What I am saying is, this budget keeps us on the course we were on. I do not think that can be disputed. It does not alter the basic debt totals each year from what has been projected, and those are the numbers, the debt totals, that are unsustainable.

For example, in 2009, President Obama called the current deficit spending, on this basic trend, unsustainable—himself—and warned of skyrocketing interest rates for consumers if the United States continues to finance government by borrowing from other countries. This is Bloomberg:

> ''We can't keep on just borrowing from China,'' Obama said at a town-hall meeting at Rio Rancho, New Mexico, outside Albuquerque. ''We have to pay interest on that debt, and that means we are mortgaging our children's future. . . .''

That is correct.

Mr. Bernanke, the Chairman of the Federal Reserve Board, warned in June of last year that ''the federal budget appears to be on an unsustainable path.''

Mr. Geithner, the Secretary of the Treasury, in February—actually February 15—a couple days ago on ABC, said this—this is what the Secretary of Treasury said, Mr. Obama's Secretary:

> Our deficits are too high. They are unsustainable, and left unaddressed, these deficits will hurt economic growth and make us weaker as a nation. . . . We have to restore fiscal responsibility and go back to living within our means.

Peter Orszag, who was President Obama's Director of the Office of Management and Budget, said that the CBO report—he said this in June of last summer:

> . . . concludes that we are on an unsustainable fiscal course. About this, there is no ambiguity.

We are on an ''unsustainable fiscal course,'' there is no doubt about it, said Mr. Orszag last summer.

What I would say to you is, the President's budget does not change that direction and we have to change it. We have to be honest with the American people that we are not changing it, that the President's plan is his plan for the future. He can change the numbers any way he wants to. He can change the trajectory we are on. It is a voluntary thing. The numbers he put forth are his numbers, and they are a call for our country to follow his plan. That is not an acceptable plan. It is not an acceptable plan, and we have to change it.

Briefly, I will add this. The warnings that are out there—Alan Greenspan, our former Chairman of the Federal Reserve Board, said in December that it is a little better than 50–50, but not much, that we won't have a debt crisis in this country in 2 to 3 years.

Moody's, the organization most famous for rating government debt and private company debt—you know, AAA is the highest rating—Moody's, in December, sent a warning letter that, unless the United States changes its trajectory of debt, our debt could be downgraded from AAA in less than 2 years.

The International Monetary Fund has said we have to reduce our structural deficit more than Greece. They have to go to a 9-percent improvement; we have to go to a 12-percent improvement. Only Japan, says the International Monetary Fund, is worse off than we are and has to take stronger action.

So this budget is no action at all. It is no alteration of the trajectory. It is unacceptable. As Congressman RYAN said, it is debt on arrival.

We cannot pass this budget. It is unthinkable that we would. The American people are ready for change. They are supporting Governors and mayors around the country who are making tough choices, bringing their States and cities up to speed and being more effective. They are doing that. These cities are not ceasing to exist.

We increased discretionary spending, nondefense discretionary spending, in the last 2 years under President Obama's leadership and the Democratic majority in both Houses, 24 percent—12 percent a year, on average. Well, at a 7-percent-a-year increase, the total budget doubled in 10 years. I guess at 12 percent it will probably double in 6 or 7 years. This is the trend we are on. We have to come off of that. We are going to have to reduce those numbers because we do not have the money.

But I will tell you, this economy has vibrancy. It is trying to come out of this recession. If we create some stability and permanence in our rules, eliminate unnecessary regulations, allow our energy prices to be competitive and create more American energy and all of the things that make sense to bring down costs and increase productivity, bring this debt under control, we will be surprised how strong we can bounce back. But this is not the path to do it. This is the unsustainable path that can lead to danger. The closer we get to it, the more dangerous we are.

So I believe it is time to change course. Where we are going to go, I just cannot say. I am rather stunned that the President's budget—I did not expect a very strong budget, but I expected one that would make a lot more progress than this. So I guess we are

all befuddled right now what our choices will be. All of us have to work at it, though, because the future of our country is at stake.

I yield the floor.

The PRESIDING OFFICER (Mr. MERKLEY). The Senator from Oklahoma.

Mr. COBURN. Mr. President, is there a pending amendment?

The PRESIDING OFFICER. The second-degree Hutchison amendment to the Inhofe amendment is pending.

Mr. COBURN. Thank you. Let me confine my remarks for a few minutes to how I see where we are from my perspective. My hope is that I can offer some amendments, at least get them pending, and then discuss with the chairman—I just discussed them with the ranking member—the disposition of those. I wonder whether the chairman has any comments on that.

Mr. ROCKEFELLER. I will be objecting to your amendments because you objected to the pending amendments, and there will be no reason to add more unless you lift your objection.

Mr. COBURN. I told them I would be happy——

Mr. ROCKEFELLER. I am very happy to listen to what you have to say.

Mr. COBURN. I told Senator LEAHY last night that I would be happy to lift my objection once my amendments were pending, and we can have a debate on his nongermane amendment.

Mr. ROCKEFELLER. I think the order has to be reversed.

Mr. COBURN. Well, if the chairman will assure me I will have the opportunity to, No. 1, debate Senator LEAHY's amendment——

Mr. ROCKEFELLER. I cannot assure that at this point. We have not arrived——

Mr. COBURN. Then I will continue with my objection.

Mr. ROCKEFELLER. If you have amendments you wish to offer—I think five—I am constrained to object to them.

Mr. COBURN. It is interesting. We have a nongermane amendment that is outside the bounds of the Constitution, doing something that is not the role of the Federal Government, that we are going to expand the cost at a time when we are bankrupt, and five germane amendments that actually lower the cost of the airport improvement fund, actually help NextGen in terms of money, help preserve the airport trust fund, and we are not going to be allowed to bring them up? If that is the way we are going to operate, then you can count on me, knowing procedure around here, that we will have a very difficult time moving ever to a Leahy amendment.

Mr. President, I came to the floor to discuss what we are trying to do and to be helpful in moving that along. I have now heard that I will not be allowed to offer these amendments or at least bring them up. I am going to discuss each one of them, and I will object to any unanimous consent moving forward on any area until we have an opportunity, as is the Senate tradition, to have a debate and bring up amendments. If we are not allowed to do that, then I am sure we are going to start going backward again.

Passing an FAA authorization bill, as the chairman and ranking member have tried to do, is a significant priority for Congress. We have a system of air traffic control that needs to be modernized. We have monies that we are putting forward to do that. We have not had the oversight, according to the inspector general, that is necessary for those programs.

In this bill, we have authorizations for moneys that are not priorities for this country at a time that we are facing a $1.6 trillion deficit, we have an unemployment rate in excess of 9 percent, and interest rates that are going to rise in the future.

My amendments, which I am happy to have voted on and voted down, lead us to a path that secures and enhances the airport improvement fund and the trust fund, makes common sense that 99 percent of the American people would agree with, excludes Alaska because it is a totally different animal when it comes to the Essential Air Service requirements, and will, in fact, enhance the trust fund. So I am very sorry the chairman refuses to allow my amendments to come up, but I will offer them and have him object in total.

What has to happen with every program in this country is that wasteful spending, low-priority spending, and duplicative spending has to be eliminated. Although I think the chairman and ranking member did a fairly good job on this bill, there are areas where we can eliminate wasteful spending, there are areas where we can eliminate duplicative spending, and there are areas where we can say: This can't be a priority now given the financial fix in which we find ourselves.

During our current budget deficit, the revenues coming into the airport trust fund are lower than expected, and we have this very real need on NextGen development. Congress has to limit somewhere and make a priority next year, and I think they have tried to go in that direction, and these amendments will do such a thing.

The first amendment I would like to talk about is the airport improvement Federal cost share reduction amendment. Across this country, we now have money being spent on low-priority projects in airports that have very little traffic or minimal traffic, and we are not spending money on the airports for safety and for the airports in which we have the vast majority of traffic. We have seen one program in particular where billions of dollars for low-priority projects have been spent.

I would just tell you, if we are ever going to get out of the jam we are in, some common sense has to be applied in that we cannot do everything everybody wants, and there is going to have to be some sacrifice in these areas.

The whole goal of this first amendment is to discourage low-priority, wasteful aviation projects that would not be funded by increasing the non-Federal cost share to just 25 percent over 3 years. In other words, it is 5 percent now, and so it is 95 percent of the government's money, and all we do is, over 3 years, move it to where you have to pay 25 percent. It is going to discourage a lot of low-priority projects because the communities or the States have to have a greater participation.

There is no program in the Federal Government that has a grant process and a funding process where the Federal Government pays 95 percent other than this program—not one. So we are encouraging money to be wasted on low-priority projects by maintaining 95 percent Federal funding. This gives us 3 years to adjust to 75 percent, which probably should be 50 percent but 75 percent given our fiscal issues.

Nonprimary airports could initially have up to 90 percent of their airport improvement projects covered by the Federal Government. In recent years, we raised that, under Public Law 108–176, to 95 percent. This is 20 percent higher than the same cost share for other airports qualifying for this $4 billion program. It is $4 billion a year.

Lest you think I am too critical, let me give you some examples. Two flights a day—two flights a day, noncommercial flights, just two private flights a day—is the average for Kentucky's Williamsburg-Whitley County Airport. We spent $11 million there to build an airport with a 5,500-foot lighted runway, a colonial-style terminal, and hundreds of acres for growth even though it does not have one airline passenger and averages two flights a day. Now, tell me, if you ask the average American: Should we spend $11 million there or should we make sure we can take care of the kids who do not have what they need in this country, should we spend $11 million there or not borrow another $11 million from the Chinese, should we spend $11 million there or should we, in fact, make sure the airport trust fund has the money to do high-priority projects, such as large airports or NextGen, which one would the average American think we should do?

Lest you think I am picking on Kentucky, Halliburton Field in Duncan, OK, got $700,000 for a pilot room and a reception room. We are building for private aviation with taxpayer money—a low priority. We are building a nice pilot room and a reception room for the private pilots who fly there. Now, tell me how that is a priority in our country today. That is my own State.

We are sending money down a hole because we refuse to make tough choices. All this amendment does is say: Let's move it from 95 percent, over 3 years, to 75 percent so we do not get the lower priority projects funded, because we are too generous with what

the Federal Government contributes. The chairman may not like it, but I will bet you the average American thinks it is a pretty smart thing to do given the state we are in.

All bets are off on the politics of this. I have never been accustomed to playing the politics of it at all, but there are just as many people on the left who think we ought to cut spending as there are on the right. America gets it. The only place that does not get it is here. And this does not do anything except enhance what can be done for higher priority issues within our aviation community. That is all it does. It is a small, simple step. And by rejecting or not allowing an amendment such as this to come forward, what we are saying is that we are going to keep kicking the can down the road; we are not going to pay attention to the American public. We are going to hide from the reality that is coming very soon for this country. We will not have any money to put into airport improvement programs. We will not have the money to fund a NextGen program. It will become a low-priority program unless we wake up and start doing what the rest of America recognizes we have to do; that is, start living within our means.

The next amendment is an amendment that is a bipartisan amendment between the Senator from Alaska and myself.

It is an earmark rescission amendment. All it says is the earmarks that have been out there, that the money hasn't been spent for over 9 years, giving 1 year for the agencies to decide whether they think that is so, should be rescinded. It puts $500 million, a half a billion dollars at a minimum, back in the public Treasury. Why would we not want to do that? We have $2.6 million sitting in Atlanta that can't be spent on anything except the 1996 Olympics. Why wouldn't we take back that $2.6 million? It was earmarked. It didn't get spent. But it is sitting out there in a hole. We can reverse that. Estimates are we will save a billion dollars. The conservative estimate at a minimum is $500 million. Yet we are not going to allow this amendment to be considered? It makes no sense.

The next amendment calls on us to sacrifice a little bit. The Essential Air Service Program has multiple subsidies where people can easily drive 1 hour and 20 minutes and get to a regional airport that doesn't require any subsidies. All this amendment does is move it to 100 miles from where it is today, which is 70. It moves it to 100 miles and says if you are less than 100 miles, you ought not be eligible, sometimes to the tune of $4 or $500 per person per flight, to have a subsidized flight when you could drive 70 minutes, 80 minutes, and have access to a ton of flights.

Again, it is priority. Is it priority for us to continue to spend money on a small group of airports, 36, that in no way pay for themselves, that are readily accessible throughout the country to major airports, and spend the kind of money we are spending?

Another amendment says if you have less than 10 emplanements a day, we ought to think about whether we are subsidizing Essential Air Service.

All these amendments are saying is, will we make the tough decisions. We can't do everything we want to do. Is it nice that we have an Essential Air Service Program so some people don't have to drive an hour? I guess so. What are we willing to sacrifice to get our house in order? These are little bitty amendments that will send a wonderful signal to the American public that we get it, we absolutely get it. And because we get it, we are going to make choices about priorities. We are going to enhance the airport trust fund. We are going to enhance the airport improvement program because we are going to take lower priorities off the board, which is exactly what they want us to do. They want us to focus on the big things, the important things, and they want us to cut the spending that is not absolutely necessary.

I can tell my colleagues, it is not absolutely necessary that we subsidize some of these smaller airports that are very close to regional airports or have less than 10 passengers a day. It is not absolutely essential. Would we ask some Americans to sacrifice? Yes. But do you know what will happen? We will all have to sacrifice before we get through this. The problem is the resistance in this Chamber and in this city. We don't want to make the hard choices. It is disappointing that we have not done that. We will have to do that. And we are either going to do it or somebody from the outside is going to tell us what we are going to do.

Then a fifth amendment—and I know the chairman will be against this amendment because it is his program that I am trying to eliminate—in the year 2000, we created another program called the Small Community Air Services Program. This is an amendment to repeal that. It was geared to help smaller communities enhance their air service in addition to Essential Air Service; in other words, make it more effective, to try to promote utilization, which is a good idea except it is not working. When we see the funds from this program, after the grant is over, do you know what happens? The airlines leave. They don't stay. They leave. So we are kind of spending money in a market that won't sustain what we are trying to put there, and then we are putting more money on top of it to try to promote it. When it doesn't work, what happens? We lose the Essential Air Service anyhow. It has happened in Oklahoma.

In this day and time that we live, we have to have an FAA bill. We can't continue to not have an FAA bill. Even if my amendments are voted down, considering that they are going to get a vote, I will probably support this bill. But it should be noted that we haven't gone far enough. We haven't made all the tough choices we need to make. I am highly disturbed that we take amendments that are absolutely germane and say they can't be offered because a time agreement, even though it has been agreed to, isn't disagreed to yet because the Senator from Vermont isn't on the floor.

I am going to offer the amendment and let the chairman object. Then I will utilize the procedures that are available to me as a Member of the Senate.

I ask unanimous consent to set aside the pending amendment and call up amendment No. 91.

The PRESIDING OFFICER. Is there objection?

Mr. ROCKEFELLER. There is objection.

The PRESIDING OFFICER. Objection is heard.

Mr. ROCKEFELLER. I would say to the Senator from Oklahoma, most of the pending amendments which are now pending have been objected to from his side of the aisle. I don't have any objection to looking at some of his amendments and seeing if we can vote on them. But I can't do that right now. I obviously can't give him any kind of consent right now.

It is a difficult situation. It is a sort of rolling veto type of situation. If objection is made, we can't have votes on amendments which are pending. I am willing to look at what he has suggested. As he talked through some of them, they sort of stung pretty hard in my State of West Virginia, but I am willing to look at them. But I can't do that without consent from folks on my side. So for the time being, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. COBURN. I thank the chairman. I will go on and allow him to object to further amendments I have so it will be in the RECORD that I did attempt to offer them.

I ask unanimous consent to set aside the pending amendment and call up amendment No. 80.

Mr. ROCKEFELLER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. COBURN. I ask unanimous consent to set aside the pending amendment and call up amendment No. 81.

Mr. ROCKEFELLER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. COBURN. I ask unanimous consent to call up amendment No. 82 and set the pending amendment aside.

Mr. ROCKEFELLER. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. COBURN. I thank the chairman for his words. I will take him at his word and work with him and allow him to look at some of these. There are only two airports in West Virginia that this would have an impact on. Both of them are less than 75 miles from the regional airport. They both have minimal emplanements daily. They are

over 10 but not far over that. The point is, we ought to help who we can help, and it ought to make economic sense. They are not targeted because there are 36 airports in here, actually, where the average American would say, this is nuts to spend the kind of money we are.

I thank him for the time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

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

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

Mr. NELSON of Nebraska. Madam President, I rise today in order to speak in support of the Essential Air Service Program and explain why the program truly is essential, especially in rural States. In Nebraska, our two largest airports are separated by only 63 miles in a State that covers 77,000 square miles.

This means that thousands of Nebraskans are hours away from a large or even medium-sized airport requiring them to drive several hours to take a flight.

Due to these geographical barriers, many Nebraskans rely on Essential Air Service to keep themselves and their communities connected to the Nation's transportation network.

In Nebraska, we have Essential Air Service airports in many communities including my hometown of McCook, Alliance, Chadron, Grand Island, Kearney, North Platte, and Scottsbluff. Without the EAS Program, you would see the many hours it already takes to get to any type of air service increased significantly for people in rural areas.

The cost to travel on one of these EAS flights would become so cost-prohibitive that many would not even be able to afford to travel. And, quite frankly, there would probably be many cases where EAS airports would struggle to exist.

But the EAS Program isn't simply about cutting hours off a driver's time to make a flight. It is also about economic development in rural areas and job creation.

EAS promotes accessibility and growth in rural communities and in the surrounding rural areas—and I have seen the impact air service can have on a community's ability to attract employers firsthand.

When I was Governor of Nebraska, one of the first questions many companies would ask when they wanted to bring a manufacturing plant or warehouse distribution complex to town would be what is the air service situation in the area.

Because of these EAS airports, I could respond that the area provided an air service transportation option which gave these communities a job creation recruiting edge. But don't just take my word for it. Listen to other Nebraskans who are saying the same things about how important the essential air program is to their communities.

For example, John Chizek, the mayor in Chadron, NE has said:

> As the Mayor and lifetime resident of Chadron I believe it is essential to continue support of the Essential Air Service Program. As a community we are active in the recruitment of new business. I firmly believe we have a unique atmosphere to offer to businesses looking to move or expand. Our county was recently identified as the poorest in the State and any limitations place on us by reducing EAS support will only hinder our hopes of growth.

Darwin Skelton, the airport director at Western Nebraska Regional Airport, has said:

> Essential Air Service is very important to Western Nebraska Regional Airport and Western Nebraska as a whole, without this funding we would not have commercial air service to our community. We have many businesses in this community that use this airport (i.e. Aurora Loan Service, Vertex, Regional West Medical Center, Twin City Development, just to name a few).
>
> When they are told of this plight, I am sure you will be receiving letters of support from many businesses/organizations from around the area . . . small, more rural markets need air service to grow and maintain connections with larger hubs and doing away with Essential Air Service would be saying to rural America that they are not valued as an important part of air service in the United States.

Kyle Pothoff, public works director for the city of McCook, said:

> Having access to commercial air service is critical to the economic stability of communities like McCook and without this service it would make recruiting new businesses very difficult.
>
> A statement that I have recently heard is that economic development does not come by bus or train, it comes by air. This statement could not be more true.

Finally, Dave Glenn, CEO of Pathology Services in North Platte, said:

> With the economy finally showing signs of improvement, loss of EAS funding for airports like North Platte (LBF) would be disastrous. Pathology Services, P.C. serves 18 hospitals and over 50 clinics in Central and Western Nebraska, Northwest Kansas, and Northeast Colorado. To provide the Medicare required pathologist services, we rely on using our general aviation plane based at the North Platte airport.
>
> Our hospital has also recently started a medical helicopter service which helps meet the health care needs of patients. Without EAS funding our business and the health of our citizens would be negatively impacted.

I am well aware that the Essential Air Service does have its critics who are concerned about providing government funding support to keep air service in rural America. Certainly a review of all government supported programs to find efficiencies and ways we can make a program run better and spend less I am always open to. But to simply try and eliminate the Essential Air Service Program which is a driver of economic activity in my State, as you can clearly see from these Nebraskans' stories, is the wrong approach. Essential Air Service truly is essential to rural Nebraska and rural America and why I oppose any efforts to eliminate this important program.

Ms. SNOWE. Madam President, I rise today, with my colleagues, Senator COLLINS, COBURN, and BROWN of Massachusetts to discuss an amendment to the S. 223, the FAA Air Transportation Modernization and Safety Improvement Act. Currently this bill contains language which adjusts for inflation the personal net worth cap in the Small Business Administration's 8(a) program. This would expand the net worth level established by the SBA in 1989 from $750,000 to approximately $1.4 million. Our amendment aims to strike that language from the bill.

In March of 2010, the Government Accountability Office, GAO, issued a report detailing extensive fraud within the 8(a) program. The report revealed that 14 ineligible firms received $325 million in sole-source and set-aside contracts even though these firms were not eligible for the 8(a) program. As ranking member of the Senate Committee on Small Business and Entrepreneurship, I take very seriously our committee's responsibility of vigorous oversight and am concerned with efforts to expand the SBA's 8(a) program when these issues have not been fully vetted through the regular order in the Small Business Committee. Moreover, there has not been a hearing to examine the GAO reports of fraud.

The SBA's 8(a) program is designed to help socially and economically disadvantaged small businesses gain access to Federal contracting opportunities. I support these goals and applaud the Federal Government for consistently meeting the goal for small disadvantaged businesses. However, I am deeply troubled by the program's current vulnerabilities to fraud and abuse which results in legitimate firms being excluded in favor of bad actors who have infiltrated the program. This is not a partisan issue. I recently sent a letter along with SBC Chair MARY LANDRIEU to Administrator Mills' where we stated unequivocally that our first priority in the 112th Congress is to ensure the SBA is taking the requisite steps to purge the contracting programs of any and all fraud and abuse.

When calculating an individual's net worth, the SBA currently excludes the value of their primary residence and the equity in the 8(a) company. The language contained in the FAA bill would result in allowing potential multimillionaires to be considered economically disadvantaged. Therefore, I wonder about the further effects this change would have on the program. I question whether expanding the net worth would result in crowding out of business owners with significantly lower net worth. Additionally, I worry lower income individuals would be at a disadvantage competing with those with substantially more resources.

In light of all these concerns, I fear the current net worth expansion is

fraught with unintended consequences and ignores the recent reports of fraud in the 8(a) program. I urge my colleagues to support the Snowe-Collins-Coburn-Brown amendment to strike this language.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant editor of the Daily Digest clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, we have been working through this bill. I congratulate our manager, Senator ROCKEFELLER, who is one of the most experienced people in the Senate and is a good manager. He has worked well with Senator HUTCHISON, comanager of the bill. We have made significant progress. We have a few amendments on which we are trying to work a way to the end of this. I hope we can work out an agreement to complete this legislation maybe as early as tomorrow morning sometime. If we can't, the first cloture vote is tomorrow, and we will see what happens after that.

Everyone should understand. It is Wednesday. Tomorrow is Thursday. I know a lot of people have arrangements because we have a home work period the following week. We want to go home, if at all possible, late tomorrow night or early Friday morning, but we can't do that if there is work left to be done on this bill. I hope we can work something out so we can finish tomorrow. It would certainly be doable.

We know what we have left. Work on the different issues has been extremely difficult and time-consuming, but we have settled most everything on the Senate floor, as we are supposed to do.

There will be no more rollcall votes tonight. We hope we can move forward to complete work on this most important piece of legislation tomorrow. This legislation is extremely important for our country.

Let's keep in mind, this deals with people. Almost 300,000 jobs will be created or saved with this legislation. I repeat what I have said on the Senate floor once before. McCarran Airport in Las Vegas is the sixth busiest airport in the country. The manager of that airport, Randy Walker, when asked about this bill last week, said: If it passes, we will finally be able to stop using World War II technology to land and have airplanes take off.

It is not just McCarran in Las Vegas. At every airport in the country it is the same thing, World War II technology. We will be able to have a passengers' bill of rights. It is a very fine piece of legislation that has been years in the making. We are too close to the end of this to walk away. We have to finish this bill. It means jobs, real jobs, not make believe jobs.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. REID. I now ask unanimous consent the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

COMMITTEE ON INDIAN AFFAIRS RULES OF PROCEDURE

Mr. AKAKA. Mr. President, I ask unanimous consent to have printed in the RECORD the Committee on Indian Affairs Rules of Procedure.

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

Rule 1. The Standing Rules of the Senate, Senate Resolution 4, and the provisions of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, as supplemented by these rules, are adopted as the rules of the Committee to the extent the provisions of such Rules, Resolution, and Acts are applicable to the Committee on Indian Affairs.

MEETING OF THE COMMITTEE

Rule 2. The Committee shall meet on Thursday while the Congress is in session for the purpose of conducting business, unless for the convenience of the Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he may deem necessary.

OPEN HEARINGS AND MEETINGS

Rule 3(a). Hearings and business meetings of the Committee shall be open to the public except when the Chairman by a majority vote orders a closed hearing or meeting.

(b). Except as otherwise provided in the Rules of the Senate, a transcript or electronic recording shall be kept of each hearing and business meeting of the Committee.

HEARING PROCEDURE

Rule 4(a). Public notice, including notice to Members of the Committee, shall be given of the date, place and subject matter of any hearing to be held by the Committee at least one week in advance of such hearing unless the Chairman of the Committee, with the concurrence of the Vice Chairman, determines that holding the hearing would be non-controversial or that special circumstances require expedited procedures and a majority of the Committee Members attending concurs. In no case shall a hearing be conducted with less than 24 hours notice.

(b). Each witness who is to appear before the Committee shall submit his or her testimony by way of electronic mail, at least 48 hours in advance of a hearing, in a format determined by the Committee and sent to an electronic mail address specified by the Committee.

(c). Each Member shall be limited to five (5) minutes of questioning of any witness until such time as all Members attending who so desire have had an opportunity to question the witness unless the Committee shall decide otherwise.

(d). The Chairman and Vice Chairman or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such time as the Chairman and Vice Chairman or the Ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5(a). A legislative measure or subject shall be included in the agenda of the next following business meeting of the Committee if a written request by a Member for consideration of such measure or subject has been filed with the Chairman of the Committee at least one week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee to include legislative measures or subjects on the Committee agenda in the absence of such request.

(b). Any bill, resolution, or other matter to be considered by the Committee at a business meeting shall be filed with the Clerk of the Committee. Notice of, and the agenda for, any business meeting of the Committee, and a copy of any bill, resolution, or other matter to be considered at the meeting, shall be provided to each Member and made available to the public at least three days prior to such meeting, and no new items may be added after the agenda is published except by the approval of a majority of the Members of the Committee. The notice and agenda of any business meeting may be provided to the Members by electronic mail, provided that a paper copy will be provided to any Member upon request. The Clerk shall promptly notify absent Members of any action taken by the Committee on matters not included in the published agenda.

(c). Any amendment(s) to any bill or resolution to be considered shall be filed with the Clerk not less than 24 hours in advance. This rule may be waived by the Chairman with the concurrence of the Vice Chairman.

QUORUM

Rule 6(a). Except as provided in subsection (b), a majority of the Members shall constitute a quorum for the transaction of business of the Committee. Except as provided in Senate Rule XXVI 7(a), a quorum is presumed to be present unless the absence of a quorum is noted by a Member.

(b). One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure or matter before the Committee.

VOTING

Rule 7(a). A recorded vote of the Members shall be taken upon the request of any Member.

(b). A measure may be reported without a recorded vote from the Committee unless an objection is made by a Member, in which case a recorded vote by the Members shall be required. A Member shall have the right to have his or her additional views included in the Committee report in accordance with Senate Rule XXVI 10.

(c). A Committee vote to report a measure to the Senate shall also authorize the staff of the Committee to make necessary technical and conforming changes to the measure.

(d). Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only for the date for which it is given and upon the terms published in the agenda for that date.